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Overview of The Uganda Budget Highlights, 2024

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GLOBAL OUTLOOK

The global inflation rate is expected to decline to 5.8% by end of 2024. By 2025, the inflation rate is expected to further decline to 4.4%. However, this optimism remains measured with divergent growth across key economies that is; the service, transport and tourism industries, stability of Middle East and Europe and high financing costs impacting businesses and households.

Advanced economies are anticipated to experience faster disinflation. In 2024, their inflation rate was projected to fall by 2.0%, reaching 2.6%. This decline reflects effective monetary policies by various central banks and economic recovery.

The United States has a staggering GDP of $25 trillion, constituting to nearly a quarter of the global economy. The upcoming 2024 US election is poised to have a profound impact on global markets, surpassing previous elections. Key factors include the US's economic positioning, trade policies, international relations and environmental commitment. Notably, the US has the ability to influence international trade, as demonstrated by the 2018 tariffs imposed by the previous administration on Chinese imports, which caused a 0.3% dip in global GDP. Expect the election to shape global economic landscapes, market volatility, trade dynamics, and ecological investments.

The Russia-Ukraine conflict and escalating tensions in the Middle East region are causing several economic challenges globally. These include higher fuel prices, supply-demand imbalances, and disruptions in global supply chains due to re-routed shipping lines in the Red Sea. Additionally, the war is expected to slow economic growth and contribute to elevated inflation.

Inflation for Emerging Market and Developing Economies is expected to decrease by 0.3%, reaching 8.1% in 2024. These economies face unique challenges, including structural issues and policy constraints.

Sub-Saharan Africa growth outlook is positive. After an estimated 3.3% growth in 2023, it is projected to rise to 3.8% in 2024 and 4.1% in 2025.

Table 1 below summarises the World Economic Outlook Projections:

REAL GDP GROWTH (%)	2023	2024	2025*
World Output	3.2	3.2	3.2
Advanced Economies	1.6	1.7	1.8
Emerging and Developing Economies	4.3	4.2	4.2

*Forecast Source: IMF

SUB-SAHARAN ECONOMIC HIGHLIGHTS

According to IMF, the overall regional outlook is gradually improving, with economic activity tepidly picking up. Growth will rise from 3.4 percent in 2023 to 3.8 percent in 2024, with nearly two thirds of countries anticipating higher growth. Economic recovery is expected to continue beyond this year, with growth projected to reach 4.0 percent in 2025. In parallel, median inflation has almost halved from nearly 10 percent in November 2022 to about 6 percent in February 2024.

However, the region's governments continue to grapple with financing shortages, high borrowing costs, and rollover risks amid persistently low domestic resource mobilization. Significant debt repayments are looming this year and next. The financing challenges are forcing countries to cut essential public spending and redirect development funds to debt service, thereby endangering growth prospects for future generations.

The funding squeeze partly reflects a reduction in the region's traditional funding sources, particularly Official Development Assistance. Gross external financing needs for low-income countries in sub-Saharan Africa are estimated to exceed $70 billion annually (6 percent of GDP) over the next four years. As concessional sources have become scarcer, governments are seeking alternative financing options, which are typically associated with higher charges, less transparency, and shorter maturities.

The cost of borrowing—both domestic and external—has increased and continues to be elevated for many. In 2023, government interest payments took up 12 percent of its revenues (excluding grants) for the median sub-Saharan African country, more than doubling from a decade ago. The private sector has also started to feel the pinch from higher interest rates.

The region continues to be more vulnerable to global shocks, particularly from weaker external demand and elevated geopolitical risks. Moreover, countries in sub-Saharan Africa face rising political instability and frequent climate shocks. The region faces a critical year with 18 national elections in 2024. Similarly, climate shocks are becoming more frequent and widespread, including droughts of unparalleled severity.

REAL GDP GROWTH (%)	2020	2021	2022	2023	2024*
Sub-Saharan Africa	(1.6)	4.7	4.0	3.4	3.8
Nigeria	(1.8)	3.6	3.3	2.9	3.3
South Africa	(6.0)	4.7	1.9	0.6	0.9
Kenya	(0.3)	7.6	4.8	5.5	5.0
Tanzania	4.5	4.8	4.7	5.0	5.5
Ethiopia	6.1	6.3	6.4	7.2	6.2
Uganda	(1.1)	5.5	6.3	4.8	5.6

*Forecast Source: IMF

UGANDA ECONOMIC HIGHLIGHTS

On 4 June 2024, the Bank of Uganda's Monetary Policy Committee (MPC)maintained the Central Bank Rate (CBR) at a rate of 10.25 percent.

