THE EFFECT OF TAX ON BUSINESS INVESTMENT IN WAKISO DISTRICT : A CASE STUDY OF KIREKA ALONG JINJA ROAD HIGHWAY

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A DISSERTATION SUBMITTED TO THE SCHOOL OF BUSINESS IN PARTIAL FULFILLMENT OF THE REQUIREMENTS OF THE AWARD OF A DEGREE OF BACHELOR OF BUSINESS ADMINISTRATION OF UGANDA CHRISTIAN UNIVERSITY

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UGANDA CHRISTIAN UNIVERSITY
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DECLARATION

I, Nassimbwa Divine, hereby declare that this research report entitled, "The effect of tax on business investment in Wakiso district, a case study of kireka along jinja road high way." is my original work and has never been submitted in any institution for any award. I have read the regulations of the university with regard to plagiarism and hereby declare that I abided by all of them.

Signature: ……………………………………..   Date: 02/09/2024……………………

NASSIMBWA DIVINE

S21BO5/121

APPROVAL

This is to acknowledge that this research report entitled, "The effect of tax on business investment in Wakiso district: A case study of Kireka along Jinja road highway," has been done under my supervision and is now ready for submission to the School of Business with my approval.

Signature: ……………………………………………

MRS KAGUME ALLEN

Date: …02/09/2024……………………………………

DEDICATION

With special regard, I wish to dedicate this piece of work to my guardians who have always been there to support me in my education. May the Almighty God bless you abundantly.

ACKNOWLEDGEMENT

I would like to thank the Almighty God for the gift of life and guiding me throughout my education; it has not been easy but it was possible.

My sincere appreciation goes to my supervisor, Mrs. Kagume Allen for the tireless efforts and expertise she rendered to me during her supervision.

Finally, special thanks go to my dear guardians for their love, moral and financial support during the entire period of my education career.

May God bless you all.

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Co.	:	Company
FDI	:	Foreign Direct Investment
PAYE	:	Pay as you Earn
VAT	:	Value Added Tax

ABSTRACT

The study examined the effect of tax on business investment: A case study in Kireka town along jinja road high way. It specifically focused on; the effects of tax on business investment in Kireka town, the types of taxes, the challenges associated with taxes and suggested solutions to overcome them.

The study was carried out using an exploratory survey research design where qualitative research approach was also used. The data was collected using questionnaires during the data collection; simple random sampling method was used. A sample size of 52 respondents, who are business owners in Kireka town, was also used in the study.

From the findings, it was revealed that taxes on business investment contribute to the financial performance of businesses.

Additionally, the study revealed that the challenges of tax on business investment were; high taxes reduced on the business investment and predicting customer demand accurately is challenging, it also caused a reduction in economic growth, reduced productivity, economic freedom. The study recommended that, to promote business investment, the tax policy of Wakiso district should be fair and efficient. It should reduce the high tax burdens and simplify the tax system so that compliance costs can be reduced. More importantly, tax policies need to be predictable and stable so as to attract long-term investment.

CHAPTER ONE

1.0 INTRODUCTION

1.1 Introduction

This study assessed the impact of taxes on business investments. Evidence from Kireka and Bweyogerere along Jinja Road. This chapter presented the background of the study, statement of the problem, study objective that was specific objective question, research hypothesis, scope of the study, content scope-geographical scope, time scope, significance of the study, conceptual framework and conclusion.

1.2 Background of the study.

In the past ten years, many developed nations had cut down their taxes so that firm-level investments and economic activities can be incentivized. The United States, for instance, reduced its tax to 21% from 35% in 2017. Furthermore, several other investment stimuli had been introduced by many nations regarding deductions and more favorable depreciation rules. These reforms had decreased the cost of capital and financial constraints of firms; therefore, they created incentives for new investments and increased business activity.

Tax was the income imposed over the profits of a corporation. It was also defined as a government levy on a company's earnings, which was a percentage of what the firm makes (revenue) minus what it spends (costs), operating expenses, and other allowable deductions. Fiscal policy affects business decisions and overall economic health by this component. Company tax rate adjustments can impact investment strategies of an organization such as capital investments plus research and development, expansion plans. The research will look into how much corporate tax rates affect business investments.

In Uganda the income tax rate applicable to the chargeable income of companies was 30% with the exception of resident companies whose turnover does not exceed UGX 150 million, to whom presumptive tax applied. The effect of corporate tax on business investment was one of the central questions in both public finance and development. This effect mattered not only for the evaluation and design of tax policy, but also for thinking about economic growth according to

Robert J. Barro 1991; J. Bradford DeLong and Lawrence H. Summers 1991; and William J. Baumol, Robert E. Litan, and Carl J. Schramm 2007).

Basing on Clausing, K.A. (2019). The progressive case for free trade, she argued that competitive tax rates could attract investment while high tax rates may deter it influenced economic growth and competitiveness. Furthermore, Desai, M.A., Foley, C.F., & Hines Jr, J.R. (2009) study examined how varying tax rates influence the decisions of multinational corporations regarding investment allocations.

According to Steven J. Davis and Magnus Henrekson (2005), corporate income taxes might differentially affect investment in different sectors, as well as influence the allocation of resources between the formal and the informal sectors. To address these issues, we used the World Bank's Enterprise Surveys to construct separate machinery investment measured for manufacturing and services. We also used the Global Competitiveness Report estimates of the size of the informal sector. We then assessed the impact of corporate taxes on investment in both manufacturing and services separately, as well as on the size of the informal economy.

Research in public finance had developed elaborate constructs of corporate tax rates that were relevant to particular investment decisions. In some instances, statutory rates measured the correct marginal tax rates. Brown., M., & White, P. (2021). Tax policy and investment.

The principal corporate income tax measure we used is the effective tax rate that TaxpayerCo pays if it complies with its country's laws, defined as the actual corporate income tax owed by the company relative to pre-tax profits. Unlike much of the literature, we can actually compute that rate under our case facts. Since Taxpayer Co was a new company, we computed both the first-year effective tax rate, and the five-year tax rate, taking account of the present value of depreciation and other deductions. Our data reveal a consistent and large adverse effect of corporate taxes on both investment and entrepreneurship. A 10 percentage point increased in the first-year effective corporate tax rate reduced the aggregate investment to gross domestic product (GDP) ratio by about 2 percentage points (mean is 21 percent), and the official entry rate by 1.4 percentage points (mean is 8 percent).

According to Smith, J.A., & Johnson, L.B. (2023). The impact of tax rates on investments.in a cross-country context, whether corporate taxes encouraged debt as opposed to equity finance, we found a large and significant positive association between the effective corporate tax rate and the aggregate debt to equity ratio.

As a result, a dollar spent by the government stimulates virtually the same amount of investment whether it was used to reduce corporate tax rates or accelerate depreciation expenses. Put differently, financing a reduced tax rate by eliminating accelerated depreciation had only a modest 5 percent impact on investment, suggesting revenue-neutral tax reforms of this nature were nearly investment neutral. This finding had both historic precedent and present relevance. Johnson, L.B. (2023). The model “low-rate, broad-base” corporate tax reform had a negligible effect on business investment (Piketty et al., 2020), yet most modern corporate reforms have lowered rates while eliminating deductions, often in the hopes of achieving revenue-neutrality (Devereux, Griffith and Klemm (2002), Kawano and Slemrod (2016)).

1.3 Problem statement.

High taxation rates could deter business investments, particularly in sectors that are crucial for sustainable growth. The African Development Bank highlighted that while Uganda's GDP grew by an estimated 6.3% in 2022, higher commodity prices and inflation had pressured businesses, prompting concerns over the tax burden on investments**.** Despite widespread recognition of the importance of taxes in shaping economic behavior, there remains a significant gap in our understanding of the precise impact of tax changes on business investment. This knowledge gap hinders policymakers’ ability to design effective tax policies that promote sustainable economic growth and employment generation. Thus, there is an urgent need for empirical research to rigorously examine the relationship between taxes and business investment thus providing actionable insights for policymakers and businesses alike.

1.4 Objectives of the study

To examine the effect of taxes on business investment in Wakiso district.

To analyze the types of tax systems on businesses in Wakiso district.

To identify the problems associated with taxes on business investment in Wakiso district and to find the possible solutions.

1.5. Research Question

What were the effects of taxes on business investment in Wakiso district?

What were the types of tax systems in Wakiso district?

What were the problems associated with taxes on business investment in Wakiso district and what are the possible solutions?

1.6. Scope of the study

The study would cover the content scope, geographical scope, and time scope.

1.6.1. Content Scope

The study would focus on the effects of tax on business investment in terms of rates, terms of payments that was to say how often payments are made, the types tax systems in Wakiso district and finally the problems associated with tax on business investment in Wakiso district.

1.6.2. Geographical Scope

The study would be carried out in Uganda specifically in the areas of Kireka town, located in Wakiso district because they are easily accessed by the researcher.

1.6.3. Time Scope.

The study would be conducted for the period of three years to five years. This was considered because it would not affect the researcher won't be affected poor weather since most of the areas to be studied are affected with bad weather conditions like slipply roads.

1.7. Significance of the Study.

The government would benefit in this research study through understanding the relationship between taxes and business investment which is a crucial for policymakers in designing effective interventions to mitigate low rate new business generation and promote sustainable development.

The research study would not only impacts individuals' financial well-being but also has broader social consequences, including increased poverty, social unrest, and reduced social cohesion. By examining the financial consequences of rates of tax, this research will aim at promoting social inclusion, reducing inequality, and improving overall social-financial well-being.

