NAFUNA & CO. CLIENT GUIDES · GOLD & MINERALS · NO. 12

Gold Export Taxes, Royalties and Government Fees in Uganda: Who Pays What?

How Much Is Payable, Who Owes It and How a Buyer Verifies the Charges

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Introduction

> The second invoice usually arrives after the price has been agreed.

The supplier has quoted for one kilogram of refined gold and confirmed that it is ready for export. A further demand then follows, headed “government taxes”, “royalty”, “export permit” or “clearance”, and payable before delivery. The buyer asks a reasonable question: how much does the Government of Uganda actually charge to export one kilogram of gold?

The answer is a set of separate obligations, each with its own legal basis, its own payer and its own point of payment:

CHARGE	LEGAL BASIS	WHO OWES IT BY LAW	PAID TO
Fee on refined gold for export	Ministry of Energy and Mineral Development, Public Notice (February 2026)	The applicant for the export permit	Uganda Revenue Authority
Mineral royalty	Mining and Minerals Act, sections 142 and 180	The mineral right holder or mineral dealer	Uganda Revenue Authority
Mineral dealer’s licence fees	Mining and Minerals (Licensing) Regulations, 2023; Public Notice	The licence holder, annually	Uganda Revenue Authority
Export permit	Mining and Minerals Act, section 150	Issued per consignment to the exporter, on proof that fees and royalties are paid	Granted by the Minister
Refining, assay, transport, insurance, clearing	Contract	Whoever the contract names	The service provider

Every government fee, charge and royalty under the Mining and Minerals Act is paid to the Uganda Revenue Authority. Every other item is a commercial charge, and its allocation between buyer and seller is a matter for the Sale and Purchase Agreement.

The question for any demand is therefore threefold: whether the charge exists in law, who owes it, and whether the amount and the payee match the law.

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SECTION 1

The Legal Framework

Gold is a precious metal under section 8 of the Mining and Minerals Act, Cap. 159 (Act of 2022). The Act governs mineral rights, mineral dealing, export and royalties, and its fiscal provisions are direct:

- section 180 imposes royalties on minerals produced, at rates prescribed by statutory instrument
- section 181 applies the Income Tax Act to the assessment, collection and enforcement of any royalty, tax or charge under that Part, makes the Commissioner General of the Uganda Revenue Authority responsible for collection and makes the Minister responsible for assessment
- section 182(1) requires all fees, charges and royalties payable to the State under the Act to be paid to the Uganda Revenue Authority

Section 150 requires an export permit for every export of minerals, and section 150(4)(a) makes proof of payment of prescribed fees and royalties, where applicable, a condition of export.

The Ministry of Energy and Mineral Development set out the current gold procedure in its Public Notice, *Gold Purchase Procedure in Uganda*, issued in February 2026. The Notice lists the documents and fees for licensing, buying, exporting and importing gold.

Customs procedure runs alongside the mining regime, and value added tax and income tax operate under their own statutes. Each regime has its own obligations. Payment under one leaves the others to be met, and payment of a supplier's invoice discharges no obligation owed to the Government.

SECTION 2

The Fee on Refined Gold for Export

The Ministry's Public Notice of February 2026 sets the fee on refined gold for export at **US$200 per kilogram**, payable through the Uganda Revenue Authority. Proof of that payment is one of the documents required for an export permit, together with proof of refining to a purity of 99.9%. The levy on refined gold exports was first introduced by the Mining and Minerals (Export Levy on Refined Gold) Regulations, 2023.

The arithmetic follows directly:

QUANTITY OF REFINED GOLD	FEE AT US$200 PER KILOGRAM
1 kilogram	US$200
5 kilograms	US$1,000
10 kilograms	US$2,000
25 kilograms	US$5,000

These figures state one government charge. They are a component of the cost of export, and the total depends on the other items in this Guide.

Two points of verification follow. The rate must be confirmed as current at the date of export, since fiscal instruments are amended and their collection is sometimes suspended or contested. The material must also fall within the category charged: the fee applies to refined gold for export, and a supplier's description of the gold as "refined" or "24 carat" is a claim that the assay and refinery documents confirm or refute. See Client Guide No. 01.