Uganda's inflation in FY2024/25 is projected to remain moderate, broadly reflecting stable demand conditions and contained pressures. Inflation is expected to rise and average 5 % and 5.4 % in the short term (12 months ahead) before stabilising around the medium- term target of 5% in the second half of 2025.

Uganda faces decreased capital inflows, headwinds to export growth and heavy external debt servicing partly due to rising global interest rates. This, combined with declining budget support, has resulted in declining international reserves. Concerns over debt affordability and constrained financing options, has led to a downgrade of the country's sovereign credit rating, though with a stable outlook, reaffirming that these challenges are short-term. Going forward, rebuilding international reserves, will require increased coordination of monetary and fiscal policies.

Economic growth is projected at 6 percent in FY23/24 and to rise to 7 percent in FY24/25 and the medium-term. Core inflation is expected to remain subdued at 2.8 percent in FY 23/24 and rising to the Bank of Uganda's target of 5 percent in the medium-term.

A tight fiscal policy will reduce financing and debt risks, while maintaining fiscal space for social and development expenditure. Monetary policy should be data dependent, and a flexible exchange rate will help rebuild external buffers.

Risks to the outlook remain on the downside. A further tightening of external financial conditions could constrain the availability of syndicated loans and jeopardize fiscal financing and the ongoing recovery. The passing of the Anti-Homosexuality Bill, 2023 (AHA) could negatively impact foreign investment, loans, and grants, as well as tourism. Uganda's mostly rain-fed agriculture also remains vulnerable to weather related shocks.

Risks to inflation are also on the upside, reflecting a slightly positive output gap, risks of higher international fuel prices from the ongoing Israel-Gaza war, exchange rate depreciation pressures from portfolio outflows, and weather-related shocks.

Source: IMF, Bank of Uganda

RESOURCE ENVELOPE (USHS. "BILLIONS")

	Budget FY2022/23	Budget FY2023/24	Budget FY2024/25
Resources (inflows)			
Domestic Resources	30,797	33,349	31,982
URA Tax Revenue	23,755	27,424	31,574
Non-Tax Revenue	1,796	2,248	408
Petroleum fund	-	-	115
BOU (Recapitalisation 23/24 and Bonds 24/25	-	-	7,779
Domestic Financing	5,008	14,358	8,967
Appropriation in Aid (AIA)	239	287	294
External Resources	9,325	11,030	10,977
Budget Support	2,609	2,782	1,394
Project Support	6,716	8,249	9,583
Total domestic and external resources	40,123	44,379	60,114
Domestic Debt Re-financing	8,008	8,358	12,022
Total resource envelope	48,131	52,737	72,136

From the above resource envelope, UShs. 3.1 trillion is allocated for external debt repayment, UShs. 9.5 trillion for project support, UShs. 12 trillion for domestic refinancing, UShs. 9 trillion for interest payments, UShs. 293.9 billion for appropriation in aid, UShs. 603 billion for Bank of Uganda recapitalisation, UShs. 200 billion for domestic arrears and UShs. 9.1 trillion for domestic debt repayment under Bank of Uganda, take a first expenditure call.

Human capital development emerged as the top priority, receiving UShs. 9.9 trillion (26.3 percent of the budget) for investments in education, healthcare, and skills development. Governance and security was allocated Shs9.1 trillion (24.2 percent of the budget) to bolster law enforcement and national security measures. Additional allocations include Shs5.1 trillion for integrated transport infrastructure and services, Shs2.3 trillion for development plan implementation, and Shs2.0 trillion for private sector development.

INCOME TAX ACT (AMENDMENT) BILL, 2024

DEFINITION OF A RETIREMENT FUND EXPANDED UNDER SECTION 2

Section 2(III)(ii) is amended to expand the definition of a retirement fund and include the following—

"(iii) the provision of benefits for members of the fund in the event of termination of service or upon the occurrence of an event specified in the written law, agreement or arrangement;"

This amendment intends to expand the definition of the retirement fund to include a permanent pension or provident fund established for the purpose of providing benefits to members in the event of termination of service. The current definition is limited to retirement funds set up for the provision of benefits to members of the fund in the event of retirement or for the provision of benefits for dependents of members in the event of the death of a member.

