

# NAMAYINGO DISTRICT LOCAL GOVERNMENT

## DISTRICT REVENUE ENHANCEMENT PLAN – 2021-2022

### CHAPTER 1: INTRODUCTION

#### 1.0 General Background

Decentralization is central to Uganda's mode of governance as spelt out in the 1995 Constitution and the 1997 LGA Cap, 243.

Article 191 of the Constitution of the Republic of Uganda empowers Local Governments to levy, charge, collect and appropriate fees and taxes in accordance with any law enacted by parliament. This power to levy taxes, including property rates, ground rents, royalties, stamp duties, registration and licensing fees etc., is echoed in Section 80 and the fifth schedule of The Local Governments Act Cap. 243.

The Local Governments Act Cap 243 Second Schedule stipulates the functions and services of Local Governments. Part 2 illustrates the function and services for which the District councils are responsible, subject to article 176(2) of the Constitution and sections 96 & 97 of the Act.

Local revenues are used to co-finance, maintain and sustain investments, service loans, facilitate council operations and finance other priorities areas specific, including but not limited to promoting autonomy.

Local taxes also regulate and control the proliferation of certain businesses, and also reduce reliance on central government and donor grants. They promote accountability to the community resulting into guaranteed and improved quality of services and sustainability of service delivery.

It is this obligation for effective service delivery that necessitates Namayingo District Local Government to prepare a District Revenue Enhancement Plan (DREP) – charging policy for the above captioned period to reflect all anticipated sources and the revenue administration mechanisms. The DREP is an integrated document that takes consideration of similar plans made at lower local governments.

**Location:**

Namayingo District is located in the South Eastern part of Uganda. The Districts along its borders are Busia in the East, Bugiri in the North West and Mayuge on the West. The District internationally borders Kenya to the East and Tanzania to the South.

Namayingo Town Council is the biggest commercial centre in the District. The district is 216 Kilometer away from Kampala along the newly constructed Musita – Lumino road.

**Land area**

It has a total area of 3,979.9 km<sup>2</sup> with about 507.9 km<sup>2</sup> of land and the rest occupied by water, swamps and papyrus cover by Lake Victoria.

**Administrative set-up**

Namayingo District is composed of three counties of Bukooli South, Namayingo south and Bukooli Islands whereby each form a constituency hence three (3) constituencies, with a total number of 9 sub counties namely Banda, Buhemba, Buyinja, Buswale, Mutumba, Sigulu, Bukana, Lolwe, Namayingo Town Council and some 2 newly formed but awaiting full operationalization in Banda and Mutumba town councils. The District has 43 parishes and 306 villages.

**The Economy**

Like many Districts in Uganda, the economy of Namayingo is dependent on Agriculture, which employs over 90% of the total population. Fertile soils and suitable climate combined support the cultivation of a number of crops in most parts of the district. Agriculture is mainly subsistence and takes place on smallholdings of approximately 1 acre. Cultivation is mainly done using simple farming tools (hoes, pangas and animal traction). Only 1% of the population is engaged in commercial agriculture. Family members constitute the single most important source of labour.

The other major source of livelihood is fishing and fisheries related activities as this is evident on the total area occupied by water, swamps, and papyrus cover on Lake Victoria. However, illegal

fishing practices hampered with unfit boat sizes has automatically put the residents on the bad side of the law

### **Authority for revenue collection**

The council shall levy, charge and collect fees, revenue, including revenue registration and licensing fees or any other revenue referred to in the fifth schedule to the Act.

The Chief Executive conducts proper assessment of the Council's revenue regularly. In order for proper assessment to be carried out, the process should start with the enumeration exercise conducted by a team of enumerators who should record all the sources of income for each individual tax payer in the LLG.

Local Government's revenue is regulated by The Constitution, Sec 80 of the LGA CAP 243 and the fifth Schedule to the LGA. Each Local Government Council shall collect revenue in accordance with the provisions of the schedule which is collected by authorized persons in accordance with Part IV of The Local Government Financial and Accounting Regulations. Revenue collectors shall issue official receipts or licenses in serial number order in respect to revenues received.

Revenue shall be collected by sub county councils, which shall retain sixty-five per cent (65%), or any other higher percentage as the District Council may approve, and remit the remaining percentage to the District.

The District Council shall appropriate resources collected in accordance with The Public Finance Management Act 2015, Public Finance Management Regulations 2016 and LGFAR 2007.

### **Rationale for the District Revenue Enhancement Plan**

It has been noted that over the years, the performance of Local revenue in the area has been very poor as most Local Governments have been recording declining collections. Some of the reasons for the decline in locally raised revenue that should be highlighted include poor management and administration of revenues, low sensitization of the tax payers, absence of a revenue data base.

The presence of a well thought out and easy to implement District Revenue Enhancement Plan has a number of advantages that include;

- Ensuring a coordinated approach to revenue generation by the local council
- Being able to measure progress against plan
- Justifying technical and financial proposals and requests to council, government, and potential donors.

