

**OGWAPUS ANNET KASIRYE (2011-M162-20004)**

**The Impact of Exemption Regimes under the East African Community Customs Union on Revenue Collection in Uganda.**

The study set out to assess how the East African Community Exemptions Regime affects revenue collection of respective countries with a case study of Uganda Revenue Authority. The research titled, *The Impact of Exemption Regimes under the East African Community Customs Union on Revenue Collection in Uganda*, had its objectives as: to establish reasons for various exemptions; to evaluate the administration of exemption regimes and to examine the relationships between exemption regime and revenue collection. The study methodology was both qualitative and quantitative, with the use of a cross section survey design to cover a range of respondents who gave raw data that was exhaustive to the study in understanding the various relationships existing between exemptions and revenue collection. The study used stratified sampling and purposive sampling for Uganda Revenue Authority and Ministry of Finance respectively. The research instruments were self-administered questionnaires. There were 56 respondents from the Customs Department of Uganda Revenue Authority and the Tax Policy Department of the Ministry of Finance and Economic Development. The study analysed the data with the aid of MS Excel and the Statistical Package for the Social Sciences (SPSS). The analysis was illustrated by use of graphs and tables. The study also used the Pearson's correlation which revealed significant relationships between exemptions and revenue collection. The ranges used illustrated relationship strength between the East African Community Customs Management Act and revenue collection. Amongst the key findings the researcher established that: there were various reasons upon which exemptions are granted among which is the need to support specific sectors that are relevant to the development of the county's economy; stakeholder consultation is crucial in determination of categories to be included in the exemption regime; the respective officials involved did not understand exemptions under the EAC CMA fully; exemptions are too general making interpretation hard to implement, and; that the laws need to be harmonised. Furthermore administration of exemptions involves procedures and involvement of several stakeholders. From the findings it can be concluded that exemptions have a strong relationship with revenue collection due to social, cultural, economic and political factors. It can also be noted that irrespective of exemptions, government should consider sectors important to the economy for support and that there is need to stream line the entire exemption process to involve all stakeholders to ensure efficiency.

**Key Words: Exemption Regimes, East African Community, Customs Union, Revenue Collection.**