LOCAL REVENUE PERFORMANCE REPORT

FY 2025/2026

FOREWORD

It is my pleasure to present the Local Revenue Annual Performance Report for the Financial Year 2025/26, the Commission's annual account of how Local Governments in Uganda mobilised and administered their own revenues over the year.

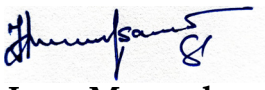
Local Revenue is the foundation of fiscal decentralisation. Article 176 of the Constitution commits the State to decentralisation as a principle of governance, and Articles 191 and 194 give Local Governments the power to raise revenue and charge this Commission with advising on potential revenue sources and appropriate tax levels. A Local Government that finances a meaningful share of its own services is more accountable to its citizens, more responsive to local priorities and less exposed to the uncertainties of central transfers. This report is therefore not only a record of collections; it is a measure of the fiscal autonomy that decentralisation was meant to deliver.

The results for FY2025/26 are encouraging. Local Revenue collections reached UGX 442.64 billion, an increase of 15 per cent over the restated FY2024/25 outturn of UGX 384.98 billion, and 91.6 per cent of the revised budget. The 176 Local Governments grew their collections by 17.8 per cent to UGX 303.03 billion, while Kampala Capital City Authority collected UGX 139.61 billion, 9.4 per cent above the previous year. Property Rates were the single largest source of Local Revenue, and the roll-out of the Integrated Revenue Administration System to all Local Governments has lifted registrations to more than 837,000 taxpayers and given Local Governments, for the first time, a common platform for identifying taxpayers, assessing what is owed and enforcing payment.

The report is equally candid about what remains to be done. Collections stand at 44.3 per cent of the Commission's UGX 1 trillion Local Revenue target and 55 per cent of the NDP IV target of UGX 805 billion for FY2029/30; reaching that target will require growth of around 16 per cent to be sustained in every one of the next four years. Only 93 of the 176 Local Governments were collecting Property Rates. Market dues reached barely a third of budget; the Local Service Tax register covers only a fifth of the employees on the national PAYE register; a third of the amounts assessed through IRAS were not collected; and revenue remains heavily concentrated in Kampala and its neighbouring Local Governments. The report also shows how inconsistent classification of collections in the chart of accounts clouds our understanding of individual revenue sources, a weakness the Commission will address in FY2026/27.

These findings point to clear priorities: completing Property Rates implementation in every Local Government; reforming the Local Service Tax so that it reaches the self-employed, professionals and commercial farmers it was designed for; strengthening enforcement and the management of arrears; budgeting realistically; and, above all, demonstrating to taxpayers the link between what they pay and the services they receive. The Commission will continue to support Local Governments through regional engagements, training on IRAS, sensitisation on revenue laws and the work of the Local Revenue Enhancement Coordination Committee.

I thank the Ministry of Finance, Planning and Economic Development, the Ministry of Local Government, the Uganda Revenue Authority, Kampala Capital City Authority, and the Accounting Officers and revenue staff of all Local Governments for the data and cooperation on which this report rests, and the Commission's Secretariat for preparing it. I commend the report to policymakers, Local Government leaders, development partners and all who share our commitment to a fiscally empowered local government system.



Isaac Musumba
Chairperson

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ACRONYMS

AG	Auditor General
BIMS	Building Industry Management System
CAO	Chief Administrative Officer
CFO	Chief Finance Officer
IFMIS	Integrated Financial Management Information System
IRAS	Integrated Revenue Administration System
KCCA	Kampala Capital City Authority
LED	Local Economic Development
LEDIC	Local Economic Development Implementation Committee
LG	Local Government (district, city, municipality, town, or councils)
LGFC	Local Government Finance Commission (Uganda)
LGA	Local Governments Act (Cap 138 of Uganda)
LGHT	Local Government Hotel Tax
LLG / HLG	Lower / Higher Local Government
LRECC	Local Revenue Enhancement Coordination Committee
LREP	Local Revenue Enhancement Plan
LST	Local Service Tax
MDA	Ministry, Department or Agency
MoFPED	Ministry of Finance, Planning and Economic Development
MoLG	Ministry of Local Government
MoPS	Ministry of Public Service
ONTR	Other Non-Tax Revenue
OSR	Own Source Revenue
PAYE	Pay-As-You-Earn
PRN	Payment Registration Number
PSST	Permanent Secretary/Secretary to the Treasury
PUF	Park User Fees
UBOS	Uganda Bureau of Statistics
URA	Uganda Revenue Authority

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1.0 Introduction and Background

Fiscal decentralisation remains central to Uganda's strategy for strengthening democratic governance, promoting equitable development and improving service delivery. Article 176 of the 1995 Constitution establishes decentralisation as a guiding principle of the State, empowering Local Governments (LGs) to respond to local priorities, enhance accountability to citizens and foster Local Economic Development (LED). Articles 191, 192 and 194 give this principle its revenue specific substance by providing for Local Government revenue raising powers, agency collection arrangements and the mandate of the Local Government Finance Commission (LGFC). Within this framework, the Commission supports the broader fiscal decentralisation agenda by assessing Local Government revenue capacity and administration, identifying implementation gaps and good practices, and recommending targeted measures to strengthen fiscal autonomy and service delivery.

Despite these aspirations, Own Source Revenue (OSR) mobilisation has historically remained low and uneven across Local Governments. Persistent challenges include gaps and overlap in the policy and legal framework; weak revenue administration and enforcement capacity; fragmented and partially automated systems; limited taxpayer education; and weak linkages between revenue collection and visible service delivery. These structural constraints have limited OSR growth and left many Local Governments heavily reliant on Central Government transfers to finance service delivery. Accordingly, this report assesses how Local Revenue performed in FY2025/26 across revenue sources and Local Governments.

Local Revenue collections stood at UGX 442.64 billion in FY2025/26, representing a 15% increase from UGX 384.98 billion in FY2024/25. Collections were 8.4% below the FY2025/26 revised budget of UGX 483.08 billion. Compared with FY2023/24 collections of UGX 324.76 billion, FY2025/26 collections were approximately 36.3% higher.

Local Revenue as a share of Gross Domestic Product remains low. At UGX 442.64 billion, FY2025/26 collections represented approximately 1.2% of URA's annual net revenue collection and about 0.18% of estimated FY2025/26 nominal GDP of UGX 250.4 trillion1. This underscores the importance of strengthening OSR mobilisation to expand the fiscal space available to Local Governments and reduce pressure on Central Government transfers.

Collections increased from UGX 324.76 billion in FY2023/24 to UGX 384.98 billion in FY2024/25, representing growth of 18.5%, before jumping to UGX 442.64 billion in FY2025/26. The three-year trend points to the need for continued base broadening, improved administration and more realistic revenue budgeting to sustain future growth.

Despite gains over the three-year period, OSR mobilisation remains concentrated in a few urban jurisdictions and revenue sources. In FY2025/26, KCCA and Wakiso District collected a combined UGX 159.56 billion, equivalent to 36% of national OSR, while a substantial share of collections came from a small number of major revenue lines. This concentration highlights the need to diversify the revenue base and strengthen administration across more Local Governments and revenue sources.

This report provides a comprehensive analysis of Local Revenue performance in FY2025/26, examining budget performance, revenue composition and trends, and performance by Local Government category and individual Local Government. It also reviews revenue administration, the linkage between Local Economic Development and revenue, and the drivers of collection performance. The findings are intended to inform evidence-based policy and administrative actions that advance fiscal decentralisation and strengthen Local Revenue systems across Uganda.