## **SOURCES OF REVENUE**

### **Local Revenue Codes and Narratives / Explanations**

<b>Codes</b>	<b>Local revenue sources</b>	<b>Narration</b>
111440	Local Hotel Tax	This includes charges to revenue generated from hotel and lodging business
111106	Local Service Tax	This includes charges to revenue generated from income generating activities
113101	Land fees	This includes application fees, lease offer and land premium
114508	Other licenses	This shall be credited with proceeds in respect of fees on the issue of all licenses. They include business licenses, liquor licenses, charcoal burning licenses, etc
142201	Park fees	This captures receipts from taxi, motor cycles, lorry park fess, Taxi/bus park fees and boat parking fees
142206	Animal & crop husbandry related levies	This shall be credited with proceeds in respect to cattle branding, movement of livestock permits, quarantine charges, slaughter fees and the like
142212	Agency, valuation and tender fees	This captures loan processing fees and tender fees payment
142214	Market Charges	This captures receipts in respect of market gate charges, market fees, market due receipt books and other related charges
142219	Other fees and charges	This contains other fees and charges not included elsewhere such <ul style="list-style-type: none"> <li>• Water user charges contributed at village level</li> <li>• Medical fitness tests</li> <li>• Group registration fees</li> <li>• Property tax</li> <li>• Sale of government assets</li> <li>• Hire of government assets</li> </ul>
142221	Nomination fees	This contains revenue from nomination fees to contest in public political offices

### Revenue Best Practices by Source

S/NO	SOURCE OF REVENUE	PRACTICES IDENTIFIED	REMARKS
1	Land fees	<ul style="list-style-type: none"> <li>• Payment of premium and lease offer fees through bank</li> <li>• Registration of all lands</li> <li>• Application fees paid under agency banking.</li> </ul>	These practices are to be adopted.
2	Business Licenses	<ul style="list-style-type: none"> <li>• Identifications of the various forms of business licenses.</li> <li>• Sensitizing the tax payers on payment of revenue</li> <li>• Implementation of the Trade (Licensing) Act</li> <li>• Payment through bank</li> <li>• Procurement of Trading licenses</li> <li>• Developing a charging policy per year</li> </ul>	These practices are to be adopted.
3	Sale of (produced) government properties	<ul style="list-style-type: none"> <li>• Valuation of property</li> <li>• Assessment of Tax accruing</li> <li>• Determining the chargeable rate by council</li> <li>• Tendering</li> </ul>	These practices are recommended for adoption
4	Parks	<ul style="list-style-type: none"> <li>• Tendering and/ or contract management</li> <li>• Payment done on the sub county collection a/c</li> </ul>	The practice is to be adopted
5	Agency, valuation and tender fees	<ul style="list-style-type: none"> <li>• Charging of loan processing fees by the loan applicant before endorsement</li> <li>• Receipt to be issued by the District Cashier upon presentation of a valid bank slip</li> </ul>	Practice to be adopted
6	Markets	<ul style="list-style-type: none"> <li>• Tendering the facilities on a six-month basis</li> <li>• Payment of market rental fees on the sub county collection a/c</li> <li>• Maintaining an up to date revenue/ market register</li> <li>• Assessment of markets</li> <li>• Purchase of market land and infrastructure development</li> <li>• Issuance of market due receipt books</li> </ul>	Practice to be adopted
7	Fishing licenses	<ul style="list-style-type: none"> <li>• Identification of revenue collector's for FMPS</li> <li>• FMPS to be collected in support of the fisheries staff</li> </ul>	To be adopted

8	Local Service Tax and Local Hotel Tax	<ul style="list-style-type: none"> <li>• Enumeration of tax payers and hotels</li> <li>• Tendering and/ or contract management</li> <li>• Assessment annually</li> </ul>	These practice is yet to yield results
9	Other fees and charges	<ul style="list-style-type: none"> <li>• Medical user charges directly deposited on the collection a/c</li> </ul>	The practice has been adopted and is effective
10	Other licenses (public health, operational permits, charcoal burning, licenses and other)	<ul style="list-style-type: none"> <li>• Enumeration/registration of tax payers</li> <li>• Assessment annually</li> </ul>	Yet to be explored to full potential
11	Miscellaneous revenue	<ul style="list-style-type: none"> <li>• Interest from banks</li> <li>• Widening the revenue base</li> </ul>	Practice to be tested

## CHAPTER 2: LOCAL REVENUE SITUATIONAL ANALYSIS

Today's organization must respond to a variety of internal and external pressures. This is termed as the organization's total environment. It is useful to consider as a starting point what environmental influences have been particularly important in the past and the extent to which changes occurring that may make any of these more or less significant in the future for the District.

