



WHAT YOU NEED TO KNOW ABOUT

EFRIS

EFRIS is the Electronic Fiscal Receipting and Invoicing Solution. It is a business solution, that enables businesses to record transactions and share transaction information with the Uganda Revenue Authority (URA) in real-time. The system ensures transparency and accuracy and this enables collection of correct taxes.

A) Who is required to use EFRIS?

All VAT-registered taxpayers are required to use EFRIS to issue e-invoices to their customers. However, non-VAT registered taxpayers can also voluntarily use EFRIS (in this case, they issue clients with e-receipts).

B) How do we use EFRIS

To use EFRIS taxpayers can choose any of the following options that may suit them;

BUSINESS	PLATFORM	HOW IT WORKS
Shops / Mobile Distributors / Route Sales	THE EFRIS APP (On Mobile Smartphones)	Download the app from AppStore or Play Store and install it on your phone. Set up the app with your goods or services and start to issue e-invoices. It works with the internet but can operate offline for up to 5-days.
	Electronic Fiscal Device (EFD)	An EFD is a portable device used to conduct sales. It has a Point of Sale system (POS) and a virtual Sales Data Controller (SDC) connected to produce e-receipts and e-invoices. It has a secure memory where all data is kept and transmitted to URA when transactions are made. Traders may purchase the EFD from Rank Consult (U) Limited, the accredited supplier at SMS House 7th Street Industrial Area at a cost UGX 1,100,000.
Wholesale and Retail Shops	The Desktop (Client Application) Software:	Can be installed on your preferred device like desktop computers, laptops, or tablets. Suitable for moderate sales. Download it from the URA website (http://ura.go.ug) under the e-invoicing downloads menu on the EFRIS link. It works with the internet but can operate offline for up to 5-days.

BUSINESS	PLATFORM	HOW IT WORKS
Wholesale and Retail Shops	The URA Web Portal	Accessed via (http://ura.go.ug) to issue e-receipts and e-invoices by clicking on the EFRIS link on the URA portal. This web portal option is only available for clients who do not have a billing system, with less than 100 daily transactions, and annual sales below UGX 2 billion.
Businesses with Computerized Accounting Systems	System-To-System Connection:	A trader's sales system is integrated (combined) with EFRIS to generate e-receipts and invoices using a special software called Application Programming Interface (API). Suitable for businesses having high-volume transactions and with computerized accounting systems (e.g. ERP and POS).
Fuel Stations	Electronic Dispenser Controller (EDC):	This is specifically designed to manage fuel and gas stations. The EDC automatically transfers the information to the connected EFD to generate e-receipts in real-time.

NB: URA is available to assist traders in the usage of any of these options.

C) How to register for EFRIS as a first-time user

- Go to the URA Web portal
- Click 'Login' on the top right corner
- Select EFRIS from the dropdown list. Enter your TIN and password.
- A one-time password OTP will be sent to your registered email.
- Input the OTP to get access to the EFRIS homepage.
- Select 'first-time registration'. Select whether to use e-invoicing or EFDs, additional places of business (if any)
- Submit the application to URA for approval

D) Benefits of EFRIS

EFRIS enables a business to:

- Track stock, detect theft, and monitor your business anytime, anywhere
- Maintain accurate business records
- Access tax refunds faster, thus boosting cash flows
- Confirm the correct amount of VAT to declare to URA
- Access prefilled tax returns and therefore avoid penalties for late or non-filing
- Eliminates the risk of physical data loss with secure transactional digital data

E) How does EFRIS Assist Traders in VAT reporting to URA

VAT is charged at 18% at each stage on the value added to an item. Every business in the value chain gets a tax credit on VAT already paid. The consumer does not get the tax credit. So, it's a tax on final consumption. So, the EFRIS system is used to monitor the VAT charged at each level. This ensures that tax due to you is credited to you and tax due to the government is sent to URA as shown in the illustration below:

DESCRIPTION	PRICE WITHOUT VAT	VAT RATE	VAT AMOUNT	PRICE WITH VAT
Purchase	1,000/=	18%	180/=	1,180/=
Sale	1,500/=	18%	270/=	1,770/=

- In the above example when a trader purchases an item through EFRIS at 1,000/=, it's automatically charged 180/=. This is a VAT tax credit for the trader (input tax).
- When the trader sells the same item through EFRIS at 1,500/=; s/he charges the customer 18% VAT of 270/= (output tax)
- So, VAT on Sales (output tax) - VAT on Purchase (input tax) i.e. 270/= - 180/=.
- So, the business remits 90/= to URA.
- The result may be a tax refund or claim to the trader, NIL tax, or tax payable to URA.

If a trader uses EFRIS, the above calculation is automatic. At the time of filing a VAT return to URA, the trader can confirm or update the details before submitting the return to URA.

DISCLAIMER: This information is strictly for purposes of guidance to our clientele and is subject to change on amendment of tax legislations & any other regulations that govern tax administration.