EXEMPT INCOME

Section 21 is amended

- by inserting immediately after paragraph (t) the following—

- Income derived from or by private equity or venture capital fund regulated under the Capital Markets Authority Act, Cap. 84; and
- Income derived from the disposal of government securities on the secondary market."

The amendment seeks to exempt income from the mentioned entities and disposal of government securities on the secondary market. This is to encourage both local and foreign investment in private and venture capital funds.

-by inserting immediately after paragraph (af) (vii) the following—

- Manufactures an electric vehicle, electric battery or electric vehicle charging equipment or fabricates the frame and body of an electric vehicle; and
- Operates a specialised hospital facility."

The amendment seeks to encourage investment in the manufacturing sector for electric vehicles, electric battery or electric vehicle charging equipment or fabricates the frame and body of an electric vehicle and specialised hospital facilities with the intention to improve the health sector.

INTERPRETATION OF INTERNATIONAL TAX

Section 78 is amended to repeal paragraph (a)

The principal Act is amended by inserting immediately after section 78 the following—

78A. Permanent establishment

(1) For purposes of this Part, "permanent establishment" means a fixed place of business through which the business of the enterprise is wholly or partly carried on and includes—

a) a place of management;
b) a branch;
c) an office;
d) a factory;
e) a workshop;
f) a warehouse, in relation to a person providing storage facilities to others;
g) a mine, an oil or gas well, a quarry or any other place of exploration for or extraction or exploitation of natural resources;
h) a farm, plantation or other place where agricultural, forestry plantation or related activities are carried on;
i) a sales outlet;
j) a building site or a construction, installation or assembly project, or supervisory activities in connection with the site, project or activity that lasts for at least ninety days in any twelve months period;

k) the furnishing of services, including consultancy services, by a person through employees or other personnel engaged by the person for such purposes provided that such activities continue in Uganda for a period of, or periods amounting in aggregate to, one hundred and eighty three days or more in any twelve month period that commences or ends during the year of income; or

l) substantial equipment or machinery that is operated, or is available for operation, in Uganda for a period of, or periods amounting in aggregate to, ninety days or more in any twelve month period that commences or ends during the year of income.

(2) The duration of activities referred to under subsection (1) (j), (k) and (l) shall be determined by aggregating the period during which activities are carried on in Uganda by associates, provided that the activities of such associate in Uganda are connected.

(3) Where there are two or more associates carrying on concurrent activities, the period referred to under subsection (1) (j), (k) and (l), shall be counted only once for the purpose of determining the duration of activities.

(4) Notwithstanding the provisions of subsection (1), (2) and (3), permanent establishment shall not include—

a) the use of facilities solely for the purpose of storage or display of goods or merchandise belonging to the person;
b) the maintenance of a stock of goods or merchandise belonging to the person solely for the purpose of storage or display;
c) the maintenance of a stock of goods or merchandise belonging to the person solely for the purpose of processing by another person;
d) the maintenance of a fixed place of business solely for the purpose of purchasing goods or merchandise or for collecting information for the person;
e) the maintenance of a fixed place of business solely for the purpose of carrying on, for the person, any other activity; or
f) the maintenance of a fixed place of business solely for any combination of activities mentioned in subparagraphs (a) to (e), provided that such activity, or in the case of subparagraph (f), the overall activity of the fixed place of business, is of a preparatory or auxiliary character.

(5) Subsection (4), shall not apply to a fixed place of business that is used or maintained by a person if the same person or associate carries on business activities at the same place or at another place in Uganda and—

a) that place or other place constitutes a permanent establishment for the person or the associate under this section; or
b) the overall activity resulting from the combination of the activities carried on by the two persons at the same place, or by the same person or associate at the two places, is not of a preparatory or auxiliary character, provided that the business activities carried on by the two persons at the same place, or by the same person or associates at the two places, constitute complementary functions that are part of a cohesive business operation.