### 2.1 INTERNAL SITUATIONAL ANALYSIS

**Table 3: Showing the 7 S's of Strategy Formulation and Implementation**

Issue	Weakness and strength
Staff	<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Competent and qualified staff available with revenue mobilization skills</li> <li>• An enabling legal and regulatory frame-work in the PFMA 2015, LGFAR, 2007, LG Act etc.</li> </ul> <p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>• Inadequate staff to exhaustively handle local revenue administration mainly at parish level.</li> </ul>

	<ul style="list-style-type: none"> <li>Revenue collectors not yet appointed as mandated by LGFAR, 2007 (parish chiefs, forestry staff, etc.)</li> </ul>
Skills	<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>Competent and qualified staff available with revenue mobilization skills</li> </ul> <p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>Lack of compliance with the LGFAR and LGFAM 2007</li> </ul>
Strategies	<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>Formulation of the District Revenue Enhancement Plan for the FY2020/2021</li> <li>Routine meetings for the District Revenue Enhancement Committee</li> <li>Conducting monthly Technical Planning Committee meetings</li> </ul> <p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>Incomplete compliance to strategies as formulated in the District Revenue Enhancement Plan.</li> </ul>
Structures	<p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>Poor attitude by players at sub county level in local revenue administration.</li> <li>The geography of the district with 60% water body makes it expensive to promptly navigate and monitor all revenue points to avoid leakages of revenue.</li> </ul> <p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>Regular sensitization of the revenue collectors.</li> </ul>
Systems	<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>Enumeration and assessment exercises expedited and revenue data available for present and future</li> </ul>

	<p>use</p> <p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>• Inadequate control systems formulated to assess performance</li> </ul> <p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Registration of business persons to be completed.</li> <li>• Assessment exercise paramount to determine expected revenue.</li> <li>• Collection and enforcement should be routine.</li> <li>• Communication and accountability to tax payers</li> </ul>
Styles of management	<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>• Participatory approach.</li> <li>• Wide consultation needed to stimulate ideas</li> </ul>
Shared values	<ul style="list-style-type: none"> <li>• Meetings and seminars</li> <li>• Team work and team spirit.</li> <li>• Goal congruent.</li> <li>• Professionalism</li> <li>• Transparency and Accountability</li> <li>• Ethics and integrity</li> </ul>

## 2.2 EXTERNAL SITUATIONAL ANALYSIS

This analysis is used to examine the differential impact of external influences on the organizations, either historically or in terms of likely future impact. This approach builds on the identification of key trends or influences and asks to what extent they will affect different organizations differently.

**Political Environment:** These include Taxation policy, government stability and the regulatory framework in Local Revenue Administration. We need to know what tax or other incentive are being developed that may affect the designed strategy?



**Economic Environment:** This includes interest rates, inflation, business cycle, unemployment, disposable income, energy availability and cost, banking services as well as the general state of the economy. Do the variables affect the strategy?

**Social cultural Environment:** This includes population demography, social mobility, income distribution, lifestyle changes, attitude to work and leisure, levels of education and consumerism. Does the trend represent opportunities or threats?

**Technological Environment:** This is influenced by government spending on research, new discoveries and development, speed of technological transfer and rates of obsolescence.

<b>Environmental Factors</b>	<b>Opportunities or threats</b>
Political	<p><b>Opportunity</b></p> <ul style="list-style-type: none"> <li>• The current Policy, Legal and Regulatory Framework for Local Revenue Administration is conducive and enabling for effective and efficient collection</li> <li>• The district enjoys a stable political environment</li> </ul>
Economical	<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• The district has rehabilitated and opened roads to facilitate transportation of goods and services</li> </ul> <p><b>Threats</b></p> <ul style="list-style-type: none"> <li>• The COVID-19 pandemic has paralyzed economic productivity</li> <li>• The occasional rise in the volumes of Lake Victoria to the extent of sub-mugging shore line markets and some islands.</li> <li>• Rising prices of goods and services - inflation</li> <li>• High levels of unemployment among the youth and adults</li> <li>• Inadequate disposable income</li> </ul>

	<ul style="list-style-type: none"> <li>• Lack of energy to transform the economic state and high cost involved for the alternative</li> <li>• High costs of revenue collection especially on the islands</li> <li>• Lack of gazetted market places on land owned by the sub-county</li> </ul>
<p><b>Social cultural</b></p>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>• The greatest percentage of the population is characterized of children who are below the age of 18 - dependents and this implies no revenue potential</li> <li>• Income distribution has significantly impacted on local revenue administration in that those of higher income brackets pay the same amount of tax at a given level</li> <li>• Luxuries lifestyle changes are highly susceptible to tax evasion</li> <li>• People with poor attitude to work have low / no taxable revenue</li> <li>• Low levels of education manifest into no taxable unemployment income.</li> <li>• Poverty and underdevelopment</li> </ul> <p><b>Opportunity</b></p> <ul style="list-style-type: none"> <li>• The improved infrastructure in form of roads and electricity will attract the development of new urban centres and hence economic activity.</li> <li>• The presence of the lake has increased settlement around lake shores and islands creating trading centre, markets</li> </ul>
<p><b>Technological</b></p>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>• There are no government and private sector survey on income distribution. This poses a threat to revenue enhancement</li> <li>• We have never conducted an enumeration and registration, assessment of revenue potentials and tax payers. This</li> </ul>

	<p>implies that we cannot predict the future with certainty.</p> <ul style="list-style-type: none"> <li>• Lack of accurate and timely statistical data relating to business activity</li> </ul>
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### 2.3 EXPECTATIONS AND INFLUENCE OF STAKEHOLDERS

A stake holder is someone who has an interest in the well-being of the organization. A typical list of stakeholders for districts include Local Government Finance Commission, Council, District Executive Committee, Standing Committees, District Revenue Enhancement Committee, Managers – Chief Executive and Head of Finance, Donors, tax payers/clients, private sector especially the potential revenue collectors, suppliers, managers, employees etc. It is important that all the stakeholders know their individual roles, and also the roles and responsibilities of other stakeholders as this reduces duplication, promotes synergy and inter/intra entity corporation and collaboration.