1.1 Methodology

The report employed a mixed-methods approach, combining quantitative and qualitative techniques:

Quantitative analysis

- Administrative data were compiled from the Commission's consolidated Local Revenue master dataset for FY2023/24 to FY2025/26, encompassing Local Revenue budgets, outturns and source-level performance across all 176 Local Governments plus KCCA.

1 Background to the Budget FY 2026/27, pg 34.

- Key performance indicators were computed for each Local Government, including budget execution rates, year-on-year revenue growth, and revenue concentration by major source.
- Budget figures are the FY2025/26 revised budgets as reported in IFMIS, with one adjustment: Mukono Municipal Council's revised budget was reduced from UGX 67.29 billion to UGX 8.81 billion to exclude UGX 58.48 billion of development-partner grants budgeted under Local Revenue codes. The national revised budget used throughout this report is therefore UGX 483.08 billion, rather than the UGX 541.56 billion shown in the unadjusted IFMIS extract.

Qualitative analysis

- This report draws on LGFC field and coordination activities conducted during FY2025/26.
- Relevant policy and legal instruments, including the Local Governments Act, the Local Governments (Rating) Act, the Markets Act and the Trade (Licensing) Act, as well as relevant Parliamentary Committee reports, were reviewed to provide regulatory context for the findings.

2.0 Overview of Local Revenue Performance FY 2025/26

In FY2025/26, total Local Revenue collections amounted to UGX 442.64 billion, compared with UGX 384.98 billion collected in FY2024/25 (15% growth). Against the FY2025/26 revised revenue budget of UGX 483.08 billion, collections represented budget performance of 91.6%. Of the FY2025/26 total, the 176 Local Governments collected UGX 303.03 billion, 17.8% more than their FY2024/25 collections of UGX 257.34 billion, while KCCA collected UGX 139.61 billion, 9.4% more than its FY2024/25 outturn of UGX 127.64 billion.

Table 1: OSR Budget against Actual Collection, FY2023/24 - FY2025/26

Year	Revised Revenue Budget (UGX)	Actual Revenue Collection (UGX)	Collection outturn
FY 2023/24	402,994,970,494	324,767,469,425	80.6%
FY 2024/25	425,749,861,819	384,982,000,000	90.4%
FY 2025/26	483,081,746,994	442,638,168,671	91.6%

Source: LGFC, IFMIS

2.1 Local Revenue Administration

Local Revenue administration encompasses the identification, registration, assessment, collection and enforcement of revenue sources and taxpayers across Local Governments. Effective administration is fundamental to sustainable Own Source Revenue (OSR) mobilisation and underpins the capacity of Local Governments to finance local services within their constitutional and statutory mandates.

During FY2025/26, several Local Governments identified emerging revenue opportunities as part of efforts to broaden their revenue bases beyond traditional sources. Kalangala District proposed a levy associated with palm-oil loading, drawing on the district's role in Uganda's palm-oil value chain, while Lira City explored a charge on tuk-tuk (three-wheeler) operators. These proposals illustrate the importance of continuously mapping changes in local economic activity and assessing emerging activities for lawful and administratively feasible revenue opportunities.

2.1.1 Taxpayer Registrations

IRAS registration data for FY2025/26 show 837,726 taxpayer records across revenue-source categories. Other Non-Tax Revenue (ONTR), a composite IRAS category covering a wide range of fees, permits and charges rather than a single revenue source, and not disaggregated by underlying source, accounted

for the largest share of registrations at 37.4% (313,575), followed by Trade Licences at 33.4% (279,804) and Property Rates at 17.5% (146,230). Together, these three categories accounted for 88.3% of all registrations recorded in IRAS.

It is important to note that 'Tendered Revenue Sources' describes a collection arrangement rather than a distinct legal revenue category. It may therefore include collections from several underlying sources, such as markets and Property Rates, where collection has been tendered.

Table 2: Taxpayer Registrations, FY2024/25 vs FY2025/26

Revenue Source	FY24/25	FY25/26	% Change
Trade License	247,169	279,804	13.20%
Operational Permit	49,527	43,705	-11.76%
Local Service Tax	11,668	11,970	2.59%
Outdoor Advertising	3,733	4,396	17.76%
Market Rent and Dues	3,541	2,823	-20.28%
Ground Rent	3,461	5,183	49.75%
Local Hotel Tax (LGHT)	1,360	2,007	47.57%
Rent and Rates	15,960	22,658	41.97%
Property Rates	163,655	146,230	-10.65%
ONTR	259,145	313,575	21.00%
Tendered Revenue Sources	4,449	5,375	20.81%
Reported Grand Total	**763,668**	**837,726**	**9.70%**

Source: IRAS

Taxpayer registrations increased from 763,668 in FY2024/25 to 837,726 in FY2025/26, representing an increase of 9.7%. It should also be noted that the registration figures are derived exclusively from IRAS. Consequently, revenue sources and Local Governments whose collections were administered outside IRAS are not reflected in the comparison.

Local Service Tax (LST) remains significantly under-represented in the IRAS registration data, with only 11,970 taxpayers recorded, equivalent to 1.4% of total registrations, despite LST being a major revenue source by collection value. This is partly attributable to the data source: LST deducted from government employees through the payroll system is not captured as individual taxpayer registrations in IRAS. Accordingly, the registration figures understate the actual number of LST taxpayers. As of 30th June 2025, URA had 60,4332 employees on the PAYE register (end of FY2024/25). Set against the 11,970 LST taxpayers registered in IRAS, this indicates a gap of 48,463 employees not on the IRAS LST register and therein lies the revenue potential loss.

Property Rates recorded 146,230 registrations in FY2025/26. However, this figure should be viewed alongside the finding that only 93 of the 176 Local Governments were implementing

2 URA annual data book FY 2024/25

Property Rates during the year. The registrations are therefore concentrated in Local Governments with operational valuation lists and should not be interpreted as evidence of broad implementation across all Local Governments.

During the period under review, LGHT registrations increased from 1,360 in FY2024/25 to 2,007 in FY2025/26. This improvement was partly attributed to continued capacity building of Local Governments by the Commission and increased appreciation of the importance of Own Source Revenue in financing local delivery service.

2.1.2 Assessment

Assessment (determining the amount a taxpayer owes before collection is pursued) is a critical part of revenue administration: enforcement and arrears management are only as good as the assessment that precedes them, since Local Governments cannot collect, or credibly pursue arrears on, amounts that were never properly assessed in the first place.

IRAS has strengthened the assessment function by enabling system-based assessments against registered taxpayers for applicable revenue sources, thereby reducing reliance on ad hoc manual assessment practices.

During the period under review, UGX 306,156,825,893 was assessed through IRAS, of which UGX 207,710,320,977 was collected, translating into a collection efficiency of 67.8%.

2.1.3 Enforcement and arrears management

Weak enforcement remains one of the most persistent constraints to Local Revenue administration. The 67.8% collection efficiency recorded on IRAS assessments in FY2025/26 indicates a significant gap between amounts assessed and amounts collected. Factors reported by Local Governments included: (a) limited availability of dedicated and formally appointed revenue enforcement officers, limiting dedicated attention and accountability; (b) inadequate budget provision for enforcement activities; (c) weak application of sanctions provided for under the relevant revenue laws; and (d) political interference in enforcement activities. Other reasons for the collection gap included limited attention to revenue administration by some key actors, including parish chiefs whose responsibilities also include implementation of the Parish Development Model. Local Governments also reported low taxpayer willingness to comply, where the link between Local Revenue payments and visible service delivery was perceived to be weak. This challenge extended to fee-for-service revenue sources such as operational permits, where services including drainage maintenance, road maintenance and garbage collection were not always provided consistently.

