

CONTRACT FOR SERVICE: 03-2017/CFS-UGX**TAX COMPLIANCE, TRAINING AND ADVISORY SERVICES**

This document is an agreement between:

1. **EMERGENCY Life Support for Civilian War Victims hereinafter as "EMERGENCY" or "THE CLIENT".**

Plot 38 Njeru Road – Entebbe
NGO Permit 10669 - TIN 1009846899
Phone: +256 (0) 778746812 – Email: pcuganda@emergency.it
Represented by: Marcello Cospite

AND

2. **BRJ PARTNERS hereinafter as "THE CONSULTANT"**

24 Henlon Close, Bugolobi – Kampala
P.O. Box 35263
Phone: +256 (0) 414 660071 – Email: info@brj.co.ug
Represented by: Robert Busuulwa

The two parties agreed on the following contract:

Article 1: OBJECT OF THE CONTRACT

The object of the present contract is the provision of Tax Compliance, Training and Advisory Services on an annual retainer basis by the Consultant, a Certified Public Accountant, to EMERGENCY, as detailed in the Article 2 of this agreement.

Article 2: COMMITMENTS OF THE TWO PARTIES

Both parties agree on the following scope of work to be provided by the Consultant.

2.1 Change of Accounting Date (one-off)

The Consultant shall

- Apply online using the EMERGENCY's URA account.
- Follow up with URA on the status of approval and update EMERGENCY accordingly.

2.2 Monthly and Annual Tax Compliance Services

The Consultant shall Assist EMERGENCY in complying with its monthly and annual tax obligations in respect of Income Tax Returns, PAYE returns, LTS, WHT returns, NSSF contributions, Custom and advice on any other relevant taxes.

This includes:

- Preparation and submission of two provisional tax returns (for EMERGENCY and one Director);
- Obtain financial statements and ensure they agree with tax computation ;

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- Preparation of the final tax computations and self-assessment tax return (for EMERGENCY and one Director);
- Submission tax return on URA portal (for EMERGENCY and one Director);
- Validate the PAYE, LST and NSSF payment slips and file returns on URA and NSSF portals;
- Prepare VAT and WHT schedule and applicable payment slip and file EMERGENCY's WHT tax returns on URA web portal not later than the due date (months of April, May and June 2017).
- Prepare WHT Credit Certificates to be issued to exempted service providers and suppliers (months of April, May and June 2017).
- Advice on VAT and WHT payable and validate WHT payment slips, returns and Credit Certificates before the due date (after first three months), if doubts arise.
- Guidance on expatriate taxes;
- Provide guidance on the organization's right and obligations under the tax laws;
- Any other required guidance or assistance to ensure overall compliancy with Ugandan Law.

2.3 URA Tax support services

The Consultant shall

- Have meetings with EMERGENCY to discuss the tax implications of the issue(s) at hand as and when they arise and Emergency's tax obligations thereon;
- Attend meetings on EMERGENCY behalf with the URA, where necessary, and provide EMERGENCY with minutes of those meetings;
- Assist Emergency to object online against the URA tax assessments raised, if any, and follow up with the URA until EMERGENCY is issued with an objection decision.
- Liaise with EMERGENCY to respond to any documentation queries that may be raised by the URA;
- Follow up with the URA until it issues its decision on the matter.
- Advise EMERGENCY on the cost of any particular assignments (e.g. URA audit)

2.4 Tax Training

The Consultant will provide one or two half day sessions of tax training services to EMERGENCY team in order to properly plan for taxes, accurately compute the right tax and remit the same to the right place at the right time.

EMERGENCY and the Consultant will agree on the suitable time for delivery the Tax Training sessions.

The Tax Training sessions shall include:

- a) *Employee Taxation - Pay As You Earn*
 - Overview of the provisions of the Income Tax Act governing Pay As You Earn (PAYE) tax;
 - Expatriate Taxation;
 - Non-compliance issues and the cost of non-compliance;
 - Employee vs. Consultant;
 - Common PAYE problems.
 - PAYE Tax planning opportunities.
- b) *Social Security Obligations – National Social Security Fund*

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- Overview of the provisions of the NSSF Tax Act governing the social security obligations for an employee and an employer; and
- Non-compliance issues and the cost of non-compliance.
- c) *Income Tax and Withholding Tax (WHT)*
 - Income Tax and Withholding Tax provisions;
 - Taxable and non-taxable incomes;
 - Income tax returns;
 - Payments on which withholding tax is deductible;
 - Point at which withholding tax crystallizes; and
 - Non-compliance issues and the cost of non-compliance.
- d) *Value Added Tax (VAT)*
 - Implications of services performed by non-resident persons to EMERGENCY (imported services); and
 - Non-compliance issues and the cost of non-compliance.
- e) *Local Service Tax*
 - Overview of the LST
 - Non-compliance issues and the cost for non-compliance.
- f) *Administrative navigation and use of URA and NSFF portals*
 - Overview of the whole returns filing process, registering payment receipts for payment of taxes, how to view filed records, how to process objections, notifications and get certifications.
 - Overview of the NSFF portal and its functions.