- **Local Government Finance Commission:** Article 194 of the Constitution of the Republic of Uganda provides for the establishment of a Local Government Finance Commission whose duties include considering and recommending to the president potential sources of revenue for local Governments. We need to engage the commission in the revitalization of the vessel licenses which used to fetch substantial local revenues as the district has  $\frac{3}{4}$  occupied by Lake Victoria.
- **Council:** Council exercises general control over public revenues of Council in accordance with LGA, LGFAR 2007 and other instructions issued by a competent authority.
- **District Executive Committee:** They initiate and formulate policies and projects (charging policy, revenue enhancement plans/policies, ordinances and byelaws, etc) for consideration and approval by Council.
- **Standing Committees:** The functions of standing committees in respect of local revenue administration include reviewing finance related bills for ordinances or byelaws; monthly revenue and expenditure returns; contracts committee and other reports; and making appropriate recommendations to Council.

- **District Revenue Enhancement Committee (DREC):** The Committee provides the human resource necessary for the implementation of the District Revenue Enhancement Plan in line with goals and institutional objectives.
- **Managers:** They are generally concerned with pay and status, job security and individual performance measures. Revenue generating departments have to be synchronized such that departmental interests do not conflict with organization overall goals. Managers should promote goal congruence rather than dysfunctional behavior to achieve individual interest. The Chief Executive has the role of implementing all lawful decisions taken by the council regarding local revenue generation, providing guidance, monitoring, supervising and coordinating the activities of the District and lower local governments employees to ensure accountability and transparency in management and delivery of Council's services. Appointment and nominating staff to different committees such as DREC, Enumeration and Registration, Assessment, Appeals, Collection and other Committees as deemed fit.

The Head of Finance in the District in respect to Local Revenue administration shall ensure that all revenue collectors comply with the LGFAR and LGFAM 2007.

- **Employees** - These are generally concerned with job security, pay and conditions and job satisfaction. For example, if we introduce a strategy that results in workers being given more responsibility for monitoring performance of revenue generating facilities, the employees may be unhappy unless this increased role is supported by an increased financial benefit.
- **Head of internal Audit** - The role of the Head of Internal Audit is to audit all revenue collections to ensure that the monies due to the administration are collected and banked, otherwise accounted for in terms of the LGFAR, 2007 and the internal Audit Manual.
- **Private sector** – these are the potential revenue collectors'/ service providers who bid for the markets and other tendered services and operate them for and on behalf of the District. They are interested in the charging policy and an environment that enable them to collect revenues from revenue generating facilities.

- **Suppliers** - This category of stakeholders is generally concerned with being paid promptly for goods and services delivered and receiving regular repayments of any capital provided.
- **Taxpayers** - are generally concerned with receiving goods and services of reasonable quality. Tax payers expect more services to be rendered by government that range from education, health, roads, production and marketing, clean and safe water, among others which are non-quid pro quo. Tax payers abide with the provisions of the relevant laws and regulations regarding locally generated revenues, including monitoring and reporting tax defaulters, corrupt administrators and seeking to ensure stewardship and accountability.

## **CHAPTER 3: REVENUE ENHANCEMENT STRATEGY**

### **3.1 General strategies**

- Appointment of revenue collectors by the Chief Executive in line with PFAA, 2003 Sec 45.
- Intensify capacity building of revenue collectors.
- Roles and responsibility of the different stakeholders in local revenue administration shall be handled for value for money
- Intensify the roles of the District Revenue Enhancement Committee through monthly meetings
- Conduct radio talk shows with the view of creating awareness of the different sources of revenues
- Popularization of poor performing revenue sources of local revenue like Annual Boat Parking Fees and Inspection Fees (Public Health Licenses), LHT and FMP
- Enumeration and assessment of all revenue sources to create a taxpayers database
- Deliberate infrastructural improvement to areas with revenue potential
- Facilitation of by way of transport equipment of revenue collectors
- Appropriate management of accountable documents by all concerned parties that poses a district seal

- Planning and budgeting of local revenues in a comprehensive and integrated manner incorporating the plans of lower local governments
- Ensuring that there are periodical revenue audits at both district and sub county levels
- Ensuring an up to-date remittances of statutory deductions at all levels
- Procurement of relevant accountable stationery necessary for the collection of all revenues identified
- Having an up-to-date district Revenue Register cascaded at the sub county level