Effective arrears management requires Local Governments to maintain comprehensive, up-to-date registers of outstanding debts and to pursue systematic recovery action. This remains an unresolved constraint: in FY2024/25, 30 Local Governments submitted arrears totaling UGX 25.9 billion owed by line Ministries, Departments and Agencies (MDAs) in respect of property rates and ground rent, of which UGX 15 billion was owed to KCCA alone, and a PSST circular directed all MDAs to prioritize settlement in the FY2026/27 budget.

The Commission recorded total outstanding Local Revenue arrears of UGX 10.863 bn on the IRAS outstanding-balance register across the revenue sources reviewed. This excludes the MDA arrears of UGX 25.9 billion described above, which are tracked separately outside IRAS.

Table 3: Arrears from various revenue sources FY 2025/26

Revenue source	Arrears (UGX)	% of total arrears	LGs with arrears	Rank
Property rates	4,389,832,249	40.4%	42	1
Ground Rent	2,264,554,206	20.8%	70	2
LST	2,131,711,043	19.6%	157	3

Outdoor advertising	941,805,735	8.7%	86	4
LHT	605,073,900	5.6%	74	5
Rent and Rates	270,614,256	2.5%	49	6
Market Rent & Dues	259,452,527	2.4%	48	7
TOTAL	**10,863,043,916**	**100.0%**		

Source: IRAS outstanding balance register

2.1.4 Automation of Local Revenue Administration (IRAS)

Automation of Local Revenue administration continued to support improvements across Local Governments. With effect from FY2025/26, the Permanent Secretary/Secretary to the Treasury (PSST) designated the Integrated Revenue Administration System (IRAS) as the automated revenue administration system for Local Governments. IRAS has since been rolled out to all 176 Local Governments.

IRAS has addressed several weaknesses along the Local Revenue administration chain by improving taxpayer identification, assessment, payment tracking and enforcement. In particular, the system enables Local Governments to identify specific non-compliant taxpayers for targeted follow-up, reducing reliance on broad enforcement operations that can be costly and may inconvenience compliant taxpayers. Nationally, collection outturn improved from 80.6% in FY2023/24 to 91.6% in FY2025/26, although the FY2023/24 and FY2024/25 ratios compare restated collections with un-restated budgets and should be read with caution.

The experience of selected Local Governments indicates that consistent use of IRAS can support improvements in revenue administration. Gulu City's Local Revenue budget increased from approximately UGX 4.8 bn (FY 2023/24) under predominantly manual collection arrangements to a revised budget of UGX 7.05 billion in FY2025/26 following adoption of IRAS, against which UGX 7.63 billion was collected (108.2%). Mbarara City reported an increase in collections from UGX 2.4 billion to UGX 7.7 billion (FY 2024/25) following adoption of the system and collected UGX 10.76 billion in FY2025/26 against a budget of UGX 12.56 bn, while Luweero District's collections increased from UGX 4.3 billion in FY2023/24 to UGX 5.8 billion in FY2024/25 and UGX 5.69 billion in FY2025/26. These examples should be interpreted alongside other factors affecting revenue performance, including changes in the revenue base, budgeting and enforcement.

2.2 Revenue performance by Source

In this section, it is important to note a methodological limitation affecting the interpretation of the source-level figures. Local Governments report collections using the chart of accounts, and the accuracy of the source-level analysis depends on collections being posted to the appropriate revenue code. In some cases, collections are posted to broad or generic codes rather than the specific revenue source to which they relate. This may understate some revenue categories while overstating others, without affecting the overall amount collected.

This classification challenge is particularly evident for revenue sources tendered for collection, especially markets and, in some Local Governments, Property Rates. In such cases, proceeds may be recorded under broad categories such as "Tendered Revenue Sources" or "Agency Fees" rather than being attributed to the underlying source, such as Market/gate charges or Property Rates. The Commission will undertake a chart-of-accounts classification review of Agency Fees, Inspection Fees, Ground Rent and tendered revenue sources, including Property Rates collected under tendering arrangements, to strengthen consistency in FY2026/27 reporting.

Table 4: OSR - Revised Budget vs Actual Collections by Source, FY2025/26 (UGX)

Revenue Source/ Category	FY2025/26 Revised Budget (UGX)	FY2025/26 Collected (UGX)	Collection outturn	Share of total collection
Ground Rent (Non-Produced Assets)	16,679,611,812	13,030,229,951	78.1%	2.9%
Business Licenses	69,564,205,176	65,539,980,149	94.2%	14.8%
Rent & Rates – Produced Assets	73,653,525,670	126,242,032,469	171.4%	28.5%
Property-Related Duties & Fees	77,462,548,188	53,896,448,155	69.6%	12.2%
Local Service Tax (LST)	49,332,527,327	49,110,797,302	99.6%	11.1%
Agency Fees	1,840,232,436	38,795,880,782	2108.2%	8.8%
Land Fees	25,209,779,298	16,719,617,086	66.3%	3.8%
Inspection Fees	15,570,961,598	5,421,643,808	34.8%	1.2%
Market / Gate Charges	32,416,463,644	11,883,910,060	36.7%	2.7%
Local Government Hotel Tax	8,009,531,428	6,012,744,167	75.1%	1.4%
All Other Sources	113,342,360,417	55,984,884,742	49.4%	12.6%
Total	**483,081,746,994**	**442,638,168,671**	**91.6%**	**100.0%**

Source: IFMIS/IRAS (176 LGs); KCCA collection reports FY2025/26.

Local Governments derive Local Revenue from a range of taxes, fees and charges. Based on the reconciled source-level FY2025/26 figures presented in Table 5a (176 LGs only), Rent & Rates on Produced Assets (Property Rates) was the largest contributor, accounting for 16.6% of total collections. This was followed by Other Sources (sources in various LG charging policies) at 16%, Business Licence Fees at 15.3%, Property-Related Duties & Fees (building and development control related fees, land premiums etc.) at 14.5%, and Local Service Tax at 10.6%.

Table 5a: Local Governments (176) – Local Revenue Performance by Source FY2025/26 (UGX)

Revenue Source	Collected	% Contribution
Ground Rent (Non-Produced Assets)	7,542,385,504	2.5%
Business Licenses	46,266,492,999	15.3%
Rent & Rates - Produced Assets	50,423,811,117	16.6%
Property-Related Duties & Fees	43,852,313,666	14.5%
Local Service Tax (LST)	32,241,379,487	10.6%
Agency Fees	38,795,880,782	12.8%
Land Fees	15,195,120,086	5.0%

Inspection Fees	5,421,643,808	1.8%
Market / Gate Charges	11,208,978,110	3.7%
Local Government Hotel Tax	3,445,402,973	1.1%
All Other Sources	48,632,476,462	16.0%
Total	**303,025,884,994**	**100.0%**

Source: IFMIS, IRAS

2.2.1 Local Service Tax

The Local Governments Act (Cap 138), Schedule 7, provides that Local Service Tax (LST) is levied on people engaged in gainful employment, including self-employed individuals and practicing professionals, self-employed artisans, businesspeople, and large-scale commercial farmers, with exemptions for security services, diplomats, the unemployed, subsistence farmers, petty vendors, boda-boda cyclists, petty artisans, and those unable to meet the minimum taxable income.

In the period under review, UGX 49.11 billion was collected as LST against a revised budget of UGX 49.33 billion (99.6% of target). LST contributed 11.1% to the LR collections for FY 2025/26. Of the UGX 49bn collected, the 176 LGs accounted for UGX 32.2bn while KCCA contributed UGX 16.869bn.

