MAKERERE UNIVERSITY BUSINESS SCHOOL

ADVANCED TAX ACCOUNTING COURSE OUTLINE FOR BACHELOR OF SCIENCE IN ACCOUNTING

YEAR 3, SEMESTER 1, ACADEMIC YEAR 2026/2027

Course Name	Advanced Tax Accounting
Course Code	BSA3111
Course Level	Year 3, Semester 1
Credit Units	4
Contact Hours	60

Course Description

This course develops applied competencies in Uganda's tax system, with emphasis on income taxation as applied to individuals and business entities. Learners interpret relevant tax laws and regulations, apply tax accounting principles, compute gross and chargeable income, determine tax liabilities, prepare tax returns, and address tax administration, withholding tax, international taxation, transfer pricing, tax planning, ethics and contemporary tax practice. Learning is anchored in practical computations, case analysis, professional judgement and preparation of tax-related outputs.

Course Competences

- Interpret and apply Uganda's income tax laws and tax administration procedures in practical situations.
- Integrate accounting information with tax rules to determine reliable taxable income and tax liabilities for individuals and corporate bodies.
- Prepare tax computations, returns and supporting information in accordance with applicable tax requirements.
- Apply withholding tax, international taxation and transfer pricing principles to domestic and cross-border transactions.
- Evaluate lawful tax planning opportunities while observing professional ethics and taxpayer rights.
- Analyse contemporary developments in tax practice and communicate appropriate tax advice.

Course Learning Outcomes

1. Apply the legal framework and tax accounting principles governing income taxation in Uganda.

2. Execute key income tax administration procedures, including assessments, objections, appeals, returns, refunds and record requirements.

3. Compute employment income tax and advise on related filing, payment and lawful tax planning requirements.

4. Compute taxable business income and corporation tax liabilities, including relevant capital deductions and tax loss treatment.

5. Compute tax liabilities for individual business taxpayers, including rental and presumptive tax where applicable.

6. Determine withholding tax obligations for different payments and explain the implications of final withholding tax.

7. Apply residence, source, double taxation and transfer pricing rules to international transactions and prepare appropriate documentation.

8. Demonstrate ethical professional judgement in analyzing tax planning, financial reporting interactions, compliance initiatives and emerging tax issues.

Detailed Course Content

Topic / Content	**Learning Outcomes**	**Learning Activities**	**Formative Assessment**	**Hours**
1. Introduction • Legal basis for charging tax on incomes • Key tax definitions • Tax accounting principles: year of income, accounting methods, trading stock, long-term contracts, debt obligations, foreign currency gains/losses, claim of right and prepayments • Exempt income and exempt organisations	• Explain the legal basis for income taxation. • Interpret key tax terms. • Apply tax accounting principles to transactions and computations. • Distinguish taxable from exempt income and identify exempt organisations.	Interactive lecture; guided statutory reading; short scenarios; practical computations; group discussion.	Observation: application of tax principles during case work. Conversation: explain selected definitions and accounting treatments. Product: short tax computation/case solution applying foundational principles.	6
2. Income Tax Administration Procedures • Taxpayer obligations and rights • Commissioner General’s powers • Objections, appeals and dispute resolution • Collection and recovery • Provisional tax estimates and refunds • Burden of proof • Returns, remission, assessments, forms/notices,	• Explain taxpayer rights and obligations and the Commissioner General’s powers. • Apply procedures for returns, assessments, objections, appeals and dispute resolution. • Prepare provisional tax estimates and identify refund procedures.	Case-based learning; analysis of notices/forms; mock objection and appeal; guided discussion of administrative scenarios.	Observation: correct handling of a simulated tax administration case. Conversation: justify the appropriate procedure for an assessment/dispute. Product: draft objection, provisional estimate or administrative compliance checklist.	4

Topic / Content	Learning Outcomes	Learning Activities	Formative Assessment	Hours
records/information, offences and penalties	• Apply record-keeping, collection, recovery, offence and penalty requirements.			
3. Taxation of Employment Income • Employment and residence status • Employment versus self-employment • Scope and valuation of employment income and benefits • Exempt benefits and expatriates • Employment tax liability • Returns, filing information, payment and refunds • Tax planning opportunities	• Determine employment and residence status. • Identify taxable and exempt employment benefits and value benefits correctly. • Compute employment tax liability. • Prepare required return information and explain payment/refund procedures. • Evaluate lawful employment-income tax planning opportunities.	Worked examples; PAYE cases; expatriate scenarios; return-preparation simulation; tax-planning discussion.	Observation: accuracy in employment tax computations. Conversation: explain treatment of selected benefits and residence cases. Product: completed employment tax computation and return schedule with planning note.	12
4. Taxation of Business Income of Corporate Bodies • Business/trade and company residence • Chargeable income and accounting methods • Business income; allowable/non-allowable expenses • Tax losses and company rental income • Capital allowances: depreciation, industrial buildings, farming, start-up costs, intangible assets • Taxable profits and corporation tax	• Determine company residence and identify business income. • Reconcile accounting profit to taxable profit using allowable and non-allowable deductions. • Apply tax loss and rental income rules. • Compute applicable capital allowances. • Compute corporation tax	Financial-statement tax reconciliation; computation; corporate case studies; simulated return preparation.	Observation: application of tax adjustments and capital allowances. Conversation: distinguish accounting profit from taxable profit and justify deductions. Product: full corporate tax computation, capital allowance schedule and return working papers.	16