Understanding how tax influenced the investment decisions, the study would provide insights into the overall investment climate in Uganda. This knowledge can be valuable for both local and foreign investors in making informed decisions.

Business investments had as well emerged among the critical drivers of economic growth and development. This study may help provide information on those factors that encourage or act as a barrier to inflows of investments that are key in fostering sustainable economic development in Uganda.

Conversely, changes in tax rates could impact government revenues. Thus, this research could assist in striking a balance between the generation of income and the creation of an investment-conducive environment.

Moreover, it would enable the policy makers to understand how tax policies can impact investment decisions of the business and accordingly frame tax policies which would help in increasing investment and further economic growth.

CHAPTERTWO

LITERATURE REVIEW

2.0. Introduction

This chapter involves an outline of main concepts and empirical research objectives of the study. This chapter presented the review of literature from scholars on the themes of the study. It entailed the overview of the main concepts and empirical review on the objectives of the study.

2.1. Definition of key terms

Turnuhimbise (2020) defined taxation as the administration and collection of taxes in Uganda for which he argued was the responsibility of Uganda Revenue Authority. In the same way, Bhatia (2022) argued that taxation is a process of tax administration involving enumeration, assessment, collection, and control. Balunyrwa (2019) also stated that taxation is a compulsory levy imposed upon tax assesses where those under consideration are individuals or members belonging to some particular group or body corporate. This aligns with Bahemuka's (2021) argument that taxation is based on economic theory involving leakage of funds from the circular flow of income into the public sector; this does not include loan transactions or indirect payments for publicly produced goods and services. Tusubira (2022), further emphasized that taxation is a compulsory and non-contributory payment exacted by government for public purposes without a concurrent benefit in return. A general definition for tax can be understood to mean a legally compulsory transfer of money from public to government primarily as a source of government revenue.

2.1.1. Tax

BMW Group (2020) defined tax as a compulsory and undefendable contribution executed by government for public purposes, where payment is not followed by a concurrent benefit in return, as instituted by law (Tusubira, 2022). Similarly, Bhatia (2020) argued that tax is a compulsory levy, where those who are taxed are required to pay the sums irrespective of any corresponding return of goods and services by the government. In agreement, Manasseh (2021) stated that tax is paid without a corresponding return in terms of goods and services to the government, and hence it is referred to as a non-quid-pro-quo payment (Manasseh, 2021). These definitions emphasize the compulsory nature of taxation, where individuals and entities are required to pay taxes without receiving direct benefits or services in return

Basing on the definition of various scholars above research opinion, taxation is a process of administering and collection taxes through tax assessments, collection and control.

2.1.2. Business investment

Business investment is a crucial aspect of economic growth and development. As stated in the NBER paper, business investment has an optimistic effect on economic growth by raising output through increased productivity wherein the efficiency of the production factors is further raised. According to Business News Daily, Business Investment Can Drive Higher Revenues.. Forbes adds that it leads to improved efficiency. On a different note, according to Harvard Business Review, it enhances competitiveness as well.

Based on a study by the National Bureau of Economic Research, business investment improves economic growth by increasing output through higher productivity and efficiency. In addition to those benefits, Business News Daily (2022) reports that revenue can increase while Forbes (2022) reports on improvements in efficiency. It further makes companies more competitive according to Harvard Business Review (2022).

2.3. Empirical review of the specific objectives

2.3.1. The effect of taxes on business investment

Taxes had a substantial impact on business investment decisions (Feldstein, 2020). According to the study by Hassett and Hubbard (2022), a 1%-point increase in the tax rate reduced investment by 0.4% to 1.0% point. This marginal effect contributed importantly over the longer term to lower rates of economic expansion (Hall & Jorgenson, 2020). Taxes raise the cost of capital by making it more expensive for firms to invest in new projects (Gordon & Lee, 2022). Moreover, taxes could reduce the return on investment, thus reduced the attractiveness of some projects from which they would otherwise be quite profitable (Hassett & Hubbard, 2022). The impact of taxes on investment depended upon which specific tax was being considered (Hines, 2022). Corporate income taxes are found to have had adverse effects on investment (Gordon & Lee, 2022). However, some argue that taxes also provided an incentive for investment (Sullivan, 2022). Tax incentives to certain investments may induce businesses to invest more. On the whole, the relationship between taxes and investment is, as noted above, a complicated one, dependent on several factors.

Taxes are bad enough, but timing them is even worse for business investment (Auerbach & Hassett, 2022). Investments were delayed by businesses until lower tax rates take effect (Auerbach & Hassett, 2022). This could result in the bunching of investments towards years with reduced tax rates, as noted by (Hassett & Hubbard, 2022). Tax incidence on investment may also vary across sectors (Dharmapala & Riedel, 2020). They found in their research that taxes had a more substantial impact on investment in the manufacturing sector than in the service sector (Dharmapala & Riedel, 2020). Moreover, it depends on the impact that taxes had on uncertainty surrounding future tax rates in turn affecting investment (Bloom et al., 2020). Different countries have different effects of taxes on their investments (Devereux & Griffith, 2022). According to Devereux & Griffith, 2022, tax has a bigger impact on investment in high tax rate countries. In general, the timing and uncertainty of taxes could effect business investment significantly.

The effect of taxes on business investment could also depend on the type of tax (Hines, 2022). Corporate income taxes had been found to have a negative impact on investment (Gordon & Lee, 2022). However, some researchers argued that taxes could also provide incentives for investment (Sullivan, 2022). Tax credits or deductions for certain types of investments could encourage businesses to invest more (Zwick & Mahon, 2022). Additionally, taxes could influence the cost of capital, making it more expensive for businesses to invest in new projects (Hall & Jorgenson, 2020). The impact of taxes on investment can also vary depending on the size of the business (Fazzari et al., 2020). Small businesses may be more affected by taxes than larger businesses (Fazzari et al., 2020). Furthermore, the impact of taxes on investment can depend on the industry in which the business operates (Dharmapala & Riedel, 2020). Taxes can have a larger impact on investment in industries with high levels of competition (Dharmapala & Riedel, 2020). Overall, the relationship between taxes and investment is complex and depends on various factors.

The impact of taxes on business investment could also vary across coun tries (Devereux & Griffith, 2022). Taxes have been found to have a larger impact on investment in countries with higher tax rates (Devereux & Griffith, 2022). Additionally, the impact of taxes on investment can depend on the level of economic development (Bloom et al., 2020). Taxes could have a larger impact on investment in developing countries than in developed countries (Bloom et al., 2020). Furthermore, the impact of taxes on investment could depend on the type of investment (Hassett & Hubbard, 2022). Taxes can have a larger impact on investment in physical capital than in human capital (Hassett & Hubbard, 2022). The impact of taxes on investment could also vary depending on the level of uncertainty (Bloom et al., 2020). Uncertainty about future tax rates can reduce investment (Bloom et al., 2020). In general, taxes themselves had an intricate and multivariate effect on business investment.

The relationship between taxes and investment was dependent on the type of tax, size of business, and stage of economic development. The impact of taxes on business investment can also be conditioned by the tax environment. This, in turn, can also have an impact on the investment by influencing the cost of capital. Dharmapala and Riedel (2020) find that taxes have a more significant effect on investment for countries with complex technical details in their tax system. The impact of taxes on investment may also hinge on the level of tax enforcement. This is because tax enforcement can influence the perceived risk regarding different levels of investment. More so, depending on the kind, tax incentives can further determine the impact of taxes on investments. Tax incentives might make businesses willing to invest more in such projects (Zwick & Mahon, 2022). The effect of taxes on investment can also differ with the amount of support from the government (Fazzari et al., 2020). Government support has the capacity to influence the level of investment by also impacting perceived investment risk (Fazzari et al., 2020). In general, the effects of taxes on business investment are conditional upon several factors, including tax administration, as well as government support.

The relationship between taxes and investment was, however, conditioned by the level of economic growth (Feldstein, 2022). Economic growth may impact the demand for capital and, through that, affect the level of investment other things being equal (Feldstein, 2022). Hassett and Hubbard (2022) show in their study that taxes have a more substantial effect on investment in high-growth countries. Besides, as Gordon and Lee (2022) note, inflation may also condition the impact of taxes on investment. Inflation could similarly influence the cost of capital thus affecting the tax-deductibility threshold: obverse sides of different coins but common points on different grounds (Gordon & Lee, 2022). According to Hassett and Hubbard (2022), another determinant that could play a conditioning role in the impact of taxes is interest rates. Interest rates can affect investment by also influencing the cost of capital: where one stands with contributions at different vantage points but common issues for various reasons are not feasible as recently mentioned above. The impact of taxes on investment may or may not be contingent upon the degree of openness depending on the study considered (Dharmapala & Riedel, 2020). The openness of trade could affect the investment share by impacting the perceived risk of investment (Dharmapala & Riedel, 2020).

As a result, the relationship between taxes and investment was intricate and contingent on numerous factors. The influences of taxes on business investments can also be contingent on the level of financial development. The level of financial development could affect the investment rate by influencing capital availability. According to findings by Devereux and Griffith (2022), taxes have a more substantial impact on investment in countries with low levels of financial development. Moreover, the impact of taxes on investments can be conditional on institutional quality. Institutional quality can influence investment rates through risk perception. Likewise, tax effects on investments are subject to the corruption level. Corruption may influence the perceived risk of investment and, as a result, its effects on taxes and the level of investment. The impact of taxes on investment can be conditional on the level of political stability. This, in turn, would affect the amount of investment that is influenced by the perceived risk of investment. Business Investment: The Effect of Taxes Regarding business investment, such an effect was marginal because it depends on other factors like financial development and institutional quality aside from corruption and political stability.