The FY2025/26 Commission engagements including, Local Revenue Enhancement Committee (LRECC) and legal-sensitisation engagements, identified several structural and administrative constraints affecting LST performance. These included instances where LST transactions were initiated incorrectly in IFMIS and consequently misclassified as PAYE, as well as challenges associated with the migration of civil servants to the Human Capital Management system. It was also observed that some categories like artisans and commercial farmers do not pay LST on account of legal and administrative weaknesses. Luweero District, for example, reported revenue losses exceeding UGX 50 million where staff records reflected ancestral homes rather than their actual places of residence. As such LST remains heavily concentrated in one category of taxpayers (people in gainful employment), with private-employer and NGO compliance persistently weak due to limited enforcement capacity.

Recommendations have since been made to make LST progressive, proposing a lowest band of UGX 20,000 and a highest of UGX 200,000, with fewer bands overall, and for Local Governments to engage relevant ministries directly to secure proper remittance of LST owed in respect of their residents, as well as to actively expand LST registration into the self-employed and professional base the tax is designed to reach.

2.2.2 Local Government Hotel Tax

Local Government Hotel Tax (LGHT) is charged on room occupants in accordance with Sec 83 (2) (a) and reg 2 (part I) in the seventh schedule under the Local Governments Act cap 138. FY2025/26 collections of UGX 6.01 billion were 75.1% of the revised budget of UGX 8.01 billion. KCCA's component of UGX 2.57 billion was 3.0% above its FY2024/25 outturn of UGX 2.49 billion (KCCA Strategic Plan FY2025/26–FY2029/30, Table 2.3). Continued deepening of IRAS utilisation to administer LGHT across all LGs supported collection during the year. However, collections remained modest in absolute terms, accounting for 1.4% of total Local Revenue. Of this collection, the 176 LGs account for UGX 3.445bn while KCCA accounts for UGX 2.567 bn.

One of the identified legal provisions that weakens enforcement of LGHT collections was the timing of the surcharge on unremitted LGHT. Reg 9 (1) of the Local Government Revenue Regulations provides that;

"Where the local government hotel tax is collected and any part of it remains unremitted to the respective local government at the end of the financial year, the local government shall notify the hotel liable, requiring it to pay the outstanding tax together with a surcharge of forty percent, within two months after notification".

Similarly, Reg 8 (1) provides that;

"The tax shall be collected by the management of the hotel, which shall remit the tax to the relevant local council on a monthly basis".

Although the tax is payable monthly, the applicable provisions allow the surcharge to be applied at the end of the financial year.

Additional challenges included gaps in hotel grading and the limited capture of accommodation marketed through digital platforms, which may constrain the effective administration of LGHT.

2.2.3 Business Licenses

Business Licence collections amounted to UGX 65.54 billion in FY2025/26. The core Business Licences line (UGX 64.29 billion) exceeded its revised budget of UGX 59.08 billion by 8.8%, although the grouped licences line in Table 5, which also includes Other and Liquor Licences, was 5.8% below budget because of largely unrealised budgets on those lines. KCCA's business licence fees grew 1.6% on FY2024/25 (UGX 18.97 billion to UGX 19.27 billion; KCCA Strategic Plan FY2025/26–FY2029/30, Table 2.3). Of this collection, the 176 LGs contributed UGX 46.266 bn and KCCA contributed UGX 19.273bn. All together contributed 14.8% of the total LR collections.

The Commission's FY2025/26 legal sensitisation visits found that the administration of Business Licences remains misunderstood in some Local Governments, particularly in relation to licence validity and the treatment of arrears. Business licensing is primarily a regulatory function, and a licence is issued upon fulfilment of the applicable requirements and payment of the prescribed fee. The engagements nevertheless found instances where Local Governments continued to accumulate 'arrears' on licences that had not been renewed, indicating a need for clearer and more consistent administration of the source.

2.2.4 Market Dues and Rent

Market dues and rent remain important revenue sources for Lower Local Governments, particularly in areas with significant agricultural and trading activity. Their administration is governed by the Markets Act, 2023 (Cap 75). In FY2025/26, collections amounted to UGX 11.88 billion, 36.7% of the revised budget of UGX 32.42 billion. Of the total collection in the FY 2025/26, UGX 0.674bn was collected by KCCA while UGX 11.208bn was collected by the 176 LGs.

This year's field engagements identified manual collection as the central constraint: Napak DLG reported market dues as the revenue source most affected by manual handling, with small daily collections (often as low as UGX 1,000 per trader) accumulated over time and banked as a lump sum, creating leakage risk.

Katakwi DLG's four cattle markets remain its largest local revenue contributors, underscoring the continued importance of strengthening market management and utilisation of IRAS, even as new sources are pursued.

2.2.5 Property Rates

In the period under review, property rates contributed UGX 126.242bn against a revised budget of UGX 73.65 billion (171.4% of target), the budget including KCCA's own property-rates target of UGX 66.46 billion. Property rates accounted for 28.52% of the LR collected in FY 2025/26. Of this collection, the 176 LGs contributed UGX 50.423bn while KCCA accounted for UGX 75.818bn. For both KCCA and the 176 LGs, property rates contributed the highest to their total collections (54.3% for KCCA and 16.6% for the 176 LGs).

Rent & Rates on Produced Assets (Property Rates) recorded strong performance during FY2025/26, partly, on account of the Commission's intensified support to Local Governments to address implementation gaps through dedicated Property Rates workshops and follow-up engagements with non-implementing Local Governments. The Commission also tracked each Local Government's progress through the valuation-to-collection process and a revenue-target tracking framework to provide a common basis for monitoring implementation.

Despite the strong aggregate performance, implementation of Property Rates remains uneven across Local Governments. An assessment by the Commission found that 93 of the 176 Local Governments (53

per cent) were implementing Property Rates in FY2025/26, while 83 had not yet commenced collection. Of the 83 non-implementing Local Governments, 46 provided updates on their implementation status: 25 indicated that they were expected to commence collection in the next financial year; 5 were awaiting Council approval of the applicable rate; 4 were in the process of constituting Valuation Courts; 7 were displaying their valuation lists; and 5 had not taken further action after receiving their valuation lists.

Recurring implementation constraints include the emergence of new properties after completion of a valuation exercise; delays in Council approval of valuation rolls and rates, particularly during the electoral period, as reported by Lwengo and Isingiro; non-standard valuation practices, including preparation of separate valuation rolls by Sub-counties and Town Councils in Bundibugyo; and inadequate funding for Valuation Court sittings, which Masaka District reported as delaying the resolution of objections.

2.2.6 Other Non-Tax Revenue (ONTR) and All Other Sources

The "All Other Sources" line in Tables 5 and 5a groups the remaining Local Revenue lines in the chart of accounts and LG charging policies.

Within the Local Government component, the largest items were Miscellaneous Receipts/Income (UGX 11.94 billion, 24.5 per cent), Other Fees including street parking (UGX 8.31 billion, 17.1 per cent), Advertisements/Billboards (UGX 4.63 billion), Other Royalties (UGX 4.19 billion), Animal and Crop Husbandry Levies (UGX 2.90 billion), Other Permits (UGX 2.68 billion), Nomination Fees (UGX 2.36 billion, reflecting the FY2025/26 electoral cycle) and Registration Fees for Documents and Businesses (UGX 2.25 billion). Mineral Royalties contributed only UGX 0.86 billion. The two largest items are both generic codes and together account for more than 40 per cent of the line, a significant share of ONTR is posted to catch-all codes rather than to the specific source from which it arises.

2.2.7 Kampala Capital City Authority (KCCA)

KCCA remained the largest single contributor to national Own Source Revenue in FY2025/26, collecting UGX 139.61 billion, equivalent to 31.5 per cent of the national total. This exceeded its revised budget of UGX 132.62 billion, representing performance of 105.3 per cent.

