

Uganda is an African country with a large population of over 40 million. It borders countries such as South Sudan, the Democratic Republic of the Congo, Kenya, and more. From the large city of Kampala to the forests that house endangered mountain gorillas, Uganda is a diverse country with plenty of opportunities.

If you're looking to expand to Uganda, one of the first things you need to consider is how to set up your Uganda payroll. You'll need to establish this infrastructure before hiring employees or working in the country. An alternative, however, is to work with a global PEO. Choosing Uganda payroll outsourcing, such as with Globalization Partners, will ensure that you get to work fast without worrying about compliance.

Taxation Rules in Uganda

It's important to follow the right tax regulations when you're establishing payroll. Uganda uses a Pay As You Earn (PAYE) system, which requires employers to deduct certain taxes straight from an employee's paycheck. The progressive tax rate ranges from 0-40%, depending on how much an employee earns.

Uganda also has a National Social Security Fund (NSSF) that amounts to 15% of an employee's monthly salary. However, employees and employers split this amount at 5% and 10%, respectively. Both resident and non-resident corporations must pay a standard 30% income tax, also known as corporate tax.

Uganda Payroll Options

When you're expanding to the country, you'll also get to choose from four different Uganda payroll options:

- **Internal:** Some larger subsidiaries have the resources to run their own internal payroll. However, you need to ensure that you have the money and staff to handle this kind of payroll if it's your choice.
- **Remote:** Companies that can't run their own internal payroll but don't want to outsource can add their employees to their parent company's remote payroll if one is available. If you choose this solution, remember that you must follow the right laws from each country.
- **Local outsourcing company:** A Uganda payroll processing company will help you outsource your payroll operation, but you'll need to be responsible for compliance.
- **Global PEO:** Your last option is Uganda payroll outsourcing with a global PEO, such as Globalization Partners. We'll use our payroll to pay your employees and make sure you meet all the right laws.

Requirements for Setting up a Uganda Payroll

Before you can set up your Uganda payroll, you need to meet certain regulations. The biggest is that you must have a registered entity in the country to start working. This Uganda subsidiary will help you begin work, but it will also delay your plans for operating. Instead of you waiting weeks or months to register your entity, Globalization Partners will help you start working fast through Uganda payroll outsourcing. We'll handle your payroll and help you start working in as little as a day.

Termination and Entitlement Terms

Entitlement and termination terms are an important part of any employment relationship. You should outline this information in an employment contract before deciding on a Uganda payroll option so that you can stay compliant. If you choose to terminate an employee, you must give them written notice depending on how long they have worked for your company.

Contact Us Today for More Information

Globalization Partners is here for all your global expansion needs in Uganda and beyond. [Contact us today](#) to learn more about Uganda payroll outsourcing.