SECTION 3

Statutory Liability and Contractual Reimbursement

The law fixes who owes a government charge. The contract fixes who bears its cost.

The fee on refined gold is paid by the applicant for the export permit, and the export permit requires the applicant to hold a mineral dealer's licence together with a mining or refining licence. In most transactions the exporter of record is therefore the Ugandan supplier or refinery. The parties remain free to agree that the price includes all export charges, or that the buyer reimburses specified charges on proof of payment.

That agreement allocates cost between the parties. The Government's claim stays against the person the law names. Where the buyer agrees to reimburse, three things should be shown before any money moves: that the charge is payable on this consignment, that the supplier has paid or will pay it to the Uganda Revenue Authority, and that the amount is correctly calculated.

The Sale and Purchase Agreement should name the party bearing each charge and the documents required before reimbursement.

SECTION 4

Mineral Royalties

A royalty is a charge on the production of minerals. Section 180(1) subjects all minerals obtained or mined in the course of prospecting, exploration or mining operations to royalties on the gross value of the minerals produced, based on the prevailing market price, at rates prescribed by the Minister, in collaboration with the Minister responsible for finance, by statutory instrument.

Responsibility for payment sits with the licence holders in the chain. Section 180(2) requires the holder of a mineral right or beneficiation licence to submit royalty returns to the Uganda Revenue Authority and the Minister. Section 142 makes the holder of a mineral dealer's licence liable for all royalties due on minerals bought, received or exported by that holder. Section 182(4) requires mineral rights holders to report royalty liability monthly. Section 183 permits the Minister, with Cabinet approval, to waive a royalty in whole or in part.

A royalty is therefore distinct from the export fee, and its incidence depends on the gold's origin and history. Gold mined in Uganda carries a Ugandan royalty owed by the licence holders in the chain. Gold imported for refining or re-export carries proof of royalty payment in its country of origin, which the Public Notice requires for an import permit.

A demand labelled "gold royalty" calls for four answers: the statutory basis, the rate, the person liable, and whether the royalty has already been paid earlier in the chain. Proof of payment takes the form of a Uganda Revenue Authority payment record, and the supplier who claims the royalty is outstanding should produce the assessment.

SECTION 5

Licence and Permit Fees

A mineral dealer's licence authorises the holder to deal in minerals. Under the Public Notice, the statutory fees for precious metals are an application fee of UGX 500,000 and a licence fee of UGX 10,000,000, and the licence expires on 31 December of the year of issue.

These fees belong to the supplier's business. They are paid once a year for the licence, and they are unrelated to any particular consignment. A demand that the buyer fund the supplier's licence, or its renewal, as a condition of delivery is a request for the buyer to finance the supplier's legal capacity to sell. It also signals that the supplier may hold no current licence. See Client Guide No. 02.

An export permit is issued per consignment under section 150 on application in Form 52 under the Mining and Minerals (Licensing) Regulations, 2023. An import permit, for gold brought into Uganda for refining or re-export, is issued per consignment on Form 54 with an application fee of US$270. The Public Notice is the current statement of these requirements. Older official web pages, including procedure summaries that still refer to the repealed Mining Act, 2003, should be reconciled with the 2022 Act and its regulations before any figure taken from them is relied on.

SECTION 6

Customs, VAT and Clearing Charges

Gold leaving Uganda passes through customs declaration and examination administered by the Uganda Revenue Authority. Customs clearance and the mineral export permit serve different legal functions: the permit authorises export of the mineral, and the customs process controls its movement across the border. A customs document establishes neither ownership nor provenance.

Exports of goods are generally zero-rated for value added tax under the Value Added Tax Act, subject to the statutory conditions and export documentation. Zero-rating concerns the VAT treatment of the export supply, and domestic supplies earlier in the chain and local services (refining, transport, clearing) carry their own treatment. A quotation that adds VAT to an export sale should state the supply taxed and the basis for charging it.

Clearing agents, handlers and transporters charge for their services. Their invoices are commercial demands, and an invoice from a private clearing agent is evidence of a fee for services, separate from any government assessment.

SECTION 7

Refining, Assay, Transport and Insurance

Refining, assay, storage, transport, insurance and security are commercial services. Their cost depends on the facility, the material, the services agreed and the contract, and their allocation is entirely a matter for the parties.