KCCA's Q1–Q4 collection reports provide a source-level breakdown of its FY2025/26 Local Revenue collections. Property Rates accounted for the largest share of KCCA's collections at 54.3 per cent, followed by Business Licence Fees at 13.8 per cent and Local Service Tax at 12.1 per cent.

Against KCCA's FY2024/25 outturn of UGX 127.64 billion (KCCA Strategic Plan FY2025/26–FY2029/30, Table 2.3), FY2025/26 collections represented growth of 9.4 per cent. Growth was driven by Property Rates (+17.0 per cent, from UGX 64.79 billion to UGX 75.82 billion), Building Fees (+22.8 per cent) and Local Service Tax (+11.7 per cent), while Park User Fees (−10.2 per cent), Street Parking Fees (−25.9 per cent) and Land Fees (−46.3 per cent) declined and no Advertising Fees were collected against a target of UGX 2.02 billion. By division, Rubaga (131 per cent), Makindye (128 per cent), Nakawa (117 per cent) and Central (104 per cent) exceeded their FY2025/26 targets, while Headquarters (84 per cent) and Kawempe (87 per cent) fell short.

Table 5b: KCCA — Local Revenue Performance by Source, FY2024/25 and FY2025/26 (UGX)

Revenue Source	Collected FY2025/26 (UGX)	Collected FY2024/25 (UGX)	Growth (%)	Share of FY2025/26
Property Rates	75,818,221,352	64,789,183,960	+17.0%	54.3%
Business License Fees	19,273,487,150	18,969,121,400	+1.6%	13.8%
Local Service Tax	16,869,417,815	15,106,596,468	+11.7%	12.1%
Building Fees	10,044,134,489	8,177,302,710	+22.8%	7.2%
Ground Rent	5,487,844,447	5,801,593,338	-5.4%	3.9%
Park User Fees	4,665,420,000	5,192,790,000	-10.2%	3.3%

Revenue Source	Collected FY2025/26 (UGX)	Collected FY2024/25 (UGX)	Growth (%)	Share of FY2025/26
Local Hotel Tax	2,567,341,194	2,491,655,936	+3.0%	1.8%
Street Parking Fees	2,150,000,000	2,900,000,000	-25.9%	1.5%
Land Fees	1,524,497,000	2,837,247,000	-46.3%	1.1%
Market Dues/Fees	674,931,950	634,577,500	+6.4%	0.5%
Other Revenue Sources	536,988,280	740,950,000	-27.5%	0.4%
Advertising Fees	0	0	–	0.0%
Total	**139,612,283,677**	**127,641,018,312**	**+9.4%**	**100.0%**

Source: KCCA collection reports FY2025/26 (e-tax); FY2024/25 from KCCA Strategic Plan FY2025/26–FY2029/30.

3.0 Performance by Local Government Type and Individual LG Rankings

Local Revenue performance remained uneven across Local Government categories in FY2025/26. KCCA recorded the highest budget performance at 105.3 per cent, followed by Municipal Councils at 101.3 per cent.

Table 6: Local Revenue Performance by Local Government Type FY2025/26

LG Type	Budget (UGX)	Collected (UGX)	% Variance (vs FY2025/26 Budget)	Share of National OSR
Districts (135)	185,782,553,121	146,728,293,214	-21.0%	33.1%
Municipal Councils (31)	86,778,419,600	87,868,911,640	+1.3%	19.9%
Cities excl. KCCA (10)	77,901,484,270	68,428,680,140	-12.2%	15.5%
KCCA	132,619,290,003	139,612,283,677	+5.3%	31.5%
Total	**483,081,746,994**	**442,638,168,671**	**-8.4%**	**100.0%**

Source: IRAS, IFMIS

Cities excluding KCCA and Districts achieved 87.8 per cent and 79.0 per cent of their respective budgets.

Table 7: Top 10 Local Governments and KCCA by Revenue Collection, FY2025/26

Local Government	Revised Revenue Budget	Actual Collection	Collection / Revised Budget
Kampala Capital City Authority	132,619,290,003	139,612,283,677	105.3%
Wakiso District	22,363,646,978	19,942,880,738	89.2%
Kira Municipal Council	13,390,570,201	14,045,749,163	104.9%
Nansana Municipal Council	11,993,766,680	11,965,173,838	99.8%
Jinja City	15,793,769,000	10,987,451,387	69.6%
Mbarara City	12,565,739,156	10,764,403,037	85.7%

Local Government	Revised Revenue Budget	Actual Collection	Collection / Revised Budget
Makindye-Ssabagabo Municipal Council	8,450,000,000	10,612,514,945	125.6%
Arua City	8,050,989,000	9,680,097,041	120.2%
Entebbe Municipal Council	5,700,000,000	7,794,866,980	136.8%
Mukono Municipal Council	8,810,204,000	7,750,395,267	88.0%

Source: IRAS, IFMIS

KCCA was the largest single contributor to national OSR at 31.5 per cent, followed by Wakiso District, Kira Municipal Council and Nansana Municipal Council. The strong representation of Local Governments within the Greater Kampala Metropolitan Area among the highest collectors reflects the concentration of economic activity and a comparatively broad revenue base around the capital.

Table 8: Bottom 10 LGs by Revenue Collection, FY2025/26

LG	Revised Revenue Budget	Actual Revenue Collection	% of Budget	National OSR Share
Nakapiripirit District	432,235,578	163,249,025	37.8%	0.037%
Nabilatuk District	196,646,000	199,243,358	101.3%	0.045%
Kole District	470,000,000	212,458,385	45.2%	0.048%
Gulu District	963,494,000	218,822,413	22.7%	0.049%
Amudat District	286,112,783	221,215,050	77.3%	0.050%
Buvuma District	284,556,619	238,859,642	83.9%	0.054%
Namisindwa District	350,000,000	246,653,250	70.5%	0.056%
Bugweri District	285,390,000	257,099,648	90.1%	0.058%
Kotido District	329,423,304	258,987,724	78.6%	0.059%
Manafwa District	433,253,605	267,841,950	61.8%	0.061%

Source: IRAS, IFMIS

The ten lowest-collecting Local Governments in FY2025/26 each collected less than UGX 270 million. The group includes several Local Governments with relatively narrow revenue bases and persistent administrative constraints, particularly in Karamoja and parts of northern and eastern Uganda. Their performance underscores the need for targeted support that reflects differences in local economic potential and administrative capacity.

4.0 Local Economic Development and Revenue Linkage

FY2025/26 Local Revenue collections of UGX 442.64 billion represented 44.3% of the Commission's UGX 1 trillion Local Revenue mobilisation target and 55% of the NDP IV target of UGX 805 billion by FY2029/30. Strengthening the linkage between Local Economic Development (LED) and Local Revenue mobilisation is therefore important for expanding the local economic and taxpayer base rather than relying primarily on increases in tax/fees and rates.

4.1 Economic Outlook and revenue source performance

According to preliminary estimates released by the Uganda Bureau of Statistics (UBOS), real GDP growth was estimated at 6.4% in FY2025/26, marginally higher than 6.3% in FY2024/25, while nominal GDP increased from approximately UGX 227.9 trillion to UGX 250.4 trillion. Annual headline inflation

averaged 3.3%, remaining within the Bank of Uganda's medium-term target band, while the shilling remained broadly stable, supported by strong export earnings and remittance inflows. The continued expansion in urban commerce, construction-linked property activity, exports and the hospitality sector provided a generally supportive economic environment for Local Revenue mobilisation during FY2025/26. (UBOS, Preliminary Annual GDP 2025/26, press statement, 2 June 2026).