### 3.2 Specific strategies

S/No	Revenue Source	Performance Constraint/Challenge	Strategies/Remedy
1	Business License	<ul style="list-style-type: none"> <li>• Negative political intervention</li> </ul>	<ul style="list-style-type: none"> <li>• Privatization of collection</li> <li>• Training of revenue collectors</li> <li>• Sensitize stakeholders on their roles</li> <li>• Educate the tax payers on the rationale for revenue collection</li> <li>• Engage political leaders in revenue sensitization</li> </ul>
		<ul style="list-style-type: none"> <li>• Community ignorance on difference between financial and calendar year.</li> </ul>	<ul style="list-style-type: none"> <li>• Sensitization of business owners/operators periodically.</li> </ul>
		<ul style="list-style-type: none"> <li>• Culture of tax evasion among the community</li> </ul>	<ul style="list-style-type: none"> <li>• Periodical political accountability</li> <li>• Improved clients care for revenue collectors</li> </ul>
		<ul style="list-style-type: none"> <li>• Inadequate and unreliable data on business units</li> </ul>	<ul style="list-style-type: none"> <li>• Enumeration and assessment of business units</li> <li>• Establish a data base and/or a business register</li> </ul>
		<ul style="list-style-type: none"> <li>• Lack of transport means to ease mobility of revenue collectors</li> </ul>	<ul style="list-style-type: none"> <li>• Acquisition of motor vehicle for easy transportation.</li> </ul>
2	Fishing licenses	<ul style="list-style-type: none"> <li>• Political interference</li> </ul>	<ul style="list-style-type: none"> <li>• Sensitization of stakeholders</li> <li>• Engage political leaders in revenue mobilization.</li> </ul>
		<ul style="list-style-type: none"> <li>• Fishermen ignorance on the difference between financial and calendar year</li> </ul>	<ul style="list-style-type: none"> <li>• Sensitization of fishermen periodically.</li> </ul>

		<ul style="list-style-type: none"> <li>• Culture of tax evasion among the community</li> </ul>	<ul style="list-style-type: none"> <li>• Periodical political accountability.</li> <li>• Improved customer care for revenue collectors.</li> </ul>
		<ul style="list-style-type: none"> <li>• Inadequate and unreliable data on fishing &amp; transport boats and fishermen.</li> </ul>	<ul style="list-style-type: none"> <li>• Enumeration and assessment of business units</li> <li>• Establish a data base</li> </ul>
		<ul style="list-style-type: none"> <li>• Un received revenue by revenue collectors</li> </ul>	<ul style="list-style-type: none"> <li>• Support from the audit function</li> <li>• Transfer of overstayed parish chiefs and fisheries officer</li> <li>• Sensitization of tax payers to always ask for their receipts as when payments are made</li> </ul>
3	Sale of produced government properties	<ul style="list-style-type: none"> <li>• Lack of information on current value of the properties.</li> </ul>	<ul style="list-style-type: none"> <li>• Hire of a consultant on valuation of properties</li> </ul>
		<ul style="list-style-type: none"> <li>• Procedure</li> </ul>	<ul style="list-style-type: none"> <li>• Seek authorization from the District Council for disposal of assets</li> <li>•</li> </ul>
		<ul style="list-style-type: none"> <li>• Delayed implementation of board of survey recommendations as regards disposals.</li> </ul>	<ul style="list-style-type: none"> <li>• Urgent formation of a disposal plan to effect disposals of non-performing assets</li> </ul>
4	Rent and rates (Produced assets)	<ul style="list-style-type: none"> <li>• Inadequate and unreliable data on hire of equipment</li> </ul>	<ul style="list-style-type: none"> <li>• There should be a hire agreement between the district and the users.</li> <li>• Copies of the agreement to be submitted to Chief Finance Officer.</li> <li>• Inspection and monitoring for compliance with the terms of the agreement</li> </ul>
		<ul style="list-style-type: none"> <li>• Payments made in kind</li> </ul>	<ul style="list-style-type: none"> <li>• Payment be made intact on the District general fund a/c and a receipt be issued thereafter</li> </ul>
5	Land fees	<ul style="list-style-type: none"> <li>• Inadequate data on land owners</li> </ul>	<ul style="list-style-type: none"> <li>• Sensitization of community on the importance of land registration.</li> </ul>

			<ul style="list-style-type: none"> <li>• Formation of a District Land Board by Council</li> <li>• Establish a database.</li> <li>• Payment be done through banking</li> </ul>
6	Market/ park charges	<ul style="list-style-type: none"> <li>• Poor payment culture</li> <li>• COVID -19 guidelines affected market operations</li> </ul>	<ul style="list-style-type: none"> <li>• Vigorous inspection and monitoring of the performance of tenders</li> <li>• Consultative contract management</li> <li>• Provision and maintenance of basic infrastructure in the revenue generating facilities</li> <li>• Demarcation and gazette of market days</li> <li>• Understanding policy, legal and regulatory framework pertaining to markets</li> <li>• Regular sensitization of communities on COVID-19 SOPS</li> </ul>
7	Other fees and charges	<ul style="list-style-type: none"> <li>• Policy, legal and regulatory framework</li> </ul>	<ul style="list-style-type: none"> <li>• Enacting byelaws for potential new sources of revenue</li> <li>• Marketing the District</li> <li>• Widening the tax base by continuously identifying new sources</li> </ul>
8	Other licenses	<ul style="list-style-type: none"> <li>• Identification of the source and the necessary laws to back up</li> </ul>	<ul style="list-style-type: none"> <li>• Carry out research about new sources</li> </ul>

### 3.4 District Revenue Enhancement Committee

This comprises the following revenue generating departments and key officers.