Topic / Content	**Learning Outcomes**	**Learning Activities**	**Formative Assessment**	**Hours**
• Returns, filing information, payment and refunds	liability and prepare return information.			
5. Taxation of Business Income of Individuals • Chargeable income • Rental income • Presumptive tax system • Tax liability and return administration • Returns, filing information, payment and refunds	• Compute chargeable business income for an individual. • Apply rules for rental income and presumptive tax. • Determine tax liability. • Prepare return information and explain payment/refund procedures.	Individual taxpayer cases; guided computations; return-preparation exercise; peer review.	Observation: accuracy of individual tax computations. Conversation: explain when presumptive tax applies. Product: individual business tax computation and return schedule.	4
6. Withholding Tax (WHT) • WHT on various payments • Final withholding tax and implications • Withholding agents	• Identify payments subject to withholding tax. • Compute WHT on selected payments. • Distinguish final from creditable withholding tax. • Explain responsibilities of withholding agents.	Transaction classification exercise; WHT computation; compliance scenarios.	Observation: correct classification and computation of WHT. Conversation: explain final WHT and agent responsibilities. Product: WHT computation and remittance schedule.	2
7. International Taxation and Transfer Pricing • Source and residence rules • International payments • Double taxation treaties; bilateral negotiation; OECD and UN models • Arm’s length principle • Transfer pricing methods • Documentation and advance pricing agreements • Ugandan transfer pricing considerations	• Apply source and residence rules. • Determine tax implications of international payments. • Explain the purpose and application of double taxation treaties. • Apply the arm’s length principle and select appropriate transfer pricing	Cross-border case analysis; treaty interpretation; transfer pricing computations; method-selection exercise; documentation.	Observation: selection and justification of transfer pricing methods. Conversation: explain residence/source rules, treaty relief and arm’s length principle. Product: cross-border tax analysis and sample transfer	6

Topic / Content	Learning Outcomes	Learning Activities	Formative Assessment	Hours
	methods. • Prepare basic transfer pricing documentation and explain advance pricing agreements.		pricing documentation.	
8. Contemporary Issues • Professional conduct and ethics for tax advisers • Money laundering • Taxation and financial reporting overlap • URA Compliance Improvement Plan initiatives • Domestic and cross-border tax planning • Real-time audits and emerging tax practice trends	• Apply professional and ethical principles to tax advisory scenarios. • Explain tax-practice implications of money laundering concerns. • Analyse areas of interaction between taxation and financial reporting. • Evaluate URA compliance initiatives and lawful tax planning options. • Analyse real-time audits and emerging trends in tax practice.	Ethical dilemma cases; professional debate; review of URA guidance; financial reporting/tax case; emerging-issues presentations.	Observation: ethical reasoning and professional judgement in cases. Conversation: discuss compliance initiatives, tax planning boundaries and emerging trends. Product: professional tax advisory report or presentation on a contemporary tax issue.	8

Mode of delivery: Learning and Teaching Resources / Approaches

- Interactive lectures and guided statutory interpretation.
- Case-based and problem-based learning using authentic tax scenarios.
- Practical tax computation and return-preparation.
- Tutorials, discussion groups, peer learning and class presentations.
- Use of tax legislation, case law, URA forms, notices, public guidance and professional standards.

Mode of Assessment

Coursework: 30%

End-of-semester examination: 70%

Reading List / References

- Income Tax Act, Cap 338, Laws of Uganda.
- Tax Procedures Code Act, Cap 343, Laws of Uganda.
- Convention on Mutual Administrative Assistance in Tax Matters (Implementation) Act, 2023, Laws of Uganda.
- Automatic Exchange of Information Act, 2023, Laws of Uganda.
- Mugume, C. (2014). Managing Taxation in Uganda (2nd ed.). MPK Graphics, Kampala.
- Relevant case law.
- Transfer Pricing Regulations of Uganda, 2012.
- OECD Model Tax Convention, 2021.
- UN Model Tax Convention, 2022.
- OECD Transfer Pricing Guidelines for Tax Administrations and Multinational Enterprises.
- ICPAU Code of Ethics for Accountants.
- UN Practical Manual on Transfer Pricing for Tax Administrations and Multinational Enterprises.
- URA Public Notices and Guidelines.
- The Whistleblowers Protection Act of Uganda.
- Summary of BEPS Action Plans, 2015.

Facilitator / Lecturer Work Allocation

Topics	Group A	Group B	Group C
1) Introduction 2) Income Tax Administration Procedures 3) Taxation of employment income	Zainabu Tumwebaze	Zainabu Tumwebaze	Zainabu Tumwebaze
4) Taxation of business income of corporate bodies 5) Taxation of business income of Individuals 6) Withholding tax (WHT) 7) International taxation and Transfer Pricing 8) Contemporary issues	Sharon Naigaga	Lincon Kasirye	Lincon Kasirye