(6) Notwithstanding the provisions of subsection (1), but subject to the provisions of subsection (7), where a person is acting in Uganda on behalf of another person, that principal shall be deemed to have a permanent establishment in Uganda in respect of any activities which the agent undertakes on behalf of the principal, if such agent—

a) habitually concludes contracts, or habitually plays the principal role leading to the conclusion of contracts that are routinely concluded without material modification by the principal, and these contracts are—
    i. in the name of the principal;
    ii. for the transfer of the ownership of, or for the granting of the right to use, property owned by the principal or that the principal has the right to use; or
    iii. for the provision of services by the principal, unless the activities of the agent are limited to those mentioned in subsection (4) which, if exercised through a fixed place of business other than a fixed place of business to which subsection (a) would apply, would not make this fixed place of business a permanent establishment under subsection (5); or
b) does not habitually conclude contracts nor plays the principal role leading to the conclusion of such contracts, but habitually maintains in Uganda a stock of goods or merchandise from which the agent regularly delivers goods or merchandise on behalf of the principal;
c) does not habitually conclude contracts nor plays the principal role leading to the conclusion of such contracts, but habitually manufactures or processes in Uganda for the principal, goods or merchandise belonging to the principal; or
d) does not habitually conclude contracts nor plays the principal role leading to the conclusion of such contracts, but habitually secures orders in Uganda wholly or almost wholly for the principal or associates.

(7) Subsection (6) shall not apply where the agent acting in Uganda on behalf of the principal carries on business in Uganda as an independent agent and acts for the principal in the ordinary course of that business.

(8) For purposes of subsection (7) "independent agent" is where, an agent acts exclusively or almost exclusively on behalf of one or more principals to which the agent is associated.

78B. Calculation of chargeable income of permanent establishment

(1) The income of a non-resident person attributable to activities of a permanent establishment shall be taxed in Uganda including—
  a) the income derived from the sales of goods or merchandise in Uganda of same or similar kind as those sold through the permanent establishment; or
  b) the income of other business activities carried on in Uganda that are of the same or similar kind as those carried out through the permanent establishment.

(2) A permanent establishment shall not be allowed a deduction in respect of amounts, paid by the permanent establishment to the head office of the non- resident person or any of its other offices by way of—
  a) royalties, fees or other similar payments in return for the use of patents or other rights;
  b) commission, for specific services performed or for management; or
  c) interest on moneys lent to the permanent establishment, except, in case of financial institution.

(3) Subject to subsection (2), in the determining the chargeable income of permanent establishment, there shall be allowed as deductions expenses which are incurred for the purposes of the business of the permanent establishment.

(4) Subject to subsection (3), a permanent establishment shall be a distinct and separate entity from the non-resident person of which it is a permanent establishment and the transactions between the permanent establishment and non-resident person are subject to section 90 and 89I of this Act.

(5) The gross income of a permanent establishment, shall not include charges by the permanent establishment to the head office of the non- resident person or any of its other offices, by way of—
  a) royalties, fees or other similar payments in return for the use of patents or other rights;
  b) commission for specific services performed or for management; or
  c) interest on moneys lent to the head office of the permanent establishment or any of its other offices except, in case of a financial institution.

The amendment seeks to replace the branch with the concept of Permanent Establishment to align with Internation Tax and OECD recommendations.

The amendment seeks to outline what constitutes or when a Permanent Establishment has been created. The proposal also seeks to outline what does not constitute or when a Permanent Establishment has not been created.

The amendment also provides the determination of chargeable income of a Permanent Establishment as income derived from business activities carried on in Uganda and the sale of goods or merchandise in Uganda of same or similar kind as those carried out or sold through the Permanent Establishment. These expenditures in the proposed amendment shall be disallowed in arriving at the chargeable income.

WITHOLDING TAX ON COMMISSION PAID TO A SERVICE PROVIDER-SECTION 118(I)

Section 118(I) is amended to insert the following—

(1) A person who pays a commission to a payment service provider shall withhold tax on the commission paid to the payment service provider at the rate prescribed in Part XVI of Third Schedule.
(2) For avoidance of doubt, this section shall apply to commission paid to banking agents or any other agent offering financial services."

This implies that a person who pays a commission to a payment service provider shall withhold tax on the commission paid to the payment service provider at a rate of 10%. This shall only apply to commission paid to banking agents or any other agent offering financial services.

VALUE ADDED TAX (AMENDMENT) BILL, 2024

PERSON LIABLE TO PAY TAX ON AUCTION OF GOODS

Section 5 is amended by inserting immediately after subsection (1) (a) the following—

" in the case of supply of goods through auction, is to be paid by the recipient of the proceeds of the auction;"

This amendment seeks to transfer the burden of paying VAT on auctioned goods to the recipient of the auction proceeds contrary to the current legislation under section 10 where VAT is accounted for by the auctioneer.