- Chief Administrative Officer or his/her representative
- Chief Finance Officer
- Finance Officer (Revenue and Budget)
- District Fisheries Officer
- District Commercial Officer
- District Education Officer
- Assistant District Health Officer
- District Veterinary Officer
- Senior Procurement Officer
- The Sub-county HOF- Mutumba



- The Sub-county HOF- Lolwe
- The Sub-county HOF- Banda
- The Sub-county HOF- Buyinja
- The Sub-county HOF- Bukana
- The Sub-county HOF- Buswale
- The Sub-county HOF- NTC
- The Sub-county HOF- Buhemba
- District Natural Resources Officer

The terms and conditions of the committee are laid down in the Local Revenue Handbook page 39.

#### **CHAPTER 4: ACTION PLANS AND BUDGETS FOR 2021/2022FY**

The activities and budget are detailed in the annual work plan for FY 2021/2022

#### **CHAPTER 5: INSTRUMENTS**

##### **5.1 The Trade (Licensing) Act, Cap 101 Statutory Instrument No.2, 2017**

The Trade (Licensing) (Amendment of Schedule) Instrument, 2011 under section 30(3) of the Trade (Licensing) Act, Cap 101 categorizes Namayingo District as follows:

##### **Grade I Area**

To include areas situated along Jinja road, Syanyonja road, Dubai Street and Hardware Street in Namayingo Town council.

##### **Grade II Area**

To include all other areas in the Namayingo Town Council and Singila Town and Gorofa Town in Lolwe Sub-county

##### **Grade III Area**

To comprise the rest of Lolwe Sub-county and the district except Namayingo Town Council

	<b>Nature of Business or trade</b>	<b>Grade I</b>	<b>Grade II</b>	<b>Grade III</b>
1	Wholesalers	97,500	45,000	39,000
2	Retailers	48,750	22,500	19,500
3	Wood workshop	45,000	30,000	18,000
4	Metal workshop	45,000	30,000	18,000
5	Brick/block/concrete products workshop	45,000	30,000	18,000
6	Cottage industry	37,500	22,500	15,000
7	Warehouse	60,000	37,500	24,000
8	Showroom	60,000	45,000	24,000
9	Supermarket	67,500	52,500	27,000
10	Grocery	52,500	27,000	21,000
11	Beauty Saloon	52,500	31,500	21,000
12	Office	48,750	40,500	19,500
13	Agencies	97,500	90,000	39,000
14	Manufacturers agents	112,500	108,000	45,000
15	Consultants	97,500	90,000	39,000
16	Travel and tour agents	97,500	90,000	39,000
	<b>Professional services</b>			
17	Legal firms	90,000	90,000	36,000
18	Auditors, accountants, tax consultants	90,000	90,000	36,000
19	Surveyors, engineers, valuers	90,000	90,000	36,000
20	Fumigation business/cleaning firm	75,000	63,000	30,000
21	Events management	75,000	90,000	30,000
22	Security/investigation business	112,500	90,000	45,000
23	Auctioneers/court brokers/bailiffs	112,500	90,000	45,000
24	Insurance company	112,500	90,000	45,000
25	Banks	375,000	360,000	150,000
26	Money lending and money saving institutions	150,000	135,000	60,000
27	Foreign exchange bureau	187,500	180,000	75,000
28	ATM machines/facilities	75,000	63,000	30,000
	<b>Health and Medical Business</b>			
29	Health centre	75,000	54,000	30,000
30	Pharmacy	75,000	54,000	30,000
31	Private hospital	112,500	90,000	45,000
32	Nursing home	67,500	54,000	27,000

33	Maternity home	67,500	54,000	27,000
34	Clinic	45,000	36,000	18,000
35	Drug store	45,000	27,000	18,000
36	Private tertiary institution	150,000	135,000	60,000
37	Driving school	75,000	63,000	30,000
38	Private university			
39	Nursery school	75,000	72,000	30,000
40	Private primary school	60,000	54,000	24,000
41	Day care centre	60,000	45,000	24,000
42	Private secondary school	112,500	90,000	45,000
43	Printing and publishing	112,500	90,000	45,000
	<b>Garages and workshops</b>			
44	Motor vehicle repair garage	150,000	108,000	60,000
45	Motorcycle/generator repair garage	75,000	54,000	30,000
46	Other repair workshops	52,500	27,000	21,000
	<b>Hotels, lodges and guests houses</b>			
47	Hotel business (with 3 stars and above)			-
48	Hotel business (with less than 3 stars)	112,500	90,000	45,000
49	Lodge/guest house ( 20 rooms and above)			-
50	Lodge/guest house (less than 20 rooms)	75,000	63,000	70,000
51	Hostels (100 rooms or more)			-
52	Hostels (more than 50 rooms but less than 100 rooms)			
53	Hostels (less than 50 rooms)	75,000	54,000	30,000
54	Apartments	75,000	54,000	30,000
55	Bar/pub/inn etc	112,500	63,000	45,000
56	Conference hall	60,000	45,000	24,000
57	Night club/disco - dance hall	75,000	63,000	30,000
58	Cinema/theatre – video hall	75,000	63,000	30,000
59	Swimming pool	60,000	45,000	24,000
60	Members club	60,000	45,000	24,000
61	Health club	75,000	72,000	30,000
62	Restaurant	75,000	54,000	30,000
63	Eating house	35,500	27,000	15,000
	<b>Others</b>			