2.5 Transportation to and from Entebbe

- EMERGENCY commits on properly plan its activities in order to minimize the transportation costs of the Consultant. Email and phone communications will be the first options of contacts.
- If required, the Consultant shall assure an average of two monthly visits to EMERGENCY's office in Entebbe. The Consultant understands that the number of visits might be higher during the first three months.
- EMERGENCY will reimburse **50 USD** (Fifty USD ONLY) VAT inclusive, or the equivalent in UGX, for each agreed visit to Entebbe on the same day.

2.6 Communication

- For all Client's Tax Compliance Services and URA tax support, the main contact persons will be:
 - Robert Busuulwa: T. 0782604832, email: robert.busuulwa@brj.co.ug
 - Ritah Nalubanga: T. 0772474465, email: ritah.nalubanga@brj.co.ug

Article 3: COST OF THE SERVICE.

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The Client agrees to pay an annual fee to the Consultant for the Tax Compliance Services and URA tax support of **2,000 USD** (Two Thousands USD ONLY) and **350 USD** (Three Hundred Fifty USD ONLY) per half day Tax Training sessions for a maximum of two sessions.

All costs are exclusive of VAT.



Article 4: PAYMENT CONDITIONS

The payment for Tax Compliance Services and URA tax support will be done in two installments:

- 70% of the annual fee at the signing of this agreement, within 7 days from the reception of the invoice;
- 30% of the annual fee after 6 months from the signature of this agreement, within 7 days from the reception of the invoice.

The payment for the Tax Training services shall be done on **one installment** after completion of the agreed session/s, within 7 days from the reception of the invoice.

All the payments shall be by cash, cheque or bank transfer to the following account:

ACCOUNT NAME:	BRJ PARTENRS
BENEFICIARY BANK:	BANK OF AFRICA UGANDA LIMITED
BANK ACCOUNT NUMBER:	01272310014
CURRENCY:	UNITED STATES DOLLARS
SWIFT CODE:	AFRIUGKA
INTERMEDIARY BANK:	CITIBANK NY
SWIFT ADDRESS:	CITIUS33

Article 5: DURATION OF AGREEMENT

This agreement shall take effect from **6th April 2017** for **12 months** and remain in force for that period. The agreement will not be automatically at the termination of the 12 months, without written consent of both parties.

Article 6: NON-EXCLUSIVITY

Neither the provision of Goods or Services by the CONTRACTOR nor the purchase of Goods or procurement of Services by EMERGENCY is exclusive. As such, EMERGENCY reserves the right to enter into contracts or agreements with third parties for the supply or provision of the same Goods/Services which the CONTRACTOR provides at any time, without assuming non-compliance of this contract; neither shall any compensation be payable to the CONTRACTOR. EMERGENCY similarly has no obligation to purchase/procure any Goods/Services neither to order any minimum quantity of Goods/Services from the CONTRACTOR.

Article 7: CONFIDENTIALITY

The Consultant shall not, except in the proper exercise of its duties of providing tax advisory services to the Client, or as is required by law, divulge any information concerning the Client's business, work or any information of a confidential nature which may come into their knowledge during the currency of this Agreement, without prior written authorization from the Client.

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Article 7: CHANGE IN CONTRACT TERMS

All changes in the terms of the contract must be formalized through an amendment to this contract signed by two (2) parties.

Article 8: TERMINATION OF CONTRACT

The complying party may terminate this contract unilaterally when the other party fails to comply with its obligations as laid down in the contract, including non-compliance of all applicable law.

The complying party shall inform the non-complying party accordingly in writing and shall grant it a reasonable period of 10 (ten) working days to correct the matter; failing which, the complying party may immediately terminate the contract.

In such case, the Client shall be entitled to a pro rata refund of the remaining period under the annual fee.

8a. Breach of Contract by EMERGENCY

EMERGENCY reserves the right to terminate the contract without notice in the following cases:

- Breach of this contract and procedures mentioned by the Consultant or its employees.
- If EMERGENCY is requesting to the Consultant to take action on any neglected contractual obligations which seriously affects the successful implementation of the contract and the CONTRACTOR fails to comply within a reasonable delay (10 days);
- If the Consultant is bankrupt or cessation of activity in any similar legal situation;
- If the Consultant is subject to a decision of a court for fraud, corruption, involvement in a criminal organization or any other illegal activity;
- Inaccessibility or limitation of EMERGENCY activities for security reasons;
- EMERGENCY may cancel this contract more generally for all reason that can affect the good performance of activities.
- If ethical purchasing practices conditions annexed to the contract are not respected

8b. Breach of Contract by the CONSULTANT

The Consultant may, after giving written notice of 10 (ten) working days decide to terminate the contract in the following cases:

- EMERGENCY fails to pay the amounts due by the deadline specified in the Payment Terms.
- EMERGENCY fails to meet its obligations after repeated reminders;

Such termination shall be without prejudice to the rights of the Consultant or EMERGENCY under the contract.

Article 9: FORCE MAJEURE**UGANDA**

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EMERGENCY is an independent and neutral humanitarian organisation, that provides free, high quality medical and surgical treatment to victims of war, landmines and poverty.

also estimate the period of non-compliance. In these circumstances said party will not be penalized for non-compliance.

The signatures below are acceptance of the terms and conditions mentioned above and certify that the conditions are fully understood.

Entebbe,

Signed on behalf of EMERGENCY

Date 06/04/2017



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Entebbe,

Signed on behalf of BRJ PARTNERS

Date 06/04/2017

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