SUPPLY OF GOODS

Section 10 is amended by substituting for subsection (4) the following—

The supply of goods through auction by an auctioneer in the course of auctioning goods is treated as a supply of goods by the recipient of the proceeds of the auction."

This implies that the supply of goods through an auction shall be liable for VAT, which shall be accounted for by the recipient of the proceeds.

TAXABLE SUPPLY

Section 18 is amended by inserting immediately after subsection (9) the following—

The supply of goods or services by an employer who is a taxable person to an employee, for no consideration shall be regarded as the supply of goods or services for consideration as part of the person's business activities."

This implies that any supply of goods by an employer to an employee for no consideration shall be treated as a taxable supply. These can be in form of gifts and any other benefits. This implies that VAT shall have to be accounted for and paid to URA on such gifts or benefits.

REFUND OF OVERPAID TAX

Section 42 of the principal Act is amended in subsection (2), by substituting the word "five" for "ten" wherever it appears.

This implies that the threshold for VAT refund is proposed to be increased from the current UShs. 5,000,000 to UShs. 10,000,000. Taxpayers shall only be able to apply for VAT refunds where input tax credit exceeds output tax by UShs. 10,000,000 million. Otherwise, the input tax credit shall only be carried forward for future offsets.

TAX PROCEDURES CODE ACT (AMENDMENT) BILL, 2024

DESTRUCTION OF GOODS

Section 18A is amended to include the following—

(1) A taxpayer who intends to claim a deduction of or credit for the goods destroyed as a result of—

- damage of trading stock;
- expiry of trading stock;
- damage of manufactured stock;
- expiry of manufactured stock; or
- obsolete stock.

shall inform the Commissioner in writing, using the form prescribed under section 70 of this Act, before destroying the goods.

A taxpayer who fails to inform the Commissioner in accordance with subsection (1), shall not claim for deduction of or credit for the destroyed goods.

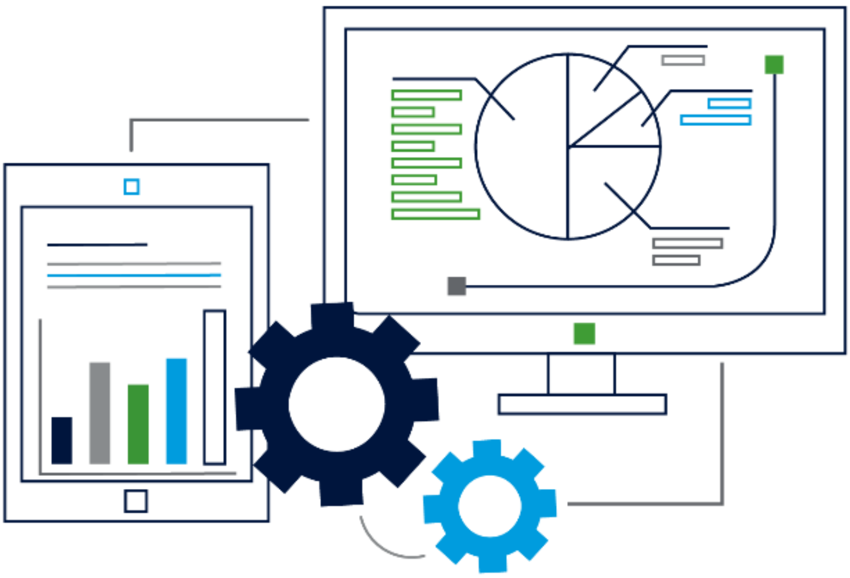
This amendment seeks to clarify that only taxpayers who inform the Commissioner in writing before destroying damaged, expired, and obsolete goods shall be able to claim deductions or credits in respect of such goods. Otherwise, no credit or deductions shall be allowed.

WAIVER OF INTEREST AND PENALTIES IF PRINCIPAL TAX IS PAID

Section 40(D) is amended to waive off interest and the penalty of a taxpayer, where the taxpayer voluntarily pays the principal tax outstanding at **30th June 2023**, by 31st December, 2024.

The Commissioner shall waive the payment of interest and the penalty by a taxpayer on a pro-rata basis, where the taxpayer voluntarily pays part of the principal tax outstanding at **30th June 2023**, by 31st December, 2024."