64	Radio station	187,500	180,000	75,000
65	Satellite connection	112,500	90,000	45,000
66	Lottery	187,500	180,000	75,000
67	Slot machines	75,000	63,000	30,000
68	Private car park	112,500	90,000	45,000
69	Kiosk	37,500	18,000	15,000
70	Photo booth	37,500	18,750	15,000
71	Bakery	52,500	45,000	21,000
72	Abattoir	52,500	36,000	21,000
73	Butchery	60,000	45,000	24,000
74	Dry cleaner			30,000
75	Dobi	22,500	13,500	9,000
76	Car washing bay	45,000	18,000	18,000
77	Internet café	22,500	13,500	9,000
78	Florist	52,500	45,000	21,000
79	Herbal/local medicine	30,000	18,000	12,000
80	Small cottage industries	22,500	18,000	9,000
81	Engravers	60,000	45,000	24,000
82	Pool table	112,500	81,000	45,000
83	Scrap dealers	70,000	54,000	30,000
84	Mineral dealers	150,000	45,000	60,000
85	Power generation	750,000	900,000	300,000
86	Power distribution	750,000	900,000	300,000
87	Communication companies / operational communication towers (communication masts)	750,000	540,000	300,000
88	Private public toilets/bath rooms	22,500	9,000	9,000
89	Funeral services	75,000	63,000	30,000
90	Private firefighting services	125,000	90,000	45,000
91	Car rental services	97,500	72,000	39,000
92	Business/secretarial bureau	90,000	72,000	36,000
93	Mobile network service providers	675,000	630,000	270,000
94	Mobile money	50,000	50,000	50,000
95	Sports betting	500,000	500,000	500,000
96	Boat and cruise services	300,000	300,000	300,000
96	Duplicate license fee	7,500	9,000	3,000
95	Transfer of license fee	7,500	9,000	3,000
96	Hawker	18,750	9,000	7,500

## 5.2 CHARGING POLICY FOR 2021/2022

<b>(A) Other Licenses:</b>	<b>Old Rates 2020/21</b>	<b>New Rates 2021/22</b>
Mobile produce buying licenses	20,000	20,000
Millers operation permits per mill	30,000	30,000
Fish-mongers (license)	10,000	10,000
Registration of businesses - NGOs/CBOs	40,000	40,000
Liquor Retail License	20,000	20,000
Liquor Wholesale license	30,000	30,000
Molasses	30,000	30,000
Timber sawing machines/ Pit sawyers	50,000	50,000
Charcoal permits per month	10,000	10,000
Cattle Traders License	50,000	50,000
Caveat Application fee	20,000	20,000
Blacksmith's license	10,000	10,000
Hides and skins licenses	30,000	30,000
Craftsmen	5,000	5,000
Traditional healers' licenses	20,000	20,000
Cowry shells per ton	10,000	10,000
Cowry shells operation permit	100,000	100,000
Fish movement permit (dry) per kg	20	20
Fish movement permit (fresh) per kg	10	10
<b>(B) Livestock Movement Permit</b>		
Cattle @	5,000	5,000
Goat/Sheep @	3,000	3,000
Pigs @	3,000	3,000
<b>C) Slaughter fees</b>		
Cattle	7,000	10,000
Goat/sheep	5,000	5,000
<b>(D) Quarry Operation Permits</b>		
Stones	100,000	100,000
Sand	50,000	50,000
<b>(E) Vehicle Parks fees</b>		
Lorry	3,000	3,000
Boda Boda per day	500	500

<b>(F) Market fees/Dues</b>		
Big stall	750	750
Medium stall	500	500
Small stall	300	300
<b>(G) Landing Bays/Sites</b>		
Jerrican of petrol	500	500
A bag of rice – 50 kgms	500	500
A bag of sugar – 50 kgms	500	500
A bag of Maize flour – 100 kgms	1,000	1,000
A bag of Beans – 100 kgms	1,500	1,500
A bag of Millet– 100 kgms	1,500	1,500
A bag of Maize– 100 kgs	1,200	1,200
A bag of sweet potatoes and Irish Potatoes - 100 kgs	1,000	1,000
A crate of beer	500	500
A crate of soda	200	200
A Jerrican of paraffin	500	500
A jerrican of liquor	1,000	1,000
A carton of soap	200	200
A carton of salt	500	500
A lorry/boat carrying timber	30,000 - 50,000	30,000 - 50,000
A bag of charcoal	1,000	1,000
A bag of dry cassava	1,000	1,000
A bag of charcoal	1,000	1,000
A carton of dry cells	500	500
A carton of Wheat flour	500	500
A bunch of banana	300	300
A bundle of sugar cane	1,000	1,000
A goat	1,000	1,000
A cow	5,000	5,000
Cow's meat	Equivalent of 1kg	12,000
Goat's meat	Equivalent of ½ kg	8,000
Pork	Equivalent of 1/2kg	8,000
Mutton	Equivalent of ½ kg	8,000
2 <sup>nd</sup> hand clothes	300 – 1,000	300 – 1,000
A basket of fish (big)	3,000 - 7,000	6000
A basket of fish (small)	3,000	3,000
A basket of tomatoes	3,000 - 5,000	4000
A bag of Silver fish – omena (Small – Big)	3,000 - 6,000	3,000 - 6,000

