

LOCAL REVENUE COLLECTION PROCESS AND ENFORCEMENT MEANS BY SOURCE

1. Operation Permit

(Trading, Liquor License and Public Health)

- Assessment done demand notes (May, June & July)
- Reminders are done in November & December
- Physical visits reminding tax payers. (January)
- Enforcement is done from February, March & April which includes Closure of businesses with seals.
- Cutting of Municipal seals is illegal; it leads to either a penalty or legal action.

2. Local Service Tax

- Institutions are reminded of the obligation to deduct the list from their employee in early July.
- For bigger institutions and government organizations remittances are done in July, August, September & October.
- Audits by the internal department are done in November & December for compliance.
- In case of non-compliance, a blanket assessment is done with a penalty according to the law.
- Where compliance has failed compliance, legal action is done accordingly.
- Maintain residents' registers inclusive of their employers and a schedule to follow is attached.

3. Local Hotel Tax

This is a tax charged on the room occupancy depending on the level of hotel.

- Weekly returns are received from Hotel owners.
- This tax has a focal person.
- Auditing of hotel books is done by the Internal Auditor regularly.

- Abrupt visits are done only by looking at the empty rooms.
- Confirmation with room occupancy is done in conjunction with the tourism security personnel.
- Blanket assessment is done with a surcharge for consistent defaulters.
- In case of total default legal action is taken.

4. Market Rent

- The District and Town Councils own markets like Kajjansi Market and Abaita Daily Market where we collect rent
- We have tenancy agreements that run for five years, renewals are done with no outstanding rent obligations.
- Amounts payable are indicated in the agreements
- Routine reminders are given they include; formal letters, SMS on the system
- Physical enforcement is also done to enforce compliance
- Payments are made to the bank through PRNs generated off the IRAS system

5. Property rates

. Municipal Fees

- Assessment of the Tax at a ratable value of 6% for properties with a ratable value of shs 5,000,000 and below and 8% for properties with ratable value of over Shs 5,000,000 from the valuation approved list.
- The role of enforcement is to ensure the collection is done by a contractor at a commission of 15% of the collected amount.
- Continuous reminders which include SMS messages and local radios in December.
- Publishing defaulters in newspapers with a grace period of 14 days.
- Issuance of notice to sue for persistent defaulters
- Court action for those who have completely refused to comply

6. Markets

- Kajjansi Daily Market, Abaita Ababiri Daily Market, Kakiri D M, Bulaga D.M, Bulenga,...and various mubuulo markets are managed by SACCOs in the markets.
- A tendering process of contracting is done in case a market has more than a single SACCO.
- The SACCO has the obligation to meet the contractual obligations.
- Non compliance to contractual obligations leads to termination of the contract.

7. Land Fees (Premium/ Ground Rent)

This is an annual fee that has to be paid to lease title holders.

The amount payable is usually stipulated in the leasehold agreement.

Means of the collection;

Same process as Property Tax

8. Advertisements

This is an Administration Fee charged on all signposts and Billboards per annual basing on the size.

Means of collection:

Assessments done at the beginning of the year.

Reminders done (phone calls, physical visits)

Adverts removed in case of default.

9.Plans and inspection fees

These are Administration fees paid before construction is done.

This depends on the size of the property and the location.

Other Revenue Sources

The other sources which include; Street Parking, Mobile Vans, Ground Rent, Public Convenience, Public Shows, and Medical examinations are tendered out. A contract enforcement team is always in the field.

Other methods used to enhance collection include;

- Quarterly sensitization

- Assigned vehicles specifically for revenue mobilization
- Enforcement teams have been put in place.
- Introduction of the Integrated Revenue Administration System (IRAS)

IRAS SYSTEM

- Assessment is done
- Payment done through mobile money
- Payments can also made directly to the bank and at agent banking outlets, EFTs, money transfers
- Receipts generated on the system
- Reports generated as and when you wish
- Demand notes also generated
- PRN(Payment Reference Number)comes to your phone and email
- Payment advice forms and Demand notices come to your email address when provided
- Registration of new business for assessment
- Once details are put on the system, all payments are done

Details needed for registration

1. Tin no.
 2. Name of individual
 3. Phone number
 4. NIN
 5. Business name
 6. Business location
- For the system all businesses were emerged following the statutory instrument according to roads and grade.
 - Instant reporting on daily, Monthly, Quarterly and Annual basis
 - It also shows who has done the assessment
 - Also shows when, what and which revenue source hasn't performed.

