

# BANK OF UGANDA

Office of  
The Director  
Commercial  
Banking Department



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Chief Executives  
All Commercial Banks

## Quarterly Provision for Tax

Our recent review of the quarterly financial statements submitted by banks disclosed that some banks are not making quarterly provisions for taxation in their BS110 (Income Statement) on a consistent basis. Moreover, we also noted that some banks are not reporting any tax liabilities at all, may be due to some tax holidays or accumulated losses carried forward from previous years.

The above inconsistency and/or non-reporting of provision for taxation in the Income Statement overstate bank's profitability and capital adequacy calculations, thus rendering our analysis inaccurate.

In this connection, with effect from March 01, 2003, all banks are requested to make quarterly provision for tax to disclose their tax status if no such tax is applicable.

Apollo Obbo  
Ag Director Commercial Banking

Copy: Governor  
Ag Deputy Governor  
Executive Director Supervision