

# Narrow tax base affects KCCA revenue

By Juliet Waiswa

**D**espite the numerous achievements of Kampala Capital City Authority (KCCA) in the seven years since its inception, like any other institution, it has faced some challenges which have slowed down service delivery.

According to the deputy executive director, Samuel Sserunkuuma, the major challenge is the narrow taxbase.

## Public transport

This has come as a result of Government stopping KCCA from collecting revenue from bodabodas, commuter taxis and trucks.

"This revenue loss is a big setback for the institution. We no longer collect revenue from the commercial road users and as a result, we have lost sh21b from only commuter taxis," Sserunkuuma reveals.

KCCA used to collect sh1.8b from the commuter taxis on a monthly basis, charging sh120,000 from each taxi monthly, but it is close to one year since the institution was blocked from collecting



Kampala Capital City Authority used to collect revenue from commuter taxis on monthly basis but since the institution was blocked from collecting that tax, it has lost sh21b in revenue collections from taxis alone

that tax. Sserunkuuma also explains that Kampala district had land from which it used to generate ground rent, but it was fraudulently given away to investors as freehold, which denied the institution good revenue. He says KCCA does not have enabling laws to regulate the markets,

bodabodas and commuter taxis. The last ordinances were drafted in 2006, and the fact that the authority failed to implement new laws has encouraged offenders to take the law into their hands. This includes street vending, littering and erecting illegal structures. The

perpetrators end up walking away scot free or even paying a minimal for offences.

The increase in population in the city has raised the demand for service delivery in hospitals which can no longer offer the budgeted health service.

Schools can no longer accommodate the number of students they were initially designed to cater for.

"Kampala is turning into a slum due to lack of a detailed master plan in places such as Kololo, Nakasero and Bugolobi, which were designed to be residential areas but have since been turned into commercial areas," Sserunkuuma says.

He observes that the city has dilapidated roads and although some have been tarmacked, there is still need to repair others.

## Garbage collection

In the area of garbage collection, KCCA requires at least two garbage trucks in each division to manage garbage collection. There are five divisions and a single garbage truck costs sh500m, yet KCCA currently does not have funds, to resolve this problem.

## Schools

Some KCCA schools were constructed using asbestos sheets which come with the risk of diseases such as cancer. However, Sserunkuuma says KCCA wants to seek funding to see that the schools get better roofing.

## Vendors

For the vendors who keep frequenting the streets, KCCA says there is no sufficient

space for traders, as the city has few markets. The space to construct the markets is available, but there are no funds to construct new markets. "Construction of Busega market has been halted because there is no funding. We have also acquired land for Kitintale and Nakawa markets," he explains.

## Health centres

With the increasing population, the health facilities are overwhelmed by the number of patients.

Sserunkuuma emphasises that now that three health centres have been taken over by government, it will be difficult for the city to manage the patients at their health centre III. "The Government has taken over Kiruddu, Kawempe and Naguru hospitals as referral facilities," he says.

Lack of a massive transport system in the city such as buses and trains promotes congestion in traffic flow.

## Way forward

KCCA has embarked on developing a plan in which some areas will officially be gazetted as commercial or residential areas.

The city has also partnered with the World Bank, the African Development Bank to improve on the road network.

KCCA is in the final process of constructing a new land fill at Ddundu in Mukono district. We are in talks with Wakiso, Kira, Nansana and Mukono on the issue of the land fill as they are all going to be affected by the garbage site," he reveals.

In order to manage traffic flow in the city, KCCA is working with Wakiso district to have a road connecting to Entebbe.