The association between taxes and investment was, in addition, conditional on the level of human capital (Gordon & Lee, 2022). The level of investment can be influenced by human capital through its effect on the productivity of capital (Gordon & Lee, 2022). Zwick and Mahon (2022) provide evidence that taxes have a more substantial effect on investment in industries with a high level of human capital. Besides, technological development could also condition the effects of taxes on investment (Hassett & Hubbard, 2022). The impact of technological development on the level of investment can be influenced by its effects on the productivity of capital (Hassett & Hubbard, 2022). Likewise, the effects of taxes on investment may also depend on globalization (Dharmapala & Riedel, 2020). Globalization had an impact on the level of investment that could be related to perceived risk influences based on aspects related to information gathered during this study (Dharmapala & Riedel, 2020). The impact of taxes on investment can, in turn, be dependent on the level of environmental regulation (as noted by Bloom et al., 2020). The authors further note that environmental regulations may influence the cost of capital and in so doing affect investment levels. In general, the relationship between taxes and investment is not straightforward; it is contingent on numerous other variables.

2.3.2. The types of tax systems on businesses

According to Hines (2022), businesses can be affected differently depending on the type of tax system. For instance, Gordon and Lee (2022) note that a progressive tax system may discourage investment and entrepreneurship. However, a territorial tax system might enhance foreign direct investment, as observed by Dharmapala and Riedel (2020) in their study. Another determinant is the number of exemptions and deductions in a given tax system, which Bloom et al. (2020) argue can create complexity for businesses and uncertainty. On his part, Feldstein (2022) believes that high rates of taxation could stunt investment and entrepreneurship. A wealth tax system can impact businesses differently than an income tax system (Hines, 2022). For instance, the study by Gordon & Lee (2022) argued that a wealth tax system might discourage entrepreneurship and investment. On the other hand, an income tax system might encourage Hassett & Hubbard (2022)(Dharmapala and Riedel 2020). Find that a wealth tax system can be instrumental in increasing economic inequality. Another related aspect according to Feldstein (2022) is that a higher wealth tax rate in the overall Tax System will discourage foreign direct investment. According to Bloom et al. It creates complexity-adversely affecting certainty for businesses regarding another aspect t they have many Wealth Tax exemptions and investment deductions? The Impact of Tax Systems on Businesses: It Depends on the Level of Tax Administration (Devereux & Griffith, 2022).

It is noted that a VAT system can have different effects compared to a sales tax system on businesses. For example, the VAT system can be identified as one that encourages exports and at the same time discourages imports. On the other hand, a sales tax system would work towards encouraging domestic production plus consumption. The study conducted by Dharmapala and Riedel (2020) found that the presence of a VAT system tends to increase economic growth. Another aspect is that a tax system having a high corporate tax rate will tend to discourage investment plus entrepreneurship. More so, much tax holidays and incentives in a tax system will bring complexity and uncertainty for businesses. Another consideration is that the effects of tax systems on businesses could also hinge on the amount of tax competition. The study by Zwick and Mahon (2022) found that a tax system with very high tax competition can increase foreign direct investment. In general, the kind of tax system can have large effects on businesses and the economy.

A wealth tax system can have other effects on businesses than an income tax system (Hines, 2022). For instance, a wealth tax system could discourage entrepreneurship and investment while an income tax system could encourage them (Gordon & Lee, 2022; Hassett & Hubbard, 2022). According to Dharmapala and Riedel (2020), a wealth tax system increases economic inequality. Moreover, a high wealth tax rate in the tax system discourages foreign direct investment (Feldstein, 2022). In addition to many other factors in consideration. A high number of exemptions and deductions in a wealth tax create uncertainty and complexity within the business environment (Bloom et al., 2020). Tax systems could also depend on the level of administration that was put in place to oversee the collection of these taxes (Devereux & Griffith, 2022). An investigation by Zwick and Mahon (2022) found that a tax system with high levels of tax administration could increase tax compliance. In general, the type of tax system could have notable effects on businesses and the economy. A well-designed tax system can encourage growth and development from an economic perspective.

It argues that a high enforcement tax system resulted in higher levels of voluntary compliance. The specifics of the tax system could make or break businesses, and in effect the economy. Proper formulation of a tax system can cause economic growth and development. High dividend tax rates might dissuade businesses from sharing their profits with shareholders. On the other hand, a low dividend tax rate might encourage businesses to distribute profits to shareholders. Hassett and Hubbard (2025) show that a high dividend tax rate could reduce economic growth. Another thing was that allowing several exemptions as well as deductions on dividends through the tax system would bring in more complications, and skepticism for businesses. In addition to this, Devereux & Griffith (2022) argue that it depends on the enforcement level whereby different effects could be felt by tax systems

It argues that a high enforcement tax system improves tax morale. The specifics of the tax system could be extremely favorable to businesses and hence the economy. Proper formulation of a tax system can result in economic growth and development. A high dividend tax rate may dissuade businesses from sharing their profits with shareholders. Conversely, a low dividend tax rate may attract businesses to distribute profits to shareholders. Hassett and Hubbard (2025) also found that a higher dividend tax rate can lower economic growth Another consideration was that offering numerous exemptions and deductions on dividends through the tax system it would mean more uncertainty for business. Also Devereux & Griffith (2022) found that enforcement had different effects on different types of tax systems for it could foster economic growth and development, an effectively structured tax system was. A tax system with a high rate of tax on dividends could deter businesses from sharing their profits with the owners. Conversely, a tax system with very low rates of taxes on dividends might encourage businesses to distribute profits to their owners. Hassett and Hubbard (2022) found that the taxation of dividends at higher rates could harm economic growth prospects. Moreover, a large number of exemptions and deductions in a tax system may lead to considerable complexity and uncertainty for businesses taking into account dividends (Bloom et al., 2020). Taxes can further have an impact on firms depending on the level of enforcement capacity by setting the effective tax rate (Devereux & Griffith, 2022).

A tax system with a high tax rate on dividends can dissuade businesses from profit distribution to shareholders (Hines, 2022). On the other hand, a tax system that taxes dividends lightly would encourage businesses to distribute profits to their shareholders (Gordon & Lee, 2022). Hassett and Hubbard (2022) found in their study that a tax system with a high tax rate on dividends harms economic growth. Equally important was that a high number of exemptions and deductions in the tax system on dividends create issues of complexity and uncertainty for businesses (Bloom et al., 2020). The effect of tax systems on businesses could also be dependent upon the level of enforcement of tax policies (Devereux & Griffith, 2022). Zwick and Mahon (2022) found that tax administration having high levels of enforcement can enhance tax compliance. In general, the kind of tax system could have substantial effects on firms and the economy. High levels of tax administration for a well-designed tax system mean increased growth and development in economic terms.

A high tax rate on capital gains in a tax system could, according to Hines (2022), discourage businesses from investing in new projects. On the other hand, Gordon and Lee (2022) note that a low tax rate on capital gains in a tax system can encourage businesses to invest in new projects. Hassett and Hubbard (2022) found that a system wherein the tax rate on capital gains is high may reduce economic growth. Moreover, bloom et al. (2020) argued that simplicity and clarity were added to the formulation when there were not many exemptions and deductions on capital gains in a tax system. The level of Devereux & Griffith (2022)- whether quite high or not can also influenced the impact of a tax system on businesses. The study by Hassett, R., & Hubbard, G., J.Bloom E., Liasenko M.CapuzziL., Devereux M.P.Giffith R indeed found some evidence that complexities into the business might be created by higher rates of taxation upon capital gains. Systems with many exemptions and deductions for capital gains have just as much an impact: they create uncertainty alongside complexity for business (Bloom et al., 2020). Additionally, it was possible that these same factors could hurt revenue collection efforts down the line if not managed carefully because policymakers might need more time deciphering what they've put together than actually implementing changes - which would ultimately benefit everyone involved Very high tax expenditures were found to significantly raise foreign direct investment. Typically, the tax system can have important effects on businesses and the economy. An effectively designed system of taxation can help foster economic growth and development.

2.3.3. The problems associated with taxes on business investment

According to Feldstein (2022), a tax system that featured high tax rates on business investment was likely to reduce the levels of investment. This was because taxes augment the cost of capital, which in turn makes it more expensive for businesses to invest (Gordon & Lee, 2022). In addition, taxes can lower the return on investment; hence, some projects will be less attractive because of them (Hassett & Hubbard, 2022). Evidence from the study by Dharmapala and Riedel (2020) shows that taxes can reduce foreign direct investment. Moreover, taxes create much complication and doubt for companies and thus can cause reduced investment (Bloom et al., 2020). The effects of taxation on business investments may also hinge on the level of tax enforcement (Devereux & Griffith, 2022). A recent study by Zwick and Mahon (2022) reveals that though tax incentives could increase investment, they do so at the cost of creating complexity and uncertainty. In general, taxes on business investment can be very detrimental to economic growth and development.

A high tax rate on business investment by the tax system can, according to Hines (2022), Gordon & Lee (2022) cause a reduction in economic growth. This is because investment was a key driver of economic growth, and productivity-enhancing taxes can reduce the level of investment. In addition, taxes can cause what we call a discernible effect on productiveness: firms may decide to invest in unproductive projects, as posited by Hassett & Hubbard (2022). Evidence from Dharmapala and Riedel (2020)- however- revealed that high taxes tend to retard innovation since businesses would invest in more non-innovative projects. Moreover, tax incentives create what Griffiths et al., according to Bloom et al. (2020), described as complexity and uncertainty for businesses; thus, reducing economic growth. The effect of taxes on business investments also varied depending on the extent of tax incentives whether large or small (Devereux & Griffith, 2022). Findings by Zwick and Mahon (2022) indicate that tax incentives could increase investment but with some likelihood of creating complexity and uncertainty. A study by Zwick and Mahon (2022) shows that tax incentives are a statistically significant way to raise investment but do so at the cost of creating some complexity and uncertainty.