Tilapia per Kg	200	200
Nile perch per Kg	300	300
A lorry of Banana	35,000	35,000
Jack fruit (fene)	500	500
A pot	300	300
A bundle of Fire wood	200	200
Eating places on a market day	500 – 1,000	500 – 1,000
Bar (Malwa, kawogo etc) on a market day	1,000	2000
Fish smoker/drier (Olunyo) per week	5,000	5,000
<b>Livestock Market Dues:</b>		
Cattle seller	2,500	2,500
Goats/sheep seller	1,000	1,000
Turkeys seller	500	500
Hens, Ducks etc seller	300	300
<b>(H) Operation permits/other fees and charges</b>		
Bill Boards/per annum (small)	20,000	50,000
Bill Boards/per annum (big)	40,000	80,000
Birth registration	5,000	5,000
Death registration	5,000	5,000
Agency fees on bank transactions – civil servants loan applicants approval / processing / handling fees	20,000	20,000

### 5.3: OTHER APPROVED LOCAL REVENUE SOURCES

1.	Inspection Fees (Public Health Licenses / Medical Examination Certificate)	5,000= per 6 month
2.	Annual Boat Parking Fees	30,000= per annum
3.	Land Application Fees	20,000=
4.	Lease Offer Fees	50,000= per request
5.	Marriage Certificates	30,000=
6.	Trip of lake sand (Small tipper)	5,000=
7.	Trip of lake sand (Big tipper)	7,000=
8.	Trip of lake sand (lorry greater than 10 tones)	100,000
9	Trip of Stone hardcore (Small tipper)	5,000
10	Trip of Stone hardcore (Big tipper)	7,000
11	Trip of Stone hardcore (lorry greater than 10 tones)	50,000

#### 5.4: GRADING OF BUSINESS CENTRES

Grade	S/No	Urban Centre
'A'	1.	Namayingo
	2.	Gorofa
	3.	Busiro
	4.	Singila
	5.	Kifuyo
	6.	Kandege
'B'	1.	Hama
	2.	Lugala
	3.	Lutolo
	4.	Lufudu
	5.	Mukholobi
	6.	Nsango
	7.	Mutumba
'C'	1.	Bujwanga
	2.	Bumeru
'D'	1.	Buswale
	2.	Bumoli
	3.	Nairobi
	4.	Buyondo
	5.	Matiko
	6.	Maruba

#### GRADING OF MARKETS

Grade	S/No	Market	Monthly Pay
A	1	Busiro market	500,000
B	2	Kandege market	500,000
A	3	Gorofa	300,000
A	4	Singila	350,000
B	5	Lugala	200,000
C	6	Hama/Wayasi/Siro	160,000
C	7	Bumalenge	90,000
C	8	Sigulu East	100,000



C	9	Namongwe	80,000
D	10	Mukholobi	60,000
D	11	Matiko	30,000
D	12	Lufudu	50,000
B	13	Namayingo Central Market	300,000
C	14	Bumeru A,B &C	80,000
D	15	Nsono / Syanyonja	20,000
B	16	Namayingo lorry-external	400,000
B	17	Namayingo lorry-internal	200,000
D	18	Kifuyo /Nsango	70,000
D	19	Buduma/Bugana	30,000
D	20	Yebe	60,000
D	21	Dohwe	30,000
D	22	Maruba	55,000
D	23	Mpanga	40,000
D	24	Lutolo Ground Market	25,000
A	25	Lugala/Buchunia/Busiro sand	2,000,000
A	26	Bujwang sand	2,000,000
B	27	Nanjala hardcore stone quarry	60,000
D	28	Buswale market	40,000
A	29	Bukeda CAIP Agro-processing plant	800,000
		<b>Total</b>	<b>8,630,000</b>

## **NAMAYINGO DISTRICT LOCAL COUNCIL**

.....**May, 2021**

### **MINUTE EXTRACT FOR NORMAL COUNCIL**

Following the normal council meeting that convened on .....  
under min..... the District Revenue Enhancement Plan for  
2021 / 2022 was approved as required by law.

Further during the same council, the district budget was discussed, adopted and approved for implementation incorporating figures in the District Revenue Enhancement Plan.

**OKUMU PETER WANDA**  
**SPEAKER/CHAIRMAN**

**KIBWIKA GRACE NABONGHO**  
**CLERK TO COUNCIL**