



Dear Reader, the citizens took to the streets early December 2016 in a demonstration appealing to the President not to assent to the income tax amendment Bill. Little did they know that the President had already signed the bill. Its however not yet over, as you will read in this publication. Enjoy! (File Photo)

All is set for the Legal battle against MP-Tax Exemptions!



The civil society fraternity under the Tax Justice Alliance have lined up a team of legal experts to take the Government of Uganda to Court on the illegality surrounding the amendment in the income Tax Act that exempts legislators from paying taxes on their allowances.

“On behalf of the Tax Justice Alliance and all the over 4 million citizens that petitioned H.E the President of Uganda not to assent to the proposal that would impede MPs from paying income tax on their allowances, we learnt with great disappointment that the Income Tax (Amendment) Bill, 2016 was actually signed into law on the 19th November 2016. Like promised earlier, the struggle to achieve a fair and just taxation system has just started. We demand that the law is immediately gazetted so that we begin the legal battle”, read part of the press statement issued last week.

In a rather shocking development, President Yoweri Museveni signed a bill exempting Members of Parliament from paying tax on their allowances into law. While opening the final sitting before Parliament broke off for the holidays last December, Speaker Rebecca Kadaga told the legislators to their delight that the Head of State had finally bent to their pressure and signed the bill. This broke the silence that had surrounded the where abouts of the bill. As a result, Ugandans will lose more than Shs41.58b in additional revenue if the law remains as is.

With the Uganda Law Society on board as strong allies, the Tax Justice Alliance is optimistic that they will win the legal battle and the law will be scrapped. The MPs' move to amend the tax law was in response to the Commercial Court ruling ordering the Parliamentary Commission to deduct tax from MPs' emoluments dating back to 2004. This judgment, however, infuriated MPs after they realised that each would cough up to UGX 9m in Pay-As-You- Earn (PAYE), translating into UGX 41.5b annually. Parliament appealed the judgment but MPs moved to act even before Court had ruled on the matter.

The ActionAid Policy and Campaigns team that was part of the coalition of activists that gathered more than five million signatures urging the President not to assent to the Bill, were extremely disappointed by Mr Museveni's U-turn. In May last year, Mr Museveni had written to Speaker warning that MPs lack the “moral right” to exempt any of their emoluments from taxes and that doing so “would send a dangerous message” with other Ugandans joining the bandwagon to demand for a tax freeze on their emoluments.

During the consideration of the tax Bills in the 9th Parliament, Rubanda East MP Henry Musasizi, moved the disputed amendment to Income Tax (Amendment) Bill 2016, in which Parliament amended Section 21 (1) of the Income Tax Act, Cap 340, to exempt the employment income of members of Parliament, except salary from being taxed. This move however, provoked public outrage and projected parliamentarians as “greedy and insensitive” to the plight of the poor.

We look forward to a successful legal process.

She can smile gain: Shylet



Last week, the ActionAid Bwaise Gender Based Violence Shelter staff were engulfed in emotional hugs and tears of joy as they finally resettled shylet to her home country in Zimbabwe.

Above: Shylet with her children aboard a taxi to the airport!

shylet, a mother of four including a set of triplets was admitted at the shelter in August last year. She had experienced both emotional and physical violence from her rich and influential husband, a South Sudan National.

“I walked into ActionAid helpless. I could barely feed my four children. My heart was breaking as I looked on helplessly as they went without meals”, she said adding that her husband not only physically and emotionally abused her but also frustrated all her hopes of getting employment.

“He was not providing for us at all and yet whenever I attempted to find something to do to earn a living, he would scare off my prospective employers”, she narrated. shylet is a University graduate.

As she packed her bags last week to head to the airport and return to her home country, she simply lacked enough time to speak about ActionAid, a place she has called home for the last six months.

“This has been home. They have counselled us, they have given us meals and a decent place to sleep. My children have played and for the very first time experienced a violence free childhood. They have treated me, not as a GBV survivor but as a lady with respect and dignity. Thank you ActionAid”, she said.

As shylet and her children boarded the car to the airport, she couldn't help but cry as she uttered the words;

“You people are very nice. Am going home, not as an abused woman but as a happy dignified woman. Continue helping other women” she said as she wiped away her tears

According to Florence Akol, the Shelter legal and Program Officer, AAU extended to Shylet a minimal start-up capital to facilitate her resettlement back home in Zimbabwe. She said that her resettlement and total healing was made possible with support from IOM.

“This has been one of the most challenging cases that we have handled at the shelter. This is because of the high profile of the perpetrator but also the high costs including the air tickets to Zimbabwe. We appreciate all our partners who have made this happen. Our gates remain open to all women and children being abused” she said.

Partner funds ready for disbursement

Last Week, AAU conducted a peer review of both national and local partner organizations' plans and budgets in preparation for this year's funding.

The process on the whole was less hectic as partners demonstrated improved programming and budgeting.

“Above all, they thought out of the box in their programming and majorly responded to the justices in the community. This was impressive”, noted Fional Awili, the Partnerships Officer.

By the end of this month, all partners will have received the funding for the first two quarters.

The realism of President Trump's executive orders!

Today, we bring to you a blog from one of the ActionAid staff in the USA. He speaks from his heart about the President's executive orders and what it means to him.

“I'm a six-foot-four, middle-eastern, Muslim man. I have a beard and brown skin and I fast during Ramadan. I'm a first-generation American born to parents that immigrated to the U.S. in the 1970s. And I value inclusion, humanity and dignity. Does that seem radical?” [Click here for the full blog and stand in solidarity with the Americans.](#)

WEEK AHEAD:

- This Week, ActionAid is conducting a Country Strategic Paper Five (CSPV) reality check with staff and key stakeholders. This is part of the CSPV development process. The strategy is supposed to be ready for approval by the General Assembly in June this year.