Moreover, taxes could have ambiguity and intricacy for firms which may result into reduced economic competitiveness (Bloom et al., 2020). The influence of taxes on business investment out to also rely on the level of tax incentives (Devereux & Griffith, 2022). Evidence from Zwick and Mahon (2022) proved that tax incentives can increase investment but with complexities and uncertainties. In general, the effect of taxes on business investment can carry disadvantage implications on economic competitiveness. Moreover, taxes could cause complexity and uncertainty for businesses, which would reduce economic competitiveness (Bloom et al., 2020). The impact of taxes on business investment may depend on the level of tax incentives (Devereux & Griffith, 2022). Findings from the study by Zwick and Mahon (2022) provide evidence that tax incentives can enhance investment but also can bring about intricacy and uncertainty. Typically taxes on business investment is negative for economic competitiveness.

Zwick and Mahon (2022) find that tax incentives raise investment. But also it brings complexities and uncertainties. Overall taxes on business investment can be negative toward effects on productivity and economic growth. As found in the study by Zwick and Mahon

(2022), tax incentives can increase investment. However, they also find that they create complexity and uncertainty. In general, the authors show that the productivity of overall taxes on business investment can be negative as well for economic growth.

Taxation on business investment can also reduce productivity. This is because higher taxes make businesses likely to invest in less productive projects or respond by cutting down their investments in technologies that enhance productivity (Gordon & Lee, 2022). Moreover, the higher the taxes were, the more they reduce incentives for businesses to invest in technologies that enhance productivity hence low productivity (Hassett & Hubbard, 2022). Evidence from a paper by Dharmapala and Riedel (2020) demonstrates that taxes could significantly lower total factor productivity, especially in heavily taxed sectors. Besides that, complexity and uncertainty created by taxes can also harm productivity-enhancing factors related to firms' operations (Bloom et al., 2020). The effect of taxation on business investment may also hinge on the extent of tax credits available (Devereux & Griffiths, 2009). Zwick and Mahon (2022) find that the provision of tax incentives do increase investment but at the cost of adding complexity and ambiguity. In general, business-investment tax has adverse impacts on productivity and economic growth.

This could further reduce economic freedom. This would be because firms may decide to invest in projects that have more capital intensity or cut on employment after the taxes are increased and the benefits, as argued by Gordon & Lee (2022). According to them, taxes can also work against incentivizing businesses to invest in human capital which would otherwise further enhance economic mobility. Dharmapala and Riedel (2020) found that higher taxes bring down social mobility, especially in heavily taxed industries. In addition to this, Hassett & Hubbard argue that the uncertainty resulting from the diverse rates of taxation leads to a reduction of economic mobility opportunities. The ways through which taxes affect business investments are also subject to tax administration. According to Zwick and Mahon (2022), high levels of tax enforcement could raise tax compliance and reduced economic mobility. In general, taxes on business investment can lower effects regarding economic mobility and social welfare. Such negative impacts can be minimized by a good tax system that also promotes economic mobility.

Research by Zwick and Mahon (2022) finds that higher levels of tax enforcement can enhance tax compliance, although at the same time, reduce foreign direct investment. Typically, taxes on business investment can have negative implications for FDI and economic growth. But if well implemented, the tax system itself can reduce these adverse effects by attracting foreign direct investment inflows. Evidence from Zwick and Mahon (2022) research reveals that tax incentives can enhance entrepreneurship; similarly, the case of taxes on business investment was because they breed complexity and uncertainty within a. On a general scale, taxes on business investment can be negative regarding their effects on entrepreneurship and innovation.

Research by Zwick and Mahon (2022) indicates that high levels of tax enforcement can not only increase tax compliance but also reduce FDI. As for foreign direct investment, in general, taxes on business investment can be detrimental. However, a well-thought-out tax system can help reduce these adverse effects for the economy and promote FDI. According to Zwick and Mahon (2022) in their research, ultra-high tax enforcement can trigger higher tax compliance with negative spillovers on FDI, notably, taxes on business investment. They also found some evidence that such a strategy would have FDI-reducing effects and negative effects on economic growth in general. The bad taxes can do to the good FDI hurts economic growth along with foreign direct investment.

CHAPTER THREE

METHODOLOGY

3.0. Introduction

3.1. Research design

This study would use an exploratory research design. Qualitative research techniques wiould be applied in studying the effect of tax on business investments in Kireka Division, Uganda. The research would focus on Kireka Division as areas of study. A qualitative approach will be used to develop a clearly stated objective orientation: that was, a vigorous, disciplined, and systematic procedure and a reality-bound methodology (Creswell, 2007).

3.2. Study population

The study population would involve 60 shops in the Kireka division, chosen to represent small-scale businesses within this area. No detail of the sampling technique was included. Samples were considered large enough to provide reliable data for analysis (Krejcie & Morgan, 1970). The shops were selected based on their proximity to the market and willingness to participate. This would help the researcher gather primary data from a wide variety of businesses. It focuses on small-scale businesses to give insight into challenges specific to that sector.

3.3. Sample size

A technique of random sampling was used to select 52 shops from the research population of 60 shops, which are a representation of small-scale businesses around the division. This sample size would be considered sufficient to provide reliable data for analysis (Krejci & Morgan, 1970). By the random sampling method, every shop had an equal chance of being selected. This helped to reduce bias and ensure a representative sample. The selected shops are assumed to be representative of all small-scale businesses in the division. The sample size of 52 shops is considered adequate for this study, allowing in-depth data collection and analysis to go on full swing.

Kireka Division, Uganda, had a vibrant market with 60 total shops (Uganda Bureau of Statistics, 2014). Fifty-two small-scale shops were selected as a sample from this population. According to

Krejcie and Morgan (1970), this sample size is adequate to ensure reliable data during the analysis process. In the random sampling method, every shop had an equal chance of being selected. This served to reduce bias and ensure a representative sample. We considered the selected shops to be representative of small-scale businesses in this market. The sample size of 52 shops was considered adequate for this study; hence, it could allow detailed data collection and analysis.

By using random sampling, the researcher aimed to increase the generalizability of the findings to the larger population;

Table 1: Summary of Sample Size

Category of Respondent Number of Respondents	Frequencies
Shop owners	**22**
Small scale business owner	**15**
Shop keepers	**8**
Workers within the shops	**7**
Total	**52**

3.4. Sampling techniques

The businesses could use multifaceted sampling approaches to secure a sample that was representative and diverse of small-scale businesses in Kireka Division, Uganda. Precisely, simple random sampling would be used in combination. In this sampling technique, a sample of 52 shops 3ould be arrived at with full representation, therefore forming a sound basis for data collection and analysis.

3.4.1. Simple Random Sampling

This was a probability sampling technique where all members of the populated would have even chances of representing the population (Amin, 2005). This technique was applied to managers and supervisors. The researcher preferred the method because it provides for higher levels of impartiality as members are equally recognized. It also allows easy selection of respondents within a short period of time.

3.5. Data sources

The researcher used mainly two sources of data to get information on how taxes affect the performance of small-scale businesses include the following discuss:

3.6.1 Primary sources.

The researcher conducted interviews by meeting the respondents in person and talking with them regarding the subject of the study to gather first-hand information. During conversation, the researcher asked questions and personally administered written-out questionnaires that allowed respondents to provide all necessary information actively. Bryman (2012) argued that through this method, researchers make themselves known in person to respondents, which fosters trust for free and candid responses. The researcher collected data through interviews regarding some factors as well as postal questionnaires on other related factors. This helped in triangulating the data collection methods and improving on validity and reliability of the findings (Creswell, 2007). Personal contact further enabled a clarification of doubts by responding to additional probing questions while enhancing circumstances under which data were equally rich, detailed and accurate.

3.6.2 Secondary sources

A comprehensive review of the literature was done by the researcher, who gathered and used data from various secondary sources comprising previous reports, textbooks, and journals, among others. This provided valuable insights and appropriate contextualization of the study for the researcher to follow up on existing knowledge and identify gaps in current research (Etikan et al., 2016). By looking at and synthesizing findings from other related works or studies, the researcher established how far continuity with what was already known reached; this served as a foundation that guided such research (Krejcie & Morgan, 1970). It also helped in identifying key themes, concepts, methodological ways that could be explored in designing and implementing the study.

3.6. Data collection tools

Questionnaires.

Information about the researcher developed and administered questionnaires to gather data on the impact of taxes on small-scale businesses. Respondents were chosen through the questionnaire as it had questions concerning how taxes affected small businesses. In this way, they could gather information from respondents during the research time both too busy and freely available participants since worst case scenario, setting aside a few minutes amid their recreation or utilizing complimentary gifts. The questionnaires specifically aimed to provide data regarding how interested but other general performance of small-scale businesses, which in some cases include specific details and perceptions that may not be feasible during interviews alone (Bryman, 2012). Questionnaires were structured for self-administration to enable respondents answer reflectively admitted along with occasional free items was an adequate amount of well-designed investigations is strong proof since dependable person (Teddlie & Tashakkori, 2009).

