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Ministry of Finance, Planning &
Economic Development
Plot 2-12, Apollo Kaggwa Road
P.O. Box 8147
Kampala
Uganda

In any correspondence on
this subject please quote No.**BPD/86/01**.

THE REPUBLIC OF UGANDA

14th April, 2009.

ALL LOCAL GOVERNMENT ACCOUNTING OFFICERS.

**RE: RELEASE OF UN-CONDITIONAL GRANT AND OTHER NON-WAGE,
NON-PAF RECURRENT FUNDS FOR THE MONTH OF APRIL, 2009.**

1.0 Please find attached the release schedule for all the Non-wage conditional grant transfers to local governments. For the case of Urban Authorities under district Votes, the concerned Accounting Officers should ensure that:

- i) the funds are **passed on to the town councils intact and timely;** and
- ii) the funds are appropriately accounted for.

2.0 This document is available on the Website at **<http://www.finance.go.ug>**;

3.0 It should be noted that:

(a) Local revenue

Local governments are expected to raise local revenue to supplement these funds, bearing in mind the need to maintain an appropriate balance between wage, non-wage and development expenditures;

(b) Salaries for local government elected leaders

As has been the case, the funds for payment of salaries for elected political leaders were budgeted for under unconditional grant and have been released as follows:

- item 321401 - for Districts including Sub-counties; and
- item 321402 - for Municipal Councils and Town Councils.

For further details especially on the payment rates for the various categories of local political leaders and any other related details that you may require for clarification or guidance, as the case may be, you are advised to consult the Permanent Secretary of the Ministry of Local Government.

(c) Release of other conditional grant transfers to Local Governments

Conditional grant salaries for Graduate Agricultural extension workers; Community Development Workers; Primary Health Workers; Primary Teachers; Secondary

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Teachers; and staff in Tertiary Institutions will be released separately based on the payroll. In addition, the releases for Development conditional grant will also be released under a separate schedule.

(d) Graduated Tax Compensation

With reference to Para 88 of the Budget Speech for FY 2008/09, the Graduated Tax Compensation for district and urban authorities were made available under two items as follows:

- item 321441 - for Districts including Sub-counties; and
- item 321442 - for Municipal Councils and Town Councils.

For Operationalisation of the funds under Graduated Tax compensation, you are advised to consult the law and the relevant circulars as you may have been guided by the Ministry responsible for local governments. In additional to the **releases for January and February 2009**, the balance of the funds for the third quarter have been made available in this release, which will put the cumulative release performance for Graduated Tax compensation 75% of the annual provision.

4.0 The total funds released through this Circular letter to the Districts/Municipalities amounts. **SHS.4,736,247,885.00=(SHILLINGS. FOUR BILLION, SEVEN HUNDRED THIRTY SIX MILLION, TWO HUNDRED FORTY SEVEN THOUSAND, EIGHT HUNDRED EIGHTY FIVE ONLY).**

5. Acknowledgement of receipt of funds released to you should be sent to this Ministry addressed to the Permanent Secretary/Secretary to the Treasury for the attention the Accountant-General during the month following the month of release.

5.0 By copy of this circular, the Auditor General is informed. The Accountant General and Commissioner/Data Processing are hereby requested to release funds to you as per attached scheduled.



Patrick Ocailap

For: PERMANENT SECRETARY/SECRETARY TO THE TREASURY

Copy to: The Hon. Minister of Finance, Planning and Economic Development
The Head of Public Service and Secretary to Cabinet.
The Deputy Head of Public Service/Secretary for Administrative Reform.
The Auditor General.
The Inspector General of Government.

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The Permanent Secretary/Ministry of Education and Sports.
The Permanent Secretary/Ministry of Health.
The Permanent Secretary/Min. of Water and Environment.
The Permanent Secretary/Ministry of Works and Transport
The Permanent Secretary/Min. of Agric, Animal Industry & Fisheries.
The Permanent Secretary/Ministry of Public Service.
The Permanent Secretary, Ministry of Local Government
The Chairperson/ Local Government Finance Commission.
The LCV Chairperson/District.
The Resident District Commissioner/District
The Mayor/Municipality.
The Accountant General.

The Commissioner/ Data Processing.
The Permanent Secretary/Secretary to Treasury.
The Deputy Secretary to the Treasury.
The Commissioner/Financial Management Services.
The Commissioner/Internal Audit and Treasury Inspectorate.
The Commissioner/Infrastructure & Social Services Department.
The Commissioner/Budget Policy & Evaluation Department.
The Ag. Commissioner/Macro-economic Policy Department.
The Ag. Commissioner/Public Administration Department.
The Assistant Commissioner/Social Services Department.
The Ag. Assistant Commissioner/Public Administration Department.
The Senior Information Scientist/Resource Centre.
The Senior Information Scientist.
The Top Management file.

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