MAKERERE UNIVERSITYCourse Outline BUSINESS SCHOOL
COURSE OUTLINE
ACADEMIC YEAR 2026/2027

Course Name: Income Tax
Course Code: COM 3138
Course Level: Year 3, Semester I
Credit Units: 4
Credit Hours: 60

Course Description
This course provides a detailed study of administering income taxes on persons' incomes from business, employment and holding of property. It further dwells on the income tax administration criteria with specific emphasis on filing of returns, payment of tax, objections and appeals.

Course objectives
- Charging tax on incomes
- Filing income tax returns
- Income tax payments
- Income tax objections and appeals

Expected outcomes
By the end of the course, the learner should be able to demonstrate knowledge on;

- How to charge tax on a person's incomes
- How to file income tax returns
- Making income tax payments
- Making income tax objections and appeals

No.	Course content	Time
1.	**Introduction** a) Legal basis for charging tax on incomes, b) Central government taxation, c) Key definitions; income tax, person, taxable person (taxpayer), year of income, business income, employment income, property income, gross income, chargeable income, allowable deductions, non-allowable deduction, tax assessed loss. d) Review of the basic considerations when charging income tax, Tax accounting principles year of income, methods of accounting, accounting for trading stock, long-term contracts,	**4 Hrs**

	debt obligations with discount or premium, foreign currency debt gains and losses, claim of right, prepayment e) Exemptions, exempt organizations, exempt incomes	
2.	**Income from employment:** a) Meaning of employment, residence status of employee, employment versus self-employment b) Scope of employment income, valuation of benefits, exempt benefits, taxation of expatriates c) Computation of employment tax liability d) Forms of returns, e) Requirement to submit returns, f) Information required when filing returns, g) Payment of tax and refunds h) Tax planning opportunities available from an Employment Income Tax Context.	**10 Hrs**
4.	**Taxation of business income of corporate bodies** a) Introduction; Business/trade, features of trade, residence status of a company b) Determination of chargeable income; method of accounting, composition of business income, general principles of deductibility of expenses, allowable and nonallowable expenses, tax loss treatment, treatment of rental income earned by companies. c) Capital allowances; depreciation allowance, industrial building deduction, farming capital deductions, start-up costs, capital deductions for intangible assets d) Taxable profits and chargeable income e) Corporation tax liability f) Forms of returns, g) Requirement to submit returns, h) Information required when filing returns, i) Payment of tax and refunds	**18 hrs**
5	**Taxation of business income of Individuals** a) Computation of chargeable income b) Treatment of rental income derived by an individual c) Presumptive tax system d) Computation of tax liability administration of returns e) Forms of returns, f) Requirement to submit returns, g) Information required when filing returns, h) Payment of tax and refunds	**4Hrs**
6.	**Withholding tax (WHT)** a) Determination of WHT of various payments	**2Hrs**

	b) Circumstances under which WHT is a final tax, implications of final WHT tax c) Withholding agents	
7.	**International taxation & transfer pricing** a) Source rules and Residence rules b) Taxation of international payments c) Double taxation treaties - Negotiation of bilateral tax treaties, OECD and UN model on double taxation d) Arm's length principle e) Transfer Pricing methods f) Documentation g) Advance pricing agreements h) Special Considerations in Transfer Pricing from a Ugandan Context.	**4 Hrs**
8.	**Contemporary issues** a) Professional conduct for tax advisors b) Ethics in Taxation c) Money Laundering d) Overlap between Taxation and Financial Reporting e) URA Compliance Improvement Plan Initiatives f) Tax Planning from both a domestic and cross-border perspective g) Emerging Issues in Tax practice especially Real time Audits and emerging trends	**6 Hrs**
9.	**Income Tax Administration Procedures** a) Taxpayer's obligations and rights b) Forms of returns, requirement to submit returns, information required when filing returns, assessments, E-tax system, Payment of tax and refunds, etc c) Dispute Resolution in Tax matters d) Collection and Recovery of tax e) Provisional income tax estimates f) Income Tax refunds g) Records and Information h) Offences and Penalties i) Objection & appeals j) Burden of proof. k) Taxpayer's obligations and rights l) Powers of the Commissioner General m) Objection to assessment	**6 Hrs**

	n) Appeal to tax appeals tribunal o) Appeal to court of appeal, Burden of proof.	

Tutorial hours: 30 hours

Mode of Delivery

Lectures, Practical work, Tutorials, Group Discussion and Case Studies

Facilitators/Lecturers;

1. **Mr. Mukasa Joseph – 0782890728**
2. **Ms. Sharon Naigaga – 0781549383**
3. **Ms. Zainab Namusobya – 0703975893**
4. **Ms. Hanifah Namugwana Mpaata – 0788477781**

Mode of assessment

Coursework will carry 30%;
Final examination 70%

Study Materials

Taxing Acts, Decided Cases, URA Public Notices, OECD and UN Guidance Notes and any other Material the Facilitator will deem necessary from time to time.

Reading Lists

- 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 Christine (2014): Managing Taxation in Uganda, MPK Graphics, Kampala, Uganda. 2nd Edition.
- 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.