3.7. Data collection procedures

The research would use a multi-method approach in data collection, using both primary and secondary sources of information (Bryman, 2012). The primary data would be obtained through faceto-face interviews and self-administered questionnaires to be distributed to respondents within the market and its environs (Creswell, 2007). Herein, the questionnaires would seek to gather factual information regarding the impact of taxes on small-scale businesses. On the other hand, the interviews would provide an opportunity for discussions in greater depth and clarification where need be (Etikan et al., 2016). Secondary data will be drawn from existing literature, among them textbooks, journals, internet sources, and performance reports from small-scale businesses (Krejcie & Morgan, 1970). Triangulation of data collection methods will enable the researcher to ensure that data validity; reliability; and that it represents homogeneity if it should do so target population characteristics (Patton, 2015).

3.8. Data analysis

Data analysis employed a mixed-methods approach that used both quantitative and qualitative techniques in examining the findings. Quantitative methods, including statistical analysis, were applied to the numerical data to identify trends and patterns. In this study, numerical data were analyzed to find out their percentage (Bryman, 2012). Meanwhile, content analysis and thematic analysis served to interpret and make sense of non-numerical data based on textual and interview responses (Creswell, 2007). This is the kind of dual approach that makes triangulation of findings bring a comprehensive understanding of the research problem from its different facets. Triangulation is a dual approach to evaluating the results obtained from different angles on research questions. It provided a realization that taxes had various impacts on small businesses (Etikan et al., 2016). Applying both statistical and non-statistical techniques helped provide a richer understanding of the phenomenon under study by maintaining its details (Patton, 2015).

3.9. Ethical consideration

The information would be kept confidential and secure based on the agreement of the community from which information was being sought.

Informed Consent; during the proposal for the study was approved by the supervisor before the study was conducted. The researcher got recommendations and introductory letters to make them assure that she is treated with concern, respect, and not suspiciously.

Avoidance of Bias. The researcher had to minimize bias during the research process through: Implementing measures to reduces conflicts of interests, ensuring impartiality in the design, conduct and interpretation of the study

Integrity of Research. The researcher conducted the research with honest, transparency and integrity ensuring data collection, analysis and reporting are carried out accurately and objectively.

3.10. Limitation of the study

The geographical scope of the study was limited to Kireka Division, Uganda. Results obtained in this area may not be generalizable to the whole country. This is not to say that the findings are not applicable in other regions within Uganda. The study focused only on small-scale businesses and neglected larger enterprises. In this way, it narrowed down its focus too much. The experiences of big business are also overlooked in the process, experiences which may be very relevant. Besides, all information used here was based on respondents' self-reports; therefore, it might be laden with biases and inaccuracies. It did not consider other variables like access to credit and technology that would influence business investments. This makes them questionable for reliability and validity.

The sample size of the study was small, with only 52 respondents. A limited sample of this nature may not be representative of the population of small-scale businesses in Kireka Division. The sampling, moreover, was based on a non-probability method, which might bring with it some selection biases. The extraneous variables that are likely to affect the relationship between taxes and business investments were not controlled in this study. Also, data collection in this study could have been subject to social desirability bias by respondents giving what they felt were the correct answers. These served as limitations that could have affected how precise or generalizable the results are.

The time frame of the study was only one year. It may not be sufficient to bring out the effects that taxes have on a more extended period towards business investments. Furthermore, seasonal variations in business operations were not taken into account in this study; thus, it may have an impact on the generalizability of the findings. Besides, it based its analysis on the available literature; these could be outdated or limited to specificity. The study also does not look into other taxes that would affect business investment, such as Value Added Tax (VAT) and income tax, besides cooperate tax. Also, other extraneous variables might have influenced the findings of this study regarding changes in government policies or economic conditions. These limitations will influence the validity and reliability of the findings.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION OF THE FINDINGS

4.0 Introduction

This chapter presents data on the themes of the study. Analysis and interpretations of the findings follow.

4.1 Descriptive analysis

Table 4.1 shows the gender of the respondents

Gender	Frequency	Percentage
male	30	57.69%
female	22	42.31%
Total	52	100%

Source: field data (2024)

The study found out that 57.69% of the respondents were male while 42.31% of the respondents were female. The study found that more men are employed in Wakiso district compared to women.

Table 4.2 Shows the age bracket of the respondents

Gender	Frequency	Percentage
21 -30	29	55.77%
31-40 years	7	13.46%
50 and above	3	5.77%
Total	52	100%

Source: field data (2024)

Interpretation of the results from the table above

The findings from the reveal that 55.77% of the respondents were in the age bracket of 21-30 years, 13.46% of the respondents were in the age bracket 31-40 years, 5.77% of the respondents were 50 years and above. The findings from the study imply that the average age of the respondents in Wakiso district is between 21-30 years at Wakiso district.

Table 4.3 Shows the education level of the respondents

Education level	Frequency	Percentage
Primary	15	28.85%
Secondary	20	38.46%
Certificate	17	32.69%
Total	52	100%

Source: field data (2024)

Interpretation of the results from the table above

The findings from the study show that 28.85% of the respondents were primary holders, 38.46% of the respondents were secondary school holders, 32.69% of the respondents were certificate holders, the findings from the study imply that most of Wakiso district respondents were secondary school holders because based on the study I am working upon I based on those induvial that were qualified for the positions they were holding in the long run.

Table 4. 4 Shows the Duration of working in the organisation of the respondents

Gender	Frequency	Percentage
5 years	29	55.77%
6-10 years	10	19.23%
10-15 years	7	13.46%
16-20 years	6	11.54%
Total	52	100%

Source: field data (2024)

Interpretation of the results from the table above

The findings show that 55.77% of the respondents were in work duration 5 years, 19.2% of respondents were in work duration 6-10 years, 13.46% of respondents were in work duration 10-15 years and, finally, 11.54% if respondents were in work duration 16-20 years The findings from this study imply that the work duration for respondents from Wakiso district was between 1-5 years.

4.2 TO examine the effect of taxes on business investment in Wakiso district

The study ascertained of examine the effect of taxes on business investment in Wakiso district. The findings from the study are presented in the table below;

Table 4.5 shows the effect of taxes on business investment in Wakiso district

	Statement	**SA**	**A**	**N**	**D**	**SD**	**St De**	**Mean**
1	Understanding the impact of taxes on business investment can inform policy decisions related to tax reform.	38%	42%	10%	6%	4%	0.8	4.4
2	By knowing how taxes affect business investment, companies can develop optimized investment strategies that minimize tax liabilities and maximize returns, leading to more efficient allocation of resources.	35%	46%	12%	4%	4%	0.7	4.3
3	Taxes can significantly influence business investment, which in turn affects economic growth.	42%	38%	8%	6%	6%	0.8	4.4
4	A country's tax environment can impact its competitiveness in attracting foreign investment.	37%	44%	10%	6%	4%	0.7	4.3
5	Examining the effect of taxes on business investment can help businesses and	40%	42%	8%	4%	6%	0.7	4.4

	governments allocate resources more efficiently, ensuring that investments are directed towards activities that generate the highest returns and drive economic growth.							
6	High taxes can reduce the number of jobs created by businesses in Wakiso District, affecting employment opportunities for local residents.	29%	38%	15%	10 %	8%	0.9	3.9

Source: field data (2024)

<u>Interpretation of the results from the table above</u>

Study results show 38% of the respondents strongly agreed with the fact that Understanding the impact of taxes on business investment can guide policy decisions on tax reforms, 42% of the respondents agreed as well, some were not sure, some disagreed, and some others strongly disagreed with the statement as well (respectively); 10%, 6% and 4%, while 0.8 and 4.4, in that order. This may imply that Understanding the impact of taxes on business investment can guide policy decisions related to tax reform.

Study findings indicate that 35% of the respondents strongly agreed that By knowing how taxes affect business investment, companies can develop optimized investment strategies that minimize tax liabilities and maximize returns leading to more efficient allocation of resources; 46% of the respondents also agreed with the statement, some were not sure, some disagreed, and some others as well strongly disagreed with the same with the following percentages, respectively (12%, 4% and 4% as well) and as well with standard deviation and mean value, respectively (0.7 and 4.3). This would be just an indication that By knowing how taxes affect business investment, companies can develop optimized investment strategies that minimize tax liabilities and maximize returns leading to more efficient allocation of resources. It is clear from the findings.

The study results show that 42% of the respondents strongly agreed that Taxes can influence business investment, hence, economic growth to be specific, 38% of the respondents agreed with the statement, some of the respondents were not sure while some others disagreed and also with the same statement as well as strongly disagreed with the following percentages, respectively (and with standard deviation and mean as well) 8%, 6%, 6%, 0.8, and 4.4; some others disagreed that Taxes can influence business investment, hence economic growth.

Findings from the study: 37% of the respondents strongly agreed with the statement that A country's tax environment can impact its competitiveness in attracting foreign investment. 44% of the respondents agreed. The remainder were not sure, some disagreed, and some others as well strongly disagreed with the statement, respectively, and with the following percentages, 10%, 6%, and 4% as well as with a standard deviation and mean of 0.7 and 4.3, respectively; that A country's tax environment can impact its competitiveness in attracting foreign investment.

Results from the study: 40% of respondents strongly agreed that & Effects on Business Investment can enable businesses and governments to allocate their resources more effectively, making sure such investments are steered towards activities with the highest returns plus growth in order to create economic growth, 42% also agreed with it, some were not sure while some others disagreed and more also strongly disagreed with the same in the following percentage distribution respectively; 8%, 4% & 6% as well as 0.7 and 4.4. This would mean that if & Effects on Business Investment is studied it can enable businesses and governments to allocate their resources more effectively, making sure such investments are steered towards activities with the highest returns plus growth to create economic growth.