Table 5: Local Revenue growth in relation to Sector growth

Sector (FY2025/26)	**Sector Growth**	**Local Revenue Source**	**LR Growth**
Construction (Industry)	+8.2%	Property-Related Duties & Fees	+42.1%
Construction (Industry)	+8.2%	Rent & Rates – Produced Assets (property rates)	+150.8%
Accommodation & Food Services	+7.7%	Local Government Hotel Tax	+109.1%
Trade & Repairs (Services)	+6.9%	Business Licenses	+13.0%
Trade & Repairs (Services)	+6.9%	Market / Gate Charges	-14.9%
Agriculture, Forestry & Fishing	+6.5%	Local Service Tax	-18.3%
Electricity Generation & Supply	+14.4%	Mineral & Electricity Royalties	-76.8%

Source: UBOS Preliminary Annual GDP 2025/26 (press statement, 2 June 2026), IFMIS, IRAS

Trade grew by 6.9% nationally, while Business Licence collections increased by 13.0%. In contrast, Market and Gate Charges declined by 14.9% despite growth in trade and agricultural activity. This divergence suggests that administrative and collection challenges, including the continued use of manual collection in some Local Governments, may be constraining performance in this revenue source.

Agriculture grew 6.5% (cash crops +12.1%) while LST fell 18.3%, reinforcing the finding that LST is captured almost entirely from payroll-deductions rather than the self-employed farmers and traders. This gap is compounded by the continued absence of implementing regulations specifically governing LST assessment for large-scale commercial farmers under Schedule 7 of the LG Act.

Electricity generation grew by 14.4%, while Local Government mineral and electricity royalty collections declined by 76.8%. The contrasting trends indicate that growth in the underlying sector does not necessarily translate directly into higher Local Government revenue, particularly where revenue-sharing arrangements and the applicable legal framework determine the share accruing to Local Governments.

For context, the Uganda Revenue Authority (URA) closed FY2025/26 with a net revenue collection of approximately UGX 35.7 trillion (14.2% of GDP). In FY2025/26 local revenues represent only around 1.2% of that figure and approximately 0.18% of FY2025/26 estimated nominal GDP of UGX 250.4 trillion. These ratios underscore a longstanding structural challenge: despite considerable untapped potential, Local Governments remain heavily reliant on central transfers and have yet to develop own-source revenues commensurate with the scale of their expenditure responsibilities under schedule 5 of the Local Governments Act cap 138.

Local Revenue performance is shaped by three interrelated factors: the strength of the local revenue base and applicable policy and legal framework; taxpayer confidence and willingness to comply; and the effectiveness of Local Revenue administration, including identification, assessment, collection and enforcement. The divergence between economic growth and the performance of some Local Revenue sources therefore points to administrative and legal constraints that require continued attention.

Table 9: Performance against the Commission's UGX 1 trillion Local Revenue target by source,

FY2025/26 (UGX billions)

Source	Target (UGX bn)	Collected FY2025/26 (UGX bn)	% of target	Gap to target (UGX bn)
Property Rates (176 LGs)	200.00	50.42	25.2%	149.58
LST and LGHT (176 LGs)	150.00	35.69	23.8%	114.31
Trade / Business Licences (176 LGs)	80.00	46.27	57.8%	33.73
Markets (176 LGs)	100.00	11.21	11.2%	88.79
Park User Fees and parking fees (176 LGs)	100.00	9.83	9.8%	90.17
Royalties (176 LGs)	50.00	5.05	10.1%	44.95
Others (176 LGs)	120.00	144.56	120.5%	-24.56
KCCA (all sources)	200.00	139.61	69.8%	60.39
TOTAL	**1,000.00**	**442.64**	**44.3%**	**557.36**

Source: LGFC UGX 1 trillion target framework; IFMIS/IRAS (176 LGs); KCCA collection reports.

Collections reached 44.3 per cent of the UGX 1 trillion target (Table 9). Achievement was highest for KCCA (69.8 per cent) and Trade Licences (57.8 per cent), and lowest for Markets (11.2 per cent), Park User Fees (9.8 per cent) and Royalties (10.1 per cent), while the "Others" line exceeded its target, partly reflecting the posting of tendered-source proceeds to Agency Fees noted above and the growth in Property-Related Duties & Fees. Reaching the NDP IV target of UGX 805 billion by FY2029/30 would require average annual growth of about 16% over the next four financial years. The 15% growth recorded in FY2025/26 suggests this trajectory is attainable, but only if comparable growth is sustained in each of the next four years. The Commission will track progress against both targets in subsequent annual reports.

5.0 Drivers of Local Revenue Collection Performance

The main drivers of strong local revenue performance identified across this year include;

- Automation of local revenue collection: Local Governments that fully embraced IRAS saw the sharpest gains; Mbarara City reported a 220% increase in collections since adoption, reaching UGX 10.76 billion in FY2025/26.
- Strong governance and stakeholder engagement: top performers such as Wakiso District operate a Revenue Committee chaired by the Chief Administrative Officer that meets every two months, complemented by a dedicated officer who tracks LST declarations by employers of Wakiso residents working elsewhere.
- Compliance-focused engagement: sustained taxpayer sensitisation and engagement of key stakeholders, including political leaders and business operators, can support improved understanding of Local Revenue obligations and strengthen compliance when combined with effective administration and enforcement.
- Incentivizing collectors: Wakiso District, Namayingo District (a proposed 5% staff bonus tied to 95% target achievement) and Iganga Municipal Council (a 2% early-payment taxpayer in-

centive) all built explicit performance incentives into their FY2025/26 Local Revenue Enhancement Plans.

- Visible linkage between revenue and service delivery: this remains one of the most consistently cited drivers of both compliance and collection performance across this year's field engagements.
- Physical planning and infrastructure investment and LED promotion: Mbarara City's construction of slaughter slabs and Nansana Municipal Council's road-naming initiative both illustrate how infrastructure and planning investments can directly expand a Local Government's collectable base.

6.0 Conclusion

Uganda's Constitution and Local Governments Act provide Local Governments with powers to mobilize Local Revenue to support local service delivery. FY2025/26 collections were 15% higher at UGX 442.64 billion compared with FY2024/25 collections. Business Licenses, Property-Related Duties & Fees and Property Rates recorded notable performance during the year, while KCCA remained the largest single contributor to national OSR at 31.5% and achieved 105.3% of its revised budget. However, KCCA's market collections remained below UGX 1 billion, at UGX 0.67 billion.

FY 2025/26 collections stood at 44.3% of the Commission's UGX 1 trillion target and 55% of the NDP IV target for FY2029/30. These results underscore the need for realistic budgeting, continued base broadening and stronger administration of high-potential revenue sources.

The evidence in this report indicates that stronger Local Revenue performance is associated with deliberate use of IRAS for improved administration and enforcement. Conversely, manual collection, weak statutory and administrative structures and narrow taxpayer registers continue to constrain performance in a number of Local Governments.

Overall, FY2025/26 marked a strong year-on-year improvement in Local Revenue collections, although performance remains concentrated in a few urban Local Governments and revenue sources and below budget and national targets.

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ANNEX: Local Revenue Collections by Local Government, FY2025/26

The table below presents FY2025/26 revised budget, actual collection and budget variance for all 177 Local Governments (176 LGs and KCCA), listed alphabetically.

