

CSBAG BUDGET NEWS



URA's FY2024/25 surplus boosts confidence in Uganda's domestic revenue strategy



URA Commissioner John Rujoki Musinguzi speaking at a press conference recently (July 10, 2025) Photo GCIC.

Uganda Revenue Authority (URA) surpassed its revenue collection target for the 2024/2025 financial year, marking a huge achievement for the country's domestic revenue mobilization agenda and a positive step towards reducing Uganda's rising public debt burden.

According to figures released by URA, the tax body collected over **UGX 31.63 trillion**, exceeding its official target of **UGX 31.37 trillion** by over **100.84%**. This performance reflects improved tax compliance, digitization of tax processes and strategic enforcement initiatives across the country.

URA Commissioner General John Rujoki Musinguzi attributed this success to deliberate efforts in expanding the tax base, improving the tax administration, cooperation from taxpayers, a resilient tax economy, digitalized systems such as DTS Digital Tax Stamps and strengthening collaborations with key government agencies.

"This achievement is not just about numbers. It speaks to a more empowered and tax-compliant citizenry and the gradual realization of our vision to fund Uganda's development with domestic resources," said Musinguzi.

With this development, analysts believe URA's performance offers a much-needed cushion for self-financing as an alternative to Uganda's development.

This is a fiscal win that eases pressure on the government to depend on foreign aid and loans whose interest rates have become increasingly high to pay. Additionally, this will create alternative avenues to invest in Uganda's key sectors such as Health, Education, Infrastructure and Youth Empowerment

CSBAG ED Julius Mukunda hailed the tax body for its recent success in meeting its FY2024/25 revenue targets calling it a pivotal win for Uganda's dream to self-financing.

He emphasized that this achievement demonstrates the gov't's capacity to mobilize domestic resources which is essential for reducing dependence on external borrowing and calls for better tax administration.

"This revenue collection is on track to create better fiscal investments in sectors such as Health, Education, Infrastructure development among others. However, government needs to sustain this progress with reforms in tax policy and transparency to ensure that improved tax administration translates to better service delivery," said Mukunda.

Considering that Uganda's public debt stands at over **UGX 106 trillion** and continues to grow. The government has come under immense criticism for failure to control the debt which has become a burden that has starved resources from key areas in health, education and agriculture among others.

Senior Economist Fred Muhumza also warns that Uganda is already trapped in a cycle of borrowing with an increased share of gov't revenue going to debt repayment rather than development priorities.

Currently, the gov't's Domestic Revenue Mobilization Strategy (DRMS) aims to increase Uganda's tax to GDP ratio to 18% in 5 years. Therefore, URA's latest feat shows our capability to finance the 10-fold growth agenda.

CSBAG EVENTS

Event: CSBAG General Meeting

Convener: Civil Society Budget Advocacy Group

Date: 1st August 2025

Venue: CSBAG Offices, Ntinda-Kampala



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Budget Transparency Initiative members, Ministry of Finance, CSBAG and ACODE convened for a the Quarter One FY2025/26 Expenditure Release which happened at the offices of the Ministry of Finance, Planning and Economic Development on

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SOURCE: URA, 2025