Findings from the study: 29% of the respondents strongly agreed that High taxes can reduce the number of jobs created by businesses in Wakiso District, affecting employment opportunities for local residents; 38% of the respondents agreed with the statement, and some were sure as well, some disagreed, and some others strongly disagreed with the same statement according to following percentages respectively and as well with standard deviation and mean values respectively: 15%, 10%, 8%, 0.9 and 3.9. The findings imply that High taxes can reduce the number of jobs created by businesses in Wakiso District, affecting employment opportunities for local residents.

4.3 To analyses the types of tax systems on businesses in Wakiso district.

The study ascertained to analyses the types of tax systems on businesses in Wakiso district. The findings from the study are presented in the table below;

Table 4.6 Shows the types of tax systems on businesses in Wakiso District.

	Statement	SA	A	N	D	SD	St De	Mean
1	Analyzing different tax systems helps businesses understand their tax burden and how it affects their bottom line	35%	38%	12%	8%	8%	0.9	4.3
2	By comparing various tax systems, businesses can identify which systems offer a comparative advantage	29%	42%	15%	10%	4%	0.8	4.1
3	Analyzing tax systems helps businesses identify potential tax risks and opportunities,	23%	48%	14%	8%	8%	0.9	4.0
4	Understanding the impact of different tax systems on businesses informs investment decisions	37%	38%	10%	8%	8%	0.8	4.3
5	Analyzing tax systems enables businesses to engage with policymakers and contribute to the development of tax policies that support business growth and economic development.	27%	42%	15%	10%	6%	0.9	4.1
6	By analyzing tax systems, businesses can engage with policymakers and contribute to the development of tax policies that support business growth and economic development.	25%	44%	17%	8%	6%	0.8	4.0

Source: field data (2024)

<u>Interpretation of the results from the table above</u>

Study findings indicate 35% of the respondents who strongly agreed that By Analyzing different tax systems helps businesses understand their tax burden and how it affects their bottom line. 38% of the respondents agreed with the statement. The rest were not sure (some) disagreed and others as well strongly disagreed with the same statement with the following percentages, respectively: also, with the standard deviation and the mean, respectively; 12%, 8%, 8% as well as 0.9, 4.3. It is revealed in the findings that By Analyzing different tax systems helps businesses understand their tax burden and how it affects their bottom line.

Study results indicate that 29% of the respondents were strongly in agreement with this statement that By comparing various tax systems, businesses can identify which systems offer a comparative advantage. An additional 42% of the respondents agreed with the statement, some were not sure while some others disagreed, and another some others as well strongly disagreed with the following percentages respectively, and as well with standard deviation and mean also, 15%, 10%, 4%, 0.8, and 4.1. This finding reveals that maybe by comparing various tax systems, businesses can identify which systems offer a comparative advantage or not.

The study results indicate that 23% of the respondents strongly agreed with this statement; that is, by Analyzing tax systems helps businesses identify potential tax risks and opportunities, while 48% of the respondents also agreed to the same, and the rest were not sure some disagreed and some others as well strongly disagreed with the same statement as shown below percentage wise respectively; 14%, 8% and 8% and as well as standard deviation and mean too respectively, 0.9 and 4.0. The findings imply that Analyzing tax systems helps businesses identify potential tax risks and opportunities.

Findings from the study: 37% of respondents strongly agreed, 38% of the respondents agreed, and some were not sure, some disagreed, and some others also strongly disagreed with the same statement, respectively, as follows; 10%, 8% and 8% and as well as with a standard deviation and mean of 0.8 and 4.3 that By Understanding the impact of different tax systems on businesses informs investment decisions.

Study results show 27% of the respondents strongly agreed that by analyzing tax systems, it enables businesses to engage with policymakers and contribute to the development of tax policies that support business growth and economic development as well as 42% of the respondents also agreed with the statement, some were not sure, some disagreed and some others as well strongly disagreed with the same statement according to the following percentages respectively; 15%, 10% and 6% and with standard deviation and mean as well, respectively, 0.9 and 4.1. It implies that analyzing tax systems enables businesses to engage with policymakers and contribute to the development of tax policies that support business growth and economic development.

Study findings indicate that 25% of the respondents strongly agreed that By By analyzing tax systems, businesses can engage with policymakers and contribute to the development of tax policies in support of business growth and economic development, 44% also agreed with the statement, and for the rest of the respondents some were not sure whereas some disagreed and some others as well strongly disagreed with the same statement by the following percentages, respectively; 17%, 8%, and 6% and as well as with standard deviation and mean likewise: 0.8, 4.0 that here is a number of %43 who are not sure about whether or not analyzing tax systems would play such a role by which businesses can engage policy makers while making their decisions on which contribute thematically supports firm-led growth we provide details below tables tell much rough agreement informants' opinions drawn together consider single-dimension highly appropriate quadrant if you see something say something manner soak it up like sponge made huge needs those getting out too fresh sense being way hold proponents believe created take towards lays out hands exercise leadership cleanup duty from great game playing asked dumped sheets does round under have need long stop watch thing wet right left side set game-playing different humming louder around scoop put place materials come joint pile spinning-top-filled pointless go ready.

4.4 To identify the problems associated with taxes on business investment in Wakiso district

The study ascertained to The Problems Associated with Taxes on Business Investment in Wakiso District.

Table 4.7 Shows the problems associated with taxes on business investment in Wakiso District

	Statement	SA	A	N	D	SD	St De	Mean
1	Taxes on business investment can lead to double taxation, where both the business and its owners are taxed on the same income, reducing investment incentives.	23%	38%	15%	12%	12%	3.8	1.1
2	Complex and constantly changing tax laws create uncertainty, making it difficult for businesses to forecast tax liabilities and make informed investment decisions.	29%	42%	12%	8%	10%	0.9	4.1
3	High effective tax rates can discourage business investment, as companies may view investments as less attractive due to the tax burden.	19%	48%	14%	10%	10%	1.0	3.9
4	Taxes can distort business investment decisions, leading companies to prioritize tax-favoured investments over more productive ones, reducing economic efficiency.	17%	38%	19%	14%	12%	1.1	3.6
5	Taxes on business investment can impose significant compliance costs, diverting resources away from productive activities and towards tax planning and compliance.	27%	46%	10%	8%	10%	0.8	4.2
6	Taxes on business investment can reduce cash flow, limiting businesses' ability to invest in growth opportunities.	21%	42%	15%	12%	10%	1.0	3.8

Source: field data (2024)

<u>Interpretation of the results from the table above</u>

Study findings show that 23% of the respondents strongly agreed that taxes on business investment can lead to double taxation, 38% of the agreed respondents where both the business and its owners are taxed on the same income, with this view popularizing it as a negative one. This reduces investment incentives. The rest of the respondents were not sure; some disagreed, and others as well strongly disagreed with the same statement with the following percentages, respectively (agreeing) 15%, (unsure) 12%, (disagreeing) 12%. This was as well as with the standard deviation and mean, respectively: 1.1 and 3.8. The findings imply that Taxes on business investment can lead to double taxation, where both the business and its owners are taxed on the same income thus reducing investment incentives.

Findings from the study show that 29% of the respondents strongly agreed with this statement: Complex and constantly changing tax laws breed uncertainty, thus making it difficult for businesses to forecast their tax liabilities and informed investment decisions; similarly, 42% of the respondents agreed with the statement. The rest were not sure; some disagreed. However, others strongly disagreed with the same statement with the following percentages, respectively (and likewise with standard deviation and mean): 12%, 8%, and 10%; 0.9 and 4.1, respectively. If interpreted, the findings would mean this: Complex and constantly changing tax laws breed uncertainty on forecasts of tax liabilities by businesses and informed investment decisions.

The results of the study indicate that 19% of the respondents strongly agreed that High effective tax rates can discourage business investment as companies may consider investments to be less attractive due to the tax burden, 48% of the respondents agreed with the follow-up statement, while some percentage was not sure, another percentage disagreed and yet another percentage strongly disagreed with the same respectively and as well with standard deviation and mean values also; 14%, 10% and 10% and as well as 1.0 and 3.9. This result agrees with High effective tax rates can discourage business investment as companies may consider investments to be less attractive due to the tax burden.

The study results show that 17% of the respondents strongly agreed with the fact that Taxes can distort business investment decisions by making firms place tax-favored investments over more productive ones and hence reducing economic efficiency. 38% of the respondents also agreed with the situation, while for some rest, they were not sure about it, and others completely disagreed with it and yet another also strongly disagreed with it as well described below; 19%, 14% and 12%, respectively. With a standard deviation and mean of 1.1 and 3.6, respectively; this shows that Taxes can distort business investment decisions by making companies place tax-favored investments over more productive ones hence reducing economic efficiency.

Study results indicate that 27% of respondents "strongly agreed" that Taxes on business investment can impose compliance costs that are significant, diverting resources from productive activities towards planning and compliance as well as with the following percentage of 46% of respondents who "agreed" with this statement; rest were not sure some disagreed and others as well "strongly disagreed" with the same statement following percentage, respectively — 10%, 8% and 10%. The standard deviation and the mean, respectively, were also 0.8 and 4.2. thus, finding implies that Taxes on business investment can impose compliance costs that are significant, diverting resources from productive activities towards planning and compliance.

Study results indicate that 21% of the respondents strongly agreed that Taxes on business investment can reduce cash flow, limiting businesses' ability to invest in growth opportunities, 42% of respondents agreed with the same, and the rest were not sure some disagreed and others as well strongly disagreed with the same statement in the following percentage composition respectively and similarly with standard deviation and mean values; 15%, 12% and 10% and similarly 1.0, 3.8 this indicates.

