

Abstract

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Despite numerous reforms, domestic revenue mobilisation in Uganda is still below its potential. While the ratio of tax revenue to Gross Domestic Product (GDP) has improved from 11.7 percent in 1999/2000 to approximately 14.3 percent in 2023/24, it is still below the Sub-Saharan Africa (SSA) average of approximately 18-20 percent. Despite the slow revenue growth, there is rising public expenditure coupled with limited budget support from other sources like aid and grants. To address this deficit, there have been calls for increased revenue mobilisation through enhanced tax collection. This occurs in many ways which generally can be categorised as either voluntary or involuntary. The bulk of tax collection occurs voluntarily and without much thought or incident. This study does not focus on voluntary, routine collection of taxes but rather on the enforcement mechanisms used by the government when the routine collection has failed.

The study assesses the connection between tax enforcement and rights to property and privacy and specifically how human rights-compliant are the enforcement measures. The focus is on the powers granted to the URA to enforce compliance with tax payments. The study employs qualitative methods to establish the nature and extent of infringement of taxpayer's rights to property and privacy during the tax enforcement process. The study argues that the legal and institutional framework regarding tax enforcement infringes the taxpayers' rights to property and privacy, and this affects taxpayer compliance. The study highlights that despite the infringement, there are certain safeguards towards the realisation of the rights. The study contends that in structuring a workable tax collection process, the government should build a system that recognizes taxpayers' rights. A departure from this position leads to low tax morale affecting the domestic revenue mobilisation process. Ultimately, the study emphasises the need for a full realisation of the taxpayers' rights on the part of the URA and of the inseparable nexus between human rights and tax compliance. The study recommends the establishment of a tax ombudsman in Uganda with powers to investigate taxpayers' complaints with the aim of ensuring that the rights of taxpayers' are respected in the tax collection process.