For each service the buyer should establish who engaged the provider, who owns the material while it is being tested or processed, who bears the charge, who receives the report, and when custody and risk pass. An assay or refinery invoice is a genuine charge from a service provider, and it carries no legal compulsion beyond the contract. A supplier's statement that a refinery or insurance fee is "mandatory" is tested against the services actually required and the cost allocation agreed.

SECTION 8

Why the Weight Alone Does Not Give the Total

Different charges are measured differently. The export fee is calculated per kilogram. A royalty is calculated on the gross value at the prevailing market price. Licence and permit fees are fixed sums. Commercial services are priced by weight, purity, value, distance or negotiation.

The statement "I am buying one kilogram" therefore yields the export fee and little else. A full calculation requires the gold's origin, its purity and classification, the identity of the exporter, the licensing and royalty position, the destination and the delivery terms. A reliable quotation separates statutory amounts from commercial charges and states the assumptions behind each figure.

SECTION 9

"The Seller Will Pay All Taxes"

A supplier's offer to bear all taxes and export costs is commercially common and contractually effective when properly drafted.

A broad promise to "pay all government charges" leaves gaps: whether it includes royalties earlier in the chain, licence renewals, permit fees, clearing services, refining and insurance; what happens if a charge is unpaid; and what happens if an export permit is refused. The Sale and Purchase Agreement closes those gaps by listing the charges the seller bears, the evidence of payment the seller delivers, and the consequence of failure.

Payment of the price can be made conditional on production of that evidence. A later demand for money to meet a charge the seller agreed to bear is a breach of the agreement, and it is also a recognised warning sign. See Client Guide No. 08.

SECTION 10

How Fake Government Charges Work

A fraudulent payment demand uses one of three methods. It invents a charge that the law does not impose. It inflates a genuine charge. Or it diverts a genuine charge to the wrong payee.

The third method is the most effective, because the charge is real. The buyer checks that a US$200-per-kilogram fee exists, finds that it does, and pays it into an account supplied by the intermediary. Section 182(1) answers the point: every fee, charge and royalty under the Act is paid to the Uganda Revenue Authority. A government charge routed through a private, agent or personal account fails that test whatever the documents say. See Client Guide No. 05.

Fabricated assessments, permit invoices and “clearance certificates” bearing official stamps belong to the same pattern. The authenticity of a document and the existence of a liability are separate questions, and each is verified independently.

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A genuine tax supports a fraudulent demand whenever its amount, its incidence or its payee is misrepresented.

SECTION 11

Verifying a Government Charge Before Paying

The buyer should request an itemised statement of every claimed government charge, giving for each item:

1. **Legal basis.**
   The statute, regulation or official notice imposing the charge.
2. **Amount and method of calculation.**
   The rate, the base and the arithmetic.
3. **Person liable.**
   The party the law names, and the clause under which the buyer is asked to reimburse it.
4. **Collecting authority.**
   The Uganda Revenue Authority, for charges under the Mining and Minerals Act.

5 **Payment procedure.**
The official payment reference generated through the Uganda Revenue Authority and the receiving account.

6 **Evidence of payment.**
The receipt or payment record to be delivered on completion.

Each item is then checked against official sources: the Uganda Revenue Authority, the Ministry of Energy and Mineral Development and its Public Notice, and the contract. Published guidance settles the general rate. A particular consignment may raise questions that only the documents and the authorities themselves can resolve, and that is where professional verification earns its cost.

Urgency and official-sounding labels add nothing to a charge's validity. See Client Guide No. 04.

SECTION 12

An Illustration: One Kilogram of Refined Gold

Consider a proposed purchase of one kilogram of gold described as refined to 99.9% and ready for export.

Under the Public Notice, the fee on refined gold for export is US$200. That figure answers one question. Whether a royalty is outstanding, whether the supplier's licence is current, whether an export permit has been applied for, and what refining, assay, transport, insurance and clearing will cost are separate questions, and so is the allocation of those costs between the parties.