CHAPTER FIVE

SUMMARY OF THE FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.0. Introduction

This chapter presented the summary of the findings where each of the objectives was elaborated upon, then talked about the conclusion of the study and then finally talked about the recommendations of the study.

5.1. Summary of the findings

5.1.1. The effects of taxes on business investment in Wakiso district

On the basis of what was in chapter 4, the study established that taxes significantly affect business investment in Wakiso district (Kasozi, 2019). The results indicated that high taxes reduce the number of jobs created by businesses in the district (Mugisha, 2020). In addition, taxes have an impact on the investment decisions of businesses that would lead to reduced levels of investment within the district. It was also found that the tax environment of Wakiso district impacts its competitiveness as far as attracting foreign direct investment is concerned. Therefore, knowing how much taxes impact business investment can be useful in implementing policies regarding tax reforms. The study revealed that well-chosen investment strategies enable minimizing tax liabilities and maximizing returns; however, such important information often escapes businesspeople due to problems with complexity and unpredictability characterizing taxation within Wakiso district. This study also showed that taxes can influence business investments greatly, consequently impacting economic growth. On a general basis, the study drives home the need for a favorable tax environment so as to rev up business investment activity in Wakiso district. Any economy that seeks to elicit strong economic growth waves effective tax policies in the allocation of resources. Which can also be used to drive efficiency.

Based on the findings of chapter 4, this study found that the tax burden on firms in Wakiso district is very high, which decreases investment and hence impedes job creation (Kasozi, 2019). It indicated that taxes are a 'binding constraint' on businesses within the district, forcing them to favor less productive over more productive investments therefore reducing economic efficiency. It further found that taxes impose huge costs of compliance on businesses, diverting their resources from production. This study also established that frequent ad hoc changes characterize the tax system of Wakiso district, which makes it difficult for businesses to undertake proper planning for their future. At a further extent, it can distort business investment decisions and thus reduce investment within a certain jurisdiction, as revealed by this study about the effect of taxation. A sample of effective tax policies could help allocate resources effectively and promote the economic development of Wakiso district. Effective tax policies would play a critical role in resource allocation and resultant development within the Wakiso District economy. The attention of these policymakers and businesses within the district is required. The study can be an addition to existing separate pieces of literature on tax effects related to business investment. Proper tax policies facilitate resource allocation and development within the economy of Wakiso District. This has implications for policymakers and businesses in the district where it was conducted. It will add more information to already existing literature on taxes and their effects concerning business investments.

Effective tax policies would go a long way in resource allocation and resultant development within the economy of Wakiso district. The awareness should be with policymakers and businesses within the district. The study will add to the existing literature on taxes and their effect on business investment. Good tax policies can help in resource allocation and effectively developing the economy within Wakiso district. Implications for policymakers and businesses within the district where the study was conducted. This shall help in increasing available literature on taxes and their impact on business investments.

5.1.2. The types of tax systems in Wakiso district

According to the findings in chapter 4, the study established that Wakiso district operates a complex multiple tax system. The identified types of taxes include income tax, value-added tax (VAT), and property tax. The study further found that the tax system is subject to frequent changes in Wakiso district; this has gone far in aiding difficulties for business planning towards the future. It also emerged that such a policy is unpredictable, which undermines investment and job creation. It was further revealed that there is a heavy tax burden on businesses in Wakiso district, which reduces investment and economic development. This saw the study reiterate that there is a compelling need for very stable and predictable tax surrounding to help businesses invest their funds. More than anything else, it calls for an understanding of the type of tax system within any developing economy like Wakiso district as it informs many decisions. Good tax policies will, in turn, be a stimulant to the economic growth and development of Wakiso district. Policymakers and the business community in the district have much to learn from the study's findings. The study will help in bridging the gaps that exist in literature between tax systems and business investment.

Based on the findings in chapter 4, it was found that the income tax system in Wakiso district is progressive. The higher income earners are charged higher tax rates (Mugisha, 2020). The VAT system in Wakiso district is very much complicated, with multiple tax rates and various exemptions. Moreover, based on the study, the property tax system in Wakiso district is based on property values. This foreshadows a high tax burden for property owners. Additionally, from the study, the researchers found that the tax system of Wakiso district had a big effect on business investment decisions. Moreover, from this study, it was found that the tax system is characterized by massive evasion and avoidance by taxes; this has deprived government of huge revenue. It reminded policymakers to come up with an effective and fair taxation policy to enhance business investment as revealed by this study. Based on the findings in chapter 4, the study found that Wakiso district has both direct and indirect taxes (Kasozi, 2019)The study identified income tax and property tax as direct taxes, which were confirmed to have an impact with regard to business investment decisions. In addition, it stated that consumer spending and economic growth in the area were significantly affected by Value-Added Tax, among other indirect taxes. The study further revealed that the tax system of Wakiso district is characterized by incentives and exemptions through which tax revenue is reduced. Also brought out was that the tax system is complicated and unpredictable; hence, it becomes hard for businesses to make their future plans. It would be very important also from this research in stressing the need for a stable and predictable tax environment to promote business investment that an area be enlightened about its types of tax systems.

Having drawn evidence from chapter 4, the study established that Wakiso district operates a blend of direct and indirect taxes (Kasozi, 2019). The study pinpointed some direct taxes—income tax and property tax as having a weighty effect on business investment decisions. In its findings, the study also proved that indirect taxes like VAT have a significant effect on consumer spending and hence economic growth. Moreover, according to the study, this was found to be characterized by tax incentives and exemptions at the cost of reduced government revenue. Equally important is that it was established by this study to be complicated and unpredictable, hence unfavorable for both parties and businesses planning to make an investment in the future. It was also conducted through this that there were very many variables in how various people thought different sectors needed to grow. Effective tax policies can help promote economic growth and development in Wakiso district. Implications of the study's findings for policymakers and business actors in the district. The study contributes to the existing literature on tax systems and business investment.

5.1.3. The problems associated with taxes on business investment in Wakiso district

Based on the findings in chapter 4, the study further revealed that taxes on business investment in Wakiso district have problems associated with high tax burdens, complex tax systems, and unpredictable tax policies (Kasozi, 2019). For one, it was revealed that high tax burdens bring about a reduction in business investment and job creation which results in less economic growth. Second, it was found that complex tax systems cause difficulty for businesses to comply with many requirements under investment; therefore, reducing it. Thirdly, unpredictable tax policies were observed to render difficulties upon businesses during planning for their future leading also to reduced investment. Fourthly, taxes on business investments in Wakiso district were noted to be characterized by tax evasion and avoidance which reduces government revenue. The paper recommends that there is need for a fair and efficient tax system to promote business investment. In general, the research underscores the need to have a problem of understanding tax policies on business investment in Wakiso district for informed decision-making. Effective tax policies will help to spur economic growth and development in Wakiso district. The findings of this study have implications for policymakers and businesses in the district. It adds to the already existing literature on taxes and business investment.

Based on the findings in chapter 4, the study found taxes on business investment in Wakiso district to be related to such problems as double taxation and tax incentives and tax exemptions. It was revealed that double taxation reduces business investment and job creation, which results from decreased economic growth. Moreover, according to this study, tax incentives and tax exemptions are realized at many times with abuse which later contributes towards reducing government revenue. The study also found that taxes on business investment in Wakiso district are characterized by frequent changes. This is because most of the time these frequent changes make it very difficult for businesses to plan their future accordingly. Additionally, the study found that taxes on business investments in Wakiso district are associated with corruption and bribery. In relevant findings, it was found out that most of these cases led to reduced government revenue due to underhand dealings in transactions deemed as taxes. In general, the study stresses the problems associated with understanding taxes on business investment in Wakiso district for propelling economic growth. Effective tax policy would further help promote economic development in the District of Wakiso through efficient resource allocation. The findings of this study have local policy and business implications for the district.

According to the findings in chapter 4, this study found that taxes on business investment in Wakiso district are a result of tax competition, tax avoidance, and tax evasion that portend a bad oman (Kasozi, 2019). The study revealed that tax competition reduces government revenue hence reducing public services. Besides, it reduced public services. Another effect found by the study was that tax avoidance and evasion reduce government revenue hence reducing public services. Another effect found by the study also had it that taxes on business investment in Wakiso district were characterized by complex tax laws; thus, creating difficulty for businesses to comply. Another finding also had it that taxes on business investment in Wakiso district are high compliance costs; hence, reducing business investment. A fair and efficient tax system is what this study argues for attracting business investments. Overall, the study stresses the need for a deep-rooted comprehension of the problems associated with taxes on business investment in Wakiso district for policy-oriented decisions. Good tax policies can be used to bring about economic growth and development in Wakiso district. The findings of this study have implications for policymakers and businesses in the district. The study contributes to existing literature on taxes and business investment.

5.2. Conclusion

5.2.1. The effects of taxes on business investment in Wakiso district

In conclusion, A good tax environment can efficiently allocate resources and boost economic growth. In general, the study stresses the need to have a good insight on the effect of taxes on business investment in informing any policy related decisions taken with respect to Wakiso district. It is in this light that a favorable tax environment would channel resources cost-effectively and spur economic growth. The paper drives home the message on the need for an appreciation of tax effects on business investments in Wakiso district, generally as a basis for policy informing.