Local Government	FY2025/26 Revised Budget (UGX)	FY2025/26 Actual Collection (UGX)	% Variance
Abim District	315,024,340	289,019,536	-8.3%
Adjumani District	2,637,558,375	1,082,102,497	-59.0%
Agago District	365,000,000	311,329,185	-14.7%
Alebtong District	835,000,000	481,553,742	-42.3%
Amolatar District	610,000,000	323,277,670	-47.0%
Amudat District	286,112,783	221,215,050	-22.7%
Amuria District	604,120,000	363,967,518	-39.8%
Amuru District	604,867,700	789,688,575	+30.6%
Apac District	1,237,387,895	293,083,945	-76.3%
Apac Municipal Council	355,000,000	353,093,790	-0.5%
Arua City	8,050,989,000	9,680,097,041	+20.2%
Arua District	723,103,978	658,216,350	-9.0%
Budaka District	596,706,510	419,583,053	-29.7%
Bududa District	737,397,287	1,263,138,293	+71.3%
Bugiri District	963,272,776	438,812,662	-54.4%
Bugiri Municipal Council	700,000,000	344,197,150	-50.8%
Bugweri District	285,390,000	257,099,648	-9.9%
Buhweju District	405,085,215	282,362,604	-30.3%
Buikwe District	1,401,407,188	1,050,343,181	-25.1%
Bukedea District	900,000,000	884,578,461	-1.7%
Bukomansimbi District	500,000,000	379,582,919	-24.1%
Bukwo District	412,432,900	417,929,806	+1.3%
Bulambuli District	530,409,946	524,335,153	-1.1%
Buliisa District	1,480,848,350	1,052,077,817	-29.0%
Bundibugyo District	960,801,605	527,690,131	-45.1%
Bunyangabu District	1,306,948,000	1,136,981,119	-13.0%
Bushenyi District	1,138,375,690	928,128,746	-18.5%
Bushenyi-Ishaka Municipal Council	1,502,106,495	1,443,894,121	-3.9%
Busia District	7,537,879,590	1,037,691,866	-86.2%
Busia Municipal Council	1,599,880,000	1,589,581,862	-0.6%
Butaleja District	736,000,000	297,213,862	-59.6%
Butambala District	411,985,300	455,677,971	+10.6%
Butebo District	400,000,000	316,687,257	-20.8%
Buvuma District	284,556,619	238,859,642	-16.1%
Buyende District	820,000,000	664,459,384	-19.0%
Dokolo District	583,434,407	420,861,963	-27.9%
Entebbe Municipal Council	5,700,000,000	7,794,866,980	+36.8%
Fort Portal City	3,167,368,050	5,366,683,108	+69.4%

Local Government	FY2025/26 Revised Budget (UGX)	FY2025/26 Actual Collection (UGX)	% Variance
Gomba District	736,947,336	681,419,334	-7.5%
Gulu City	7,051,668,900	7,630,054,506	+8.2%
Gulu District	963,494,000	218,822,413	-77.3%
Hoima City	4,377,951,000	4,350,744,209	-0.6%
Hoima District	1,432,517,481	1,065,595,859	-25.6%
Ibanda District	1,075,968,800	1,159,181,060	+7.7%
Ibanda Municipal Council	1,402,058,756	1,186,137,696	-15.4%
Iganga District	500,000,000	401,756,995	-19.6%
Iganga Municipal Council	1,320,000,000	2,057,293,530	+55.9%
Isingiro District	3,417,560,690	3,110,269,393	-9.0%
Jinja City	15,793,769,000	10,987,451,387	-30.4%
Jinja District	1,681,866,211	1,530,964,998	-9.0%
Kaabong District	308,860,711	339,044,718	+9.8%
Kabale District	1,087,006,478	817,448,723	-24.8%
Kabale Municipal Council	3,370,268,409	3,253,591,043	-3.5%
Kabarole District	1,010,869,491	987,873,347	-2.3%
Kaberamaido District	413,568,000	268,554,908	-35.1%
Kagadi District	2,421,006,164	1,421,454,533	-41.3%
Kakumiro District	747,670,200	547,553,046	-26.8%
Kalaki District	422,591,177	355,452,130	-15.9%
Kalangala District	1,223,868,900	790,488,675	-35.4%
Kaliro District	668,431,682	624,719,680	-6.5%
Kalungu District	953,695,775	801,138,803	-16.0%
Kampala Capital City Authority	132,619,290,003	139,612,283,677	+5.3%
Kamuli District	1,000,000,000	1,057,814,137	+5.8%
Kamuli Municipal Council	1,254,384,457	814,842,899	-35.0%
Kamwenge District	1,735,415,315	680,591,893	-60.8%
Kanungu District	2,681,855,580	1,685,982,527	-37.1%
Kapchorwa District	550,000,000	719,778,007	+30.9%
Kapchorwa Municipal Council	531,555,448	439,609,627	-17.3%
Kapelebyong District	439,227,633	330,446,386	-24.8%
Karenga District	747,471,539	321,512,124	-57.0%
Kasanda District	1,148,047,916	784,003,654	-31.7%
Kasese District	5,330,608,146	5,162,639,908	-3.2%
Kasese Municipal Council	2,020,175,300	2,031,905,569	+0.6%
Katakwi District	1,110,000,000	894,011,786	-19.5%
Kayunga District	2,644,412,552	1,578,565,718	-40.3%
Kazo District	1,170,250,399	924,699,232	-21.0%
Kibale District	673,376,000	457,182,165	-32.1%
Kiboga District	1,308,557,518	984,523,369	-24.8%
Kibuku District	377,761,901	272,720,475	-27.8%
Kikuube District	1,546,325,742	1,363,280,293	-11.8%
Kira Municipal Council	13,390,570,201	14,045,749,163	+4.9%
Kiruhura District	1,402,687,000	1,295,319,391	-7.7%

Local Government	FY2025/26 Revised Budget (UGX)	FY2025/26 Actual Collection (UGX)	% Variance
Kiryandongo District	3,452,495,009	2,508,038,469	-27.4%
Kisoro District	1,210,928,000	983,575,382	-18.8%
Kisoro Municipal Council	874,720,000	876,872,967	+0.2%
Kitagwenda District	980,000,000	383,146,609	-60.9%
Kitgum District	328,407,969	359,161,127	+9.4%
Kitgum Municipal Council	1,128,453,359	1,091,711,650	-3.3%
Koboko District	631,308,507	658,740,217	+4.3%
Koboko Municipal Council	1,125,845,500	877,329,992	-22.1%
Kole District	470,000,000	212,458,385	-54.8%
Kotido District	329,423,304	258,987,724	-21.4%
Kotido Municipal Council	387,789,000	357,783,585	-7.7%
Kumi District	1,222,580,829	588,342,299	-51.9%
Kumi Municipal Council	604,915,785	454,428,103	-24.9%
Kwania District	516,876,000	387,893,807	-25.0%
Kween District	371,286,500	366,039,025	-1.4%
Kyankwanzi District	1,322,015,769	1,182,735,917	-10.5%
Kyegegwa District	1,980,944,084	920,972,441	-53.5%
Kyenjojo District	2,287,071,127	1,899,897,037	-16.9%
Kyotera District	2,000,000,000	1,095,886,116	-45.2%
Lamwo District	456,000,000	310,880,240	-31.8%
Lira City	10,626,847,164	6,146,503,875	-42.2%
Lira District	1,104,561,875	1,103,964,289	-0.1%
Lugazi Municipal Council	1,963,481,761	3,815,639,953	+94.3%
Luuka District	358,000,000	287,459,681	-19.7%
Luwero District	7,010,537,070	5,693,990,735	-18.8%
Lwengo District	984,471,234	816,251,394	-17.1%
Lyantonde District	816,835,520	744,326,454	-8.9%
Madi-Okollo District	600,000,000	545,450,093	-9.1%
Makindye-Ssabagabo Municipal Council	8,450,000,000	10,612,514,945	+25.6%
Manafwa District	433,253,605	267,841,950	-38.2%
Maracha District	900,755,480	743,526,286	-17.5%
Masaka City	6,500,000,000	4,741,183,075	-27.1%
Masaka District	1,775,028,382	984,093,809	-44.6%
Masindi District	2,004,500,000	1,546,855,073	-22.8%
Masindi Municipal Council	1,594,508,732	1,283,206,337	-19.5%
Mayuge District	1,115,069,039	1,022,840,559	-8.3%
Mbale City	6,567,152,000	4,833,614,688	-26.4%
Mbale District	962,322,483	610,038,726	-36.6%
Mbarara City	12,565,739,156	10,764,403,037	-14.3%
Mbarara District	3,235,541,152	2,712,046,816	-16.2%
Mitooma District	800,000,000	432,265,210	-46.0%
Mityana District	1,858,857,020	1,317,109,608	-29.1%
Mityana Municipal Council	1,529,608,440	1,394,454,421	-8.8%

