



**KALIKUMUTIMA
& CO ADVOCATES**

Translating Visions into Reality



2024

TAX INSIGHT

ON EFRIS AS REQUIRED BY URA

What is EFRIS?

It is the Electronic Fiscal Receipting and invoicing solution. This is basically a system and not a tax put in place by URA to effectively collect taxes, as well as address the tax administration challenges and issuance of receipts.

Section 73A of the Tax Procedure Code Act operationalizes electronic receipting and invoicing by a tax payer that shall be linked to the centralized invoicing and receipting system.

What are the components of EFRIS/Channels?

E-invoicing or electronic invoicing, refers to the process of creating, sending and receiving invoices electronically typically through digital platform or system. It streamlines the invoicing process, reducing errors and increasing efficiency. Therefore it supports issuance and storing of invoices in an electronic format through;

- Desktop (Client Application), downloaded from the URA web portal, create user ID and password on their devices to generate e-receipts and e-invoices.
- Unstructured Supplementary Service Data-Quick Access, tax payers are given a code for use to generate e-receipts and invoices using their mobile phones.
- System to system connections that best works for clients with sales systems via a web service API connection.
- URA web portal, where the tax payer logs into their account on the portal using the TIN and password, a one-time password sent on their phones and issue e-receipts.

Electronic Fiscal Device ((EFD)). This is a device used to record and document business transactions for tax purposes. It electronically generates and stores fiscal documents such as receipts, invoices or sales orders and often integrates with a country's tax authority to ensure compliance with tax regulations. EFD's are commonly used to prevent tax evasion and ensure accurate tax collection.

Electronic Dispenser Controller (EDC). This is designed to manage fuel and gas stations. The e-receipts are generated as soon as the sale occurs. Tax shall be calculated based on sales of gas or fuel which in turn is calculated by monitoring the status of the dispenser.

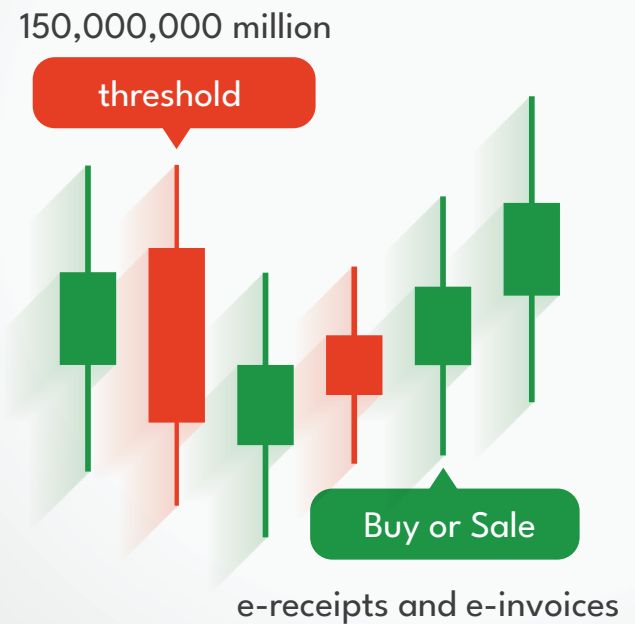


Who can use EFRIS?

EFRIS is mandatory for registered VAT tax payers.

The question is then who can be registered for VAT? A VAT registered tax payer whose threshold exceeds 150,000,000 Million.

However, also tax payers not registered for VAT can also enroll for efris to generate e-receipts and e-invoices.



How does EFRIS work?

Once a transaction is initiated transaction details are transmitted to the Uganda Revenue Authority in real time to generate e-receipts and e-invoices.

Benefits of efris.

- Simplifies the tax declaring process. This comes in to remedy the tax payer's problem of maintaining proper records of their businesses and remotely monitor in real time their business transactions and generates business transaction reports at will. Thus making it easy to claim their tax refund by the tax payers.
- It protects tax payers from fictitious invoices issued by unscrupulous business operators who have made them lose their input tax creditors and tax refund claims.
- It gives small enterprises to re-organize and acquire new markets.

ATTENTION



Incase you don't file using EFRIS then it attracts a penalty for **non-compliance**.



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