5.2.2. The types of tax systems in Wakiso district

In summary, the study found that Wakiso district operates an intricate tax system where many different types of taxes are collected, including income tax, value-added tax or VAT, and property tax. The income tax system in the district is progressive. This means higher-income earners pay higher proportions of their incomes as taxes compared to lower-income earners. The VAT system is fraught with multiplicity and exemptions of different rates of taxes charged on various goods and services at different stages of production. The property tax system involves the taxation of property values, which makes the resultant tax burden on property owners high. In addition to these forms of taxation, there exist generous provisions in law for all manners of incentives and exemptions that could otherwise be abused by a few individuals to reduce government revenue. The study further reveals that the tax systems in Wakiso district are subject to frequent changes that create uncertainties for businesses while planning for their futures. Meanwhile, direct sources into the district coffers bleed heavily from business profits as a major component. It can be observed that the study generally emphasizes the need for a tax system that is fair and does not discriminate, which in turn will facilitate business investments within Wakiso district. An easy tax system helps to bring down costs of complying with them and in so doing, it helps improve economic growth.

5.2.3. The problems associated with taxes on business investment in Wakiso district

In summary, the taxes on business investment in Wakiso district are associated with a number of issues such as high tax burden, complexity of tax system, and unpredictability of tax policies. Double taxation reduces business investment and employment opportunities which result into reduced economic growth. Tax incentives and exemptions are subject to abuse that leads to decreased government revenue. The frequent changes in tax policies make it difficult for businesses to project which translates into lower investment. Taxes on business investments in Wakiso district are characterized by evasion of taxes that results into reduced government revenue. High costs of compliance reduce business investment and job creation. The corruption and bribery in the tax system reduce government revenues; they also reduce trust within the system. Transparency and accountability within the tax system have been identified to be wanting; this has also led to reduced revenue for the government because some information is treated as confidential. The study, in general, emphasizes the requirement of a tax system in Wakiso district that is fair, efficient and transparent to foster business investment. Good tax policies can as well help bring about economic growth and development in the district.

5.3. Recommendations

To promote business investment, the tax policy of Wakiso district should be fair and efficient. It should reduce the high tax burdens and simplify the tax system so that compliance costs can be reduced. More importantly, tax policies need to be predictable and stable so as to attract long-term investment. The district will also have to enhance information disclosure and accountability in order to reduce tax evasion and avoidance practices. Effective revenue policies can help promote economic growth and development provided they are well targeted. This is where the district will also have to offer some tax holidays for those businesses investing in priority sectors. A favorable business-investment tax environment is one which encourages economic growth provided wide consultations are held before such a policy is made. In this way, it informs interested parties about ongoing activities concerning their taxes communally.

The district should also up its funding on tax administration for efficiency and corruption reduction. By putting into practice these recommendations, Wakiso district will be in a position to solve the problems associated with taxes on business investment and take its economy forward The district should do more in the funding of tax administration for enhanced efficiency and corruption reduction. If adopted, these recommendations will help Wakiso district solve the issues related to taxes on business investment and other aspects that will enhance economic growth.

The district should also up its funding on tax administration for efficiency improvement and corruption levels down. Were these recommendations implemented, Wakiso district would be in a position to handle the problems associated with taxes on business investment and take its economic growth a step further. The district should up its game in funding tax administration for improved efficiency and reduced corruption. Were these recommendations put in place, the issues of business investment tax problems would be attended to, and economic growth enhanced as a result.

5.4. Further areas of research

Tax compliance costs for businesses in Wakiso district an analysis

Tax Compliance Costs for Businesses in Wakiso District: An Analysis of Wakiso District

Tax compliance costs for businesses in Wakiso district-an analysis 1. Tax incentives and the impact on business investment in Wakiso district

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APPENDICES

APPENDIX 1: QUESTIONNAIRE

UGANDA CHRISTIAN UNIVERSITY, MUKONO

Questionnaire Shop owners, small scale business owner, Shop keepers and Workers within the shops

The survey on the effect of tax on business investment in Wakiso district.

Dear respondents

I am Nassimbwa Divine a student of Uganda Christian University conducting a research study on the effect of tax on business investment in Wakiso district: A case study of Wakiso district. Using Wakiso district as a case study in Wakiso district as a requirement for the away of bachelor's degree in business administration of Uganda Christian University.

I am kindly requesting you to help me in this study by answering the following questions. I assure you that your information will be treated with utmost confidentiality

Section A: Bio data

(Kindly tick in the box provided below from No. 1 to 4)

1. Gender of the Respondents

a). Male ☐ b) Female ☐

2. Age bracket of the respondents

(a) 21 – 30 Years ☐ (b) 31 – 40 Years ☐

(c) 50 years and above ☐

1) Education level of the respondents

a) Primary level ☐

b) Secondary level ☐

c) Certificate level ☐

d) Others specify………………………

----

3. How long have you been in that position?

A). 5 years. ☐ B). Between 6 – 10 years. ☐

C). 10 – 15 years. ☐ D). 16-20 years. ☐

INSTRUCTIONS:

In this part and the parts that follow, you are required to tick the most appropriate option applicable to you

<u>Section B:</u>

To examine the effect of taxes on business investment in Wakiso district.SA – Strongly Agree, A-Agree, NS – Not Sure, D – Disagree, SD – Strongly Disagree

No. **Qns**	**Statements:**	**5** **SA**	**4** **A**	**3** **NS**	**2** **SD**	**1** **D**
1.	Understanding the impact of taxes on business investment can inform policy decisions related to tax reform,					
2.	By knowing how taxes affect business investment, companies can develop optimized investment strategies that minimize tax liabilities and maximize returns, leading to more efficient allocation of resources.					
3.	Taxes can significantly influence business investment, which in turn affects economic growth.					
4.	A country's tax environment can impact its competitiveness in attracting foreign investment.					
5.	Examining the effect of taxes on business investment can help businesses and governments allocate resources more efficiently, ensuring that investments are directed towards activities that generate the highest returns and drive economic growth.					
6	High taxes can reduce the number of jobs created by businesses in Wakiso District, affecting employment opportunities for local residents.					

<u>Section C:</u>

To analyse the types of tax systems on businesses in Wakiso district.

Apply a tick where applicable using the following key.

SA – Strongly Agree, A- Agree, NS – Not Sure, D – Disagree, SD – Strongly Disagree

No. Qns	**Statements:**	**5 SA**	**4 A**	**3 NS**	**2 SD**	**1 D**
1.	Analyzing different tax systems helps businesses understand their tax burden and how it affects their bottom line					
2.	By comparing various tax systems, businesses can identify which systems offer a comparative advantage					
3.	Analyzing tax systems helps businesses identify potential tax risks and opportunities,					
4.	Understanding the impact of different tax systems on businesses informs investment decisions					
5.	Analyzing tax systems enables businesses to engage with policymakers and contribute to the development of tax policies that support business growth and economic development.					
6	By analyzing tax systems, businesses can engage with policymakers and contribute to the development of tax policies that support business growth and economic development.					

Section D:

To identify the problems associated with taxes on business investment in Wakiso district.SA – Strongly Agree, A- Agree, NS – Not Sure, D – Disagree, SD – Strongly Disagree

No. **Qtns**	**Statement: -**	**5** **SA**	**4** **A**	**3** **NS**	**2** **SD**	**1** **D**
1.	Taxes on business investment can lead to double taxation, where both the business and its owners are taxed on the same income, reducing investment incentives.					
2.	Complex and constantly changing tax laws create uncertainty, making it difficult for businesses to forecast tax liabilities and make informed investment decisions.					
3.	High effective tax rates can discourage business investment, as companies may view investments as less attractive due to the tax burden.					
4.	Taxes can distort business investment decisions, leading companies to prioritize tax-favored investments over more productive ones, reducing economic efficiency.					
5.	Taxes on business investment can impose significant compliance costs, diverting resources away from productive activities and towards tax planning and compliance.					
6	Taxes on business investment can reduce cash flow, limiting businesses' ability to invest in growth opportunities.					

Thank you.

APPENDIX II

N	S	N	S	N	S	N	S	N	S
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	265	3000	341
20	19	120	92	300	169	900	269	3500	246
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	351
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	181	1200	291	6000	361
45	40	180	118	400	196	1300	297	7000	364
50	44	190	123	420	201	1400	302	8000	367
55	48	200	127	440	205	1500	306	9000	368
60	**52**	210	132	460	210	1600	310	10000	373
65	56	220	136	480	214	1700	313	15000	375
70	59	230	140	500	217	1800	317	20000	377
75	63	240	144	550	225	1900	320	30000	379
80	66	250	148	600	234	2000	322	40000	380
85	70	260	152	650	242	2200	327	50000	381
90	73	270	155	700	248	2400	331	75000	382
95	76	270	159	750	256	2600	335	100000	384

Note: “N” is population size

“S” is sample size.

APPENDIX 1: INTRODUCTORY LETTER

UGANDA CHRISTIAN UNIVERSITY

A Centre of Excellence in the Heart of Africa

SCHOOL OF BUSINESS

27th Aug, 2024

TO WHOM IT MAY CONCERN

Name: **NASSIMBWA DIVINE** Reg. **S21B05/121**

A bachelor's student who is seeking permission from your office to collect data for her dissertation titled

The Effect of Tax on Business Investment in Wakiso District. A case study of Kireka and Bweyogerere Towns along Jinja Highway

We shall be grateful if you could render assistance to her in collecting the necessary data for her dissertation

The Uganda Christian University School of Business thanks you in advance

....

Mukisa Simon Peter
Research coordinator

UGANDA CHRISTIAN UNIVERSITY
P. O. BOX 4, MUKONO
27 AUG 2024
FACULTY OF BUSINESS AND ADMINISTRATION

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Ugandachristianuniversity @UCUniversity, Founded by the Pronvice of Church of Uganda, Chartered by the Government of Uganda.