

# URA ACHIEVES 93% HALF-YEAR REVENUE TARGET

By Nelson Mandela Muhoozi

Uganda Revenue Authority (URA) collected a total of sh16.84 trillion in the second quarter of the financial year 2025/2026, achieving a 93.69% performance against the set target of sh17.978 trillion.

The performance represents an 8% growth in revenue compared to the previous financial year 2024/2025.

The authority explained that the shortfall of sh1.134 trillion was due to slowed activity during the election period and limited integration between URA systems and other government platforms, which it said continues to constrain effective revenue collection.

While presenting the ministerial policy statement to the parliamentary committee on finance, planning and economic development yesterday, Abel Kagumire, the commissioner of the executive office operations at the authority, said domestic and international trade revenue streams drove the half-year performance.

The authority collected sh10.926 trillion in domestic taxes against a target of sh11.721 trillion, achieving 93.2% of the target and



Ssemujju

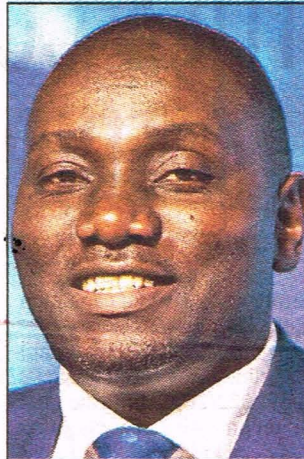
growing by 7.55% compared to the previous financial year.

On the other hand, the international trade revenue stream collected sh5.917 trillion against a target of sh6.256 trillion, registering a 94.5% performance and an 8.8% growth.

## SH41 TRILLION TARGET SET

In the financial year 2026/2027, URA seeks sh877.396b to boost revenue collection. The authority said it has set its target even higher, with a total revenue projection of sh41.513 trillion.

This is a significant increase of sh4.286 trillion over the current year's target. To achieve



Kagumire

## TAX BASE EXPANSION

Abel Kagumire, the commissioner of the executive office operations at Uganda Revenue Authority, said they registered more Ugandans into its taxpayers' register, enrolling 236,673 new taxpayers during the period, which represents a 4.5% growth in the taxpayer registry.

"Compliance remains a priority, with on-time filing ratios for pay as you earn (PAYE) and value added tax (VAT) standing at 86.4% and 87.74% respectively, against a target of 90%," he said.

this, Kagumire said several key strategic investments in various areas will play a major role, including infrastructure development, technology and compliance systems.



Musasizi

## MPS HAVE THEIR SAY

During the interaction, members of Parliament commended URA for the performance, which they said deserves recognition, but also raised key concerns around



Pacuto

slow revenue growth.

While commenting on the authority's key planned activities for the financial year 2026/2027, Jane Avur Pacuto, Pakwach District Woman representative (NRM), lauded URA for the job well done.

However, she noted that when you move around Kampala, there are too many bonded warehouses, which store goods for a longer time than is allowed, thereby delaying revenue collection.

Ibrahim Ssemujju, the Kira Municipality legislator, asked why the authority keeps spending a substantial amount of the taxpayers' money on renting even when it owns a

building at Nakawa.

Ssemujju also questioned the planned expenditure on welfare and entertainment at sh23.2b, workshops, meetings and seminars at sh13.4b and medical expenses at sh20.27b.

## CHALLENGES

The state minister for finance in charge of general duties, Henry Musasizi, said the main issue with revenue collection emanates from the challenges faced by the country and the East African Community (EAC) at large.

"We have an issue of smuggling. We are not alone in the EAC. Therefore, if we introduce a tax measure far above what other countries have, we create an opportunity for this vice," he said.

Musasizi said persistent challenge, is business informality. He said that businesses fear getting registered because URA will go after them.

"But we want as many people as possible to operate informally. Then another challenge is around trade facilitation through transport. We can't achieve much when we are not working on our transport system. Traffic on Jinja Road is terrible, and we should find solutions," he noted.