This amendment is aimed at encouraging taxpayers with accrued principal tax to pay it by 31st December 2024 in order to avoid interest and penalties. Therefore, all taxpayers with tax liabilities should take advantage and use this incentive by 31st December 2024.



STAMP DUTY ACT (AMENDMENT) BILL, 2024

NOMINAL SHARE CAPITAL

Schedule 2 of the Stamp Duty Act on Instruments is amended under item 18 and exempt stamp duty on nominal share capital or any increase of share capital and other securities of a Private Equity or Venture Capitalist fund. However, this shall only apply to those funds regulated under the Capital Markets Authority Cap.84.

This amendment seeks to exclude stamp duty on the mentioned instruments. The intention will ease transfer of shares or increase of nominal capital for entities that meet the above criteria due to non-payment of stamp duty on such transfers further, investment.

CRITERIA FOR EXEMPTION OF STAMP DUTY ON STRATEGIC INVESTMENTS

Schedule 2 under item 60A is amended to exempt Stamp Duty on Strategic investments

The current criteria under the Stamp Duty Act is amended further to include the following.

by substituting for the words "capacity to employ a minimum of one hundred citizens" the words "employs at least seventy percent of its employees being citizens earning an aggregate wage of at least seventy percent of the total wage bill", wherever they appear.

- by substituting for the words "capacity to use at least fifty percent of the locally produced raw materials, subject to availability" the words "capacity to use at least seventy percent of the locally produced raw materials, subject to availability."

The manufacturer of an electric vehicle, electric battery or electric vehicle charging equipment or fabricator of the frame and body of an electric vehicle who meets the following requirements—

- a minimum investment capital of ten million United States Dollars in case of a foreigner, or three hundred thousand United States Dollars in case of a citizen or one hundred fifty thousand United States Dollars in case of a citizen who invests up country.
- capacity to use at least seventy percent of the locally produced raw materials, subject to availability.
- employs at least seventy percent of its employees being citizens earning an aggregate wage of at least seventy percent of the total wage bill.

The mentioned criteria shall have to be met by strategic investors to benefit from this amendment. This is also an initiative from the government to ensure more Ugandans are employed and increase in support of local industries who provide raw materials to operators of these strategic investments.

EXCISE DUTY ACT (AMENDMENT) BILL, 2024

SECTION 2 INTERPRETETION

Section 2- Interpretation is amended to include the following—

a) by inserting immediately after the definition of "export the following—

"Fruit juice" means unfermented liquid extracted from the edible part of a fresh fruit whether the extracted liquid is diluted or not;"

b) by inserting immediately after the definition of "plant" the following—

"Powder for reconstitution into beer" means a powder, crystal, or any other dry substance which after being mixed with water or any other non-alcoholic beverage ferments to or otherwise becomes an alcoholic beverage;"

c) (by inserting immediately after the definition of "tribunal" the following—

"un-denatured spirits" means spirits that are not mixed with any substance to render the spirit unfit for human consumption or capable of being rendered unfit for human consumption and includes neutral spirits or alcoholic beverages made from neutral spirits that are fit for human consumption;"

d) by inserting immediately after the definition of "value added tax" the following—

"Vegetable juice" means unfermented liquid extracted from the edible part of a vegetable whether the extracted liquid is diluted or not;"