Suppose the supplier now demands US$5,000 in "government export taxes". The buyer asks for an itemised legal explanation of the US$4,800 above the published fee. The discrepancy calls for verification, and the answers determine its character: a lawful charge properly documented, an agreed commercial cost, or an unsupported demand.

SECTION 13

Allocating Costs in the Sale and Purchase Agreement

The agreement should:

- separate the purchase price from statutory charges and third-party service costs
- name the party bearing each charge
- specify the evidence required before any reimbursement
- identify the documents the seller delivers where it undertakes export permits and clearance, and the consequence of non-delivery
- link payment milestones to custody of the gold, assay and export

- state when funds may be withheld or refunded if export fails

A properly structured agreement turns regulatory delay or export refusal into a defined contractual outcome. See Client Guide No. 13.

CHECKLIST

Checklist Before Reimbursing Any Government Charge

01	What law imposes this charge?
02	Does it apply to this consignment, given the gold's form, purity and origin?
03	Who owes it by law?
04	Does the contract require me to bear or reimburse it?
05	How was the amount calculated, and does it match the published rate?
06	Is payment made to the Uganda Revenue Authority through an official payment reference?
07	Has the charge already been paid earlier in the chain?
08	What receipt or official record will I receive?

How Nafuna & Co. Can Assist

Nafuna & Co. Advocates and Legal Consultants advises foreign purchasers, mineral dealers and other participants in gold transactions in Uganda. Within a defined engagement, the firm can:

- verify claimed taxes, royalties and government fees against the law and the official procedure
- examine the supplier's licences, export permit application and supporting documents
- review supplier quotations and separate statutory charges from commercial costs
- draft or review the cost-allocation and payment provisions of the Sale and Purchase Agreement
- advise where a suspicious payment demand has been received, or where a dispute has arisen over taxes, clearance or responsibility for export

A general explanation of the framework and a professional opinion on the amounts payable for an identified consignment are different pieces of work. The second requires the documents and the facts, and the scope and fees are agreed in writing in advance. See ____ _____.

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Establish what is legally payable, by whom, to whom, and on what evidence.

RELATED NAFUNA & CO. CLIENT GUIDES

No. 01 Buying Gold in Uganda: A Legal Due-Diligence Guide for Foreign Buyers

No. 02 How to Verify a Ugandan Mineral Dealer's Licence

No. 03 Ten Documents to Request Before Travelling to Uganda to Buy Gold

No. 04 Before You Pay: Payment Safeguards in a Ugandan Gold Transaction

No. 05 The Seller Wants You to Pay Someone Else: Third-Party Accounts in Ugandan Gold Transactions

No. 06 Is This Gold Deal Legal? When a Gold Transaction Is Illegal Under Ugandan Law

No. 07 "But the Gold Is Mine": Carrying Gold Through Entebbe Airport

No. 08 Common Gold Scams in Uganda: Warning Signs Foreign Buyers Should Know

No. 09 How to Prove a Gold Scam in Uganda: The Evidence You Need

No. 10 Recovering Money After a Gold Scam in Uganda

No. 11 You Reported a Gold Scam to the Police: What Should Happen Next?

No. 13 Can You Use Escrow to Buy Gold in Uganda?

AUTHORITIES

- Mining and Minerals Act, Cap. 159 (Act of 2022), sections 8, 142, 150, 180, 181, 182 and 183
- Mining and Minerals (Licensing) Regulations, 2023 (Forms 52 and 54)
- Mining and Minerals (Export Levy on Refined Gold) Regulations, 2023
- Ministry of Energy and Mineral Development, Public Notice, *Gold Purchase Procedure in Uganda* (February 2026)
- Value Added Tax Act
- East African Community Customs Management Act, 2004, as amended

IMPORTANT NOTICE

This Client Guide provides general legal information concerning gold-related taxes, royalties, regulatory fees and commercial charges in Uganda, stated as at November 2026. It does not constitute legal or tax advice concerning any particular transaction.

Rates, statutory instruments, administrative procedures and tax treatment change. Any transaction-specific calculation requires verification against the law and official requirements in force at the relevant time. The figures in this Guide state particular government charges and are no quotation of the total cost of any gold transaction.

Submission of documents to Nafuna & Co. does not establish a professional engagement or constitute independent verification.

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