Local Government	FY2025/26 Revised Budget (UGX)	FY2025/26 Actual Collection (UGX)	% Variance
Moroto District	1,050,000,000	542,846,358	-48.3%
Moroto Municipal Council	780,480,000	403,402,428	-48.3%
Moyo District	955,800,000	947,248,411	-0.9%
Mpigi District	1,991,172,067	1,709,359,133	-14.2%
Mubende District	1,599,489,443	1,498,434,947	-6.3%
Mubende Municipal Council	4,661,541,082	2,898,340,795	-37.8%
Mukono District	3,500,000,000	3,702,356,655	+5.8%
Mukono Municipal Council	8,810,204,000	7,750,395,267	-12.0%
Nabilatuk District	196,646,000	199,243,358	+1.3%
Nakapiripirit District	432,235,578	163,249,025	-62.2%
Nakaseke District	3,274,964,362	3,898,414,164	+19.0%
Nakasongola District	2,067,732,845	2,453,220,197	+18.6%
Namayingo District	707,320,000	388,498,847	-45.1%
Namisindwa District	350,000,000	246,653,250	-29.5%
Namutumba District	430,534,000	505,153,506	+17.3%
Nansana Municipal Council	11,993,766,680	11,965,173,838	-0.2%
Napak District	450,000,000	310,157,266	-31.1%
Nebbi District	1,177,160,232	1,159,739,871	-1.5%
Nebbi Municipal Council	753,682,930	616,650,355	-18.2%
Ngora District	950,841,000	568,518,999	-40.2%
Njeru Municipal Council	3,930,158,620	2,777,285,686	-29.3%
Ntoroko District	620,000,000	840,063,323	+35.5%
Ntungamo District	2,247,005,284	2,364,994,944	+5.3%
Ntungamo Municipal Council	947,235,647	962,217,418	+1.6%
Nwoya District	1,167,000,012	947,729,065	-18.8%
Obongi District	693,000,000	550,727,720	-20.5%
Omoro District	673,394,000	405,034,507	-39.9%
Otuke District	402,667,600	345,787,500	-14.1%
Oyam District	1,761,749,146	1,192,176,111	-32.3%
Pader District	1,390,000,000	797,193,446	-42.6%
Pakwach District	1,442,756,458	1,124,732,677	-22.0%
Pallisa District	953,055,432	917,305,596	-3.8%
Rakai District	953,561,000	935,584,479	-1.9%
Rubanda District	1,073,598,000	907,101,211	-15.5%
Rubirizi District	552,607,733	692,820,406	+25.4%
Rukiga District	346,390,500	341,125,601	-1.5%
Rukungiri District	1,237,749,600	1,184,968,660	-4.3%
Rukungiri Municipal Council	1,333,778,998	1,223,263,634	-8.3%
Rwampara District	983,399,478	913,543,397	-7.1%
Sembabule District	2,016,167,173	1,157,092,655	-42.6%
Serere District	1,187,602,000	952,163,189	-19.8%
Sheema District	713,080,195	748,199,660	+4.9%
Sheema Municipal Council	761,000,000	1,141,573,229	+50.0%
Sironko District	895,567,850	748,936,660	-16.4%

Local Government	FY2025/26 Revised Budget (UGX)	FY2025/26 Actual Collection (UGX)	% Variance
Soroti City	3,200,000,000	3,927,945,214	+22.7%
Soroti District	700,000,000	614,796,516	-12.2%
Terego District	649,332,000	1,092,189,685	+68.2%
Tororo District	3,380,830,042	3,267,137,835	-3.4%
Tororo Municipal Council	2,001,250,000	2,011,903,607	+0.5%
Wakiso District	22,363,646,978	19,942,880,738	-10.8%
Yumbe District	1,380,247,250	1,419,350,647	+2.8%
Zombo District	1,802,153,114	1,644,388,235	-8.8%
TOTAL	**483,081,746,994**	**442,638,168,671**	**-8.4%**

Source: IFMIS, IRAS.

ANNEX 2: FY2025/26 Local Revenue Collection – NTR Reconciliation

The table below itemizes every NTR chart-of-accounts code and KCCA revenue line that makes up the "All Other Sources" split between the 176 Local Governments and KCCA.

Revenue Source	Collected (FY2025/26)	% Contribution
144149 Miscellaneous receipts/ income	11,937,003,721	24.5%
142202 Other fees e.g. street parking fees	8,309,706,026	17.1%
142209 Advertisements/Billboards	4,632,485,144	9.5%
141504 Other Royalties	4,185,754,980	8.6%
142210 Animal and Crop Husbandry related Levies	2,898,901,054	6.0%
142214 Other permits	2,684,658,463	5.5%
142224 Nomination Fees	2,364,559,057	4.9%
142211 Registration fees for Documents and Business	2,246,980,718	4.6%
142201 Vehicle Parking Fees	1,517,361,252	3.1%
132201 Grants from multi-lateral development partn	1,314,027,360	2.7%
142225 Other Licence fees	1,250,861,053	2.6%
143201 Other fines and Penalties – private	1,219,757,519	2.5%
141502 Mineral Royalties	864,758,599	1.8%
144121 Donations from Private Entities	756,910,023	1.6%
142301 Sale of (Produced) Government Properties/As	720,811,500	1.5%
132202 Grants from bilateral development partners	430,985,000	0.9%
142122 Sale of Medical Services	295,377,300	0.6%
142160 Sale of agricultural products and services	188,747,000	0.4%
116201 Miscellaneous and Unidentified taxes	163,400,803	0.3%
144122 Donations from Individuals	127,676,083	0.3%
144212 Donations from Individuals	120,735,675	0.2%
142212 Educational/Instruction related levies	114,881,500	0.2%

Revenue Source	Collected (FY2025/26)	% Contribution
142113 Utilities	94,717,250	0.2%
141122 Interest on loans issued	68,200,000	0.1%
142207 Refuse collection charges/ Public convenienc	41,108,734	0.1%
142223 Document certification fees	40,801,294	0.1%
142149 Sale of Other produced assets	23,737,000	0.0%
144211 Donations from Private Entities	9,360,000	0.0%
142302 Sale of non-produced Government Properties/	2,800,000	0.0%
142221 Other Court Fees	1,928,000	0.0%
142114 Sale of publications	1,760,000	0.0%
111102 Rental Income Tax	800,000	0.0%
142218 Tax Tribunal – Court Charges and Fees	500,000	0.0%
115102 Infrastructure Levy	200,000	0.0%
142222 Issuance of identification documents	152,000	0.0%
142219 Court Filing Fees	50,000	0.0%
141121 Interest from private entities	12,855	0.0%
114141 Financial services	9,499	0.0%
Total	**48,632,476,462**	**100.0%**

Source: IFMIS, IRAS

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