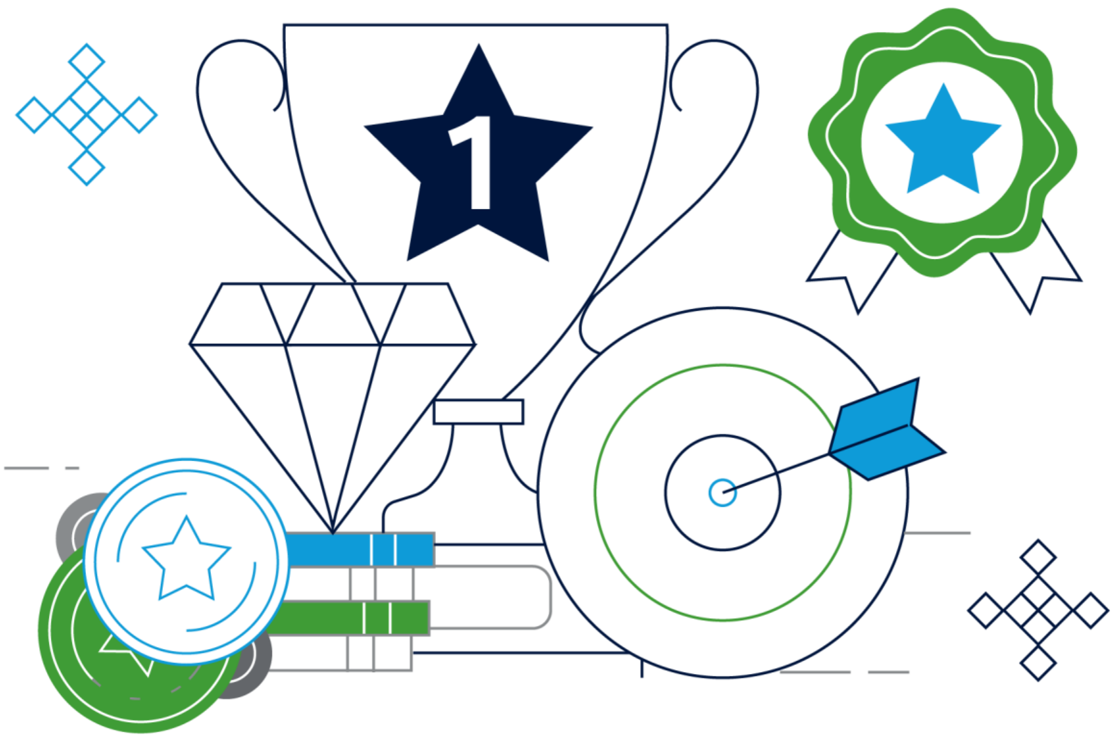
The amendment to the previous definitions is likely to change how excise duty for both manufacturers and consumers of these products is to be determined. Both URA and taxpayers shall have to consider if these products meet the line definitions in Section 2 for Excise duty to be applied appropriately.

NEW EXCISE DUTY RATES

Product	New excise duty rate
Opaque beer	12% or UShs. 150 per litre whichever is higher
any other alcoholic beverage locally produced	12% or UShs. 150 per litre whichever is higher
Un-denatured spirits of alcoholic strength by volume of 80% or more made from locally produced raw materials	60% or UShs. 5,000 per litre whichever is higher
Powder for reconstitution into beer	UShs. 1,000 per kg
Un-denatured spirits of alcoholic strength by volume of 80% or more made from locally produced raw materials	60% or UShs. 5,000 per litre whichever is higher
Un-denatured spirits of alcoholic strength by volume of 80% or more made from imported raw materials	100% or UShs. 5,000 per litre, whichever is higher
any other un-denatured spirits— (i) that is locally produced of alcoholic strength by volume of less than 80%	80% or UShs. 1,700 per litre whichever is higher
Other wines	100% or UShs. 10,000 per litre whichever is higher
fruit juice and vegetable juice, except juice made from at least 30% pulp or at least 30% juice by weight or volume of the total composition of the drink from fruits and vegetables locally grown	12% or UShs. 250 per litre, whichever is higher
any other non-alcoholic beverage locally produced other than the beverage referred to in paragraph (a) made out of fermented sugary tea solution with a combination of yeast and bacteria.	12% or UShs. 150 per litre whichever is higher
Mineral water, bottled water and other water purposely for drinking	10% or UShs. 75 per litre whichever is higher
Cement, adhesives, grout, white cement or lime	Cement, adhesives, grout, white cement or lime
Motor spirit (gasoline)	UShs. 100 per litre

Product	New excise duty rate
Gas oil (automotive, light, amber for high speed engine)	UShs. 100 per litre
Illuminating kerosene	UShs. 500 per litre
Payment service of withdrawals of cash provided through a payment system but does not include withdrawal services provided by a financial institution or a micro finance deposit taking institution	0.5% of the value of the transaction
any other fermented beverages including cider, perry, mead or near beer produced from locally grown or produced raw materials	30% or UShs. 550 per litre whichever is higher
construction materials of a manufacturer of an electric vehicle, electric battery or electric vehicle charging equipment or fabricator of the frame and body of an electric vehicle whose investment capital is, at least thirty five million United States Dollars in case of a foreigner or five million United States Dollars in the case of a citizen	NIL

Increased duty rates on items like fuel are bound to affect the public and cause inflation in the long run. Suppliers of these products are likely to adjust the current prices to compensate for the excise duty rates.



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