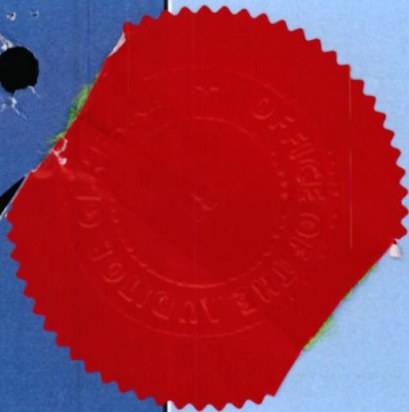
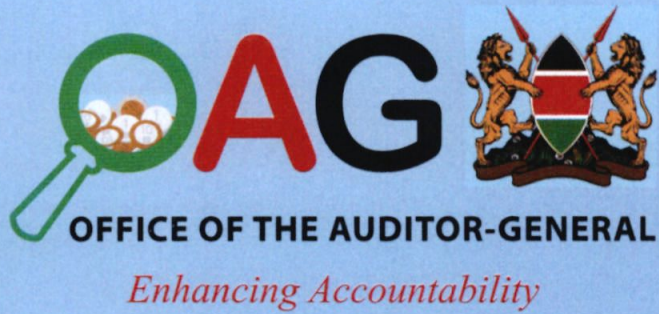


REPUBLIC OF KENYA



**REPORT**

**OF**




**THE AUDITOR-GENERAL**

**ON**

**REVENUE ACCOUNTABILITY STATEMENTS**

**FOR THE YEAR ENDED  
30 JUNE, 2024**

**KENYA REVENUE AUTHORITY**

 <b>THE NATIONAL ASSEMBLY PAPERS LAID</b>	
DATE: 29 APR 2025	
DAY: Tuesday	
TABLED BY:	Hon. Julius Melly, MP on behalf of LOM
CLERK-AT THE-TABLE:	Benson Inzafu

OFFICE OF THE AUDITOR GENERAL  
P. O. Box 30084 - 00100, NAIROBI  
REGISTRY . .

31 DEC 2024

**RECEIVED**



**KENYA REVENUE  
AUTHORITY**

**REVENUE ACCOUNTABILITY STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 30<sup>TH</sup> JUNE 2024**

**Prepared in accordance with the Cash Basis of Accounting Method under the  
International Public Sector Accounting Standards (IPSAS)**

***Tulipe Ushuru Tujitegeme!***

**KENYA REVENUE AUTHORITY**

**ANNUAL REPORT AND REVENUE ACCOUNTABILITY STATEMENTS FOR THE YEAR ENDED  
30 TH JUNE 2024**

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**ANNUAL REPORT AND REVENUE ACCOUNTABILITY STATEMENTS FOR THE YEAR**  
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**1. KEY INFORMATION AND MANAGEMENT**

**(a) Background Information**

Kenya Revenue Authority (KRA) is a statutory body established by an Act of Parliament, KRA Act Cap 469 of 1995.

**(b) Principal Activities**

The Authority's objectives are the assessment and collection of revenue, administration, enforcement of laws relating to and accounting for revenue collected under the Act.

**MISSION** Building Trust through Facilitation so as to foster Compliance with Tax and Customs Legislation.

**VISION** A Globally Trusted Revenue Agency Facilitating Tax and Customs Compliance.

**CORE VALUES**

- Trustworthy
- Ethical
- Competent
- Helpful
- Simple

**(c) Key Management**

The Authority's day-to-day management is under the following key organs;

- Office of the Commissioner General,
- Domestic Taxes Department,
- Customs & Border Control Department,
- Corporate Support Services Department,
- Investigations and Enforcement Department,
- Strategy, Innovation & Risk Management Department,
- Legal Services & Board Coordination Department,
- Intelligence & Strategic Operations Department and,
- Kenya School of Revenue Administration (KESRA)

**(d) Fiduciary Management**

The key management personnel who held office during the year ended 30<sup>th</sup> June 2024 and who had direct fiduciary responsibility were:

- Commissioner General
- Domestic Taxes Department
- Customs & Border Control Department
- Corporate Support Services Department
- Investigations, Enforcement Intelligence and Strategic Operations
- Strategy, Innovation & Risk Management Department
- Legal Services & Board Coordination Department
- Kenya School of Revenue Administration (KESRA)
- Finance Division
- Procurement Division

**Humphrey Wattanga.**  
**Rispah Simiyu.**  
**Lillian A. Nyawanda**  
**Nancy Ng'etich.**  
**David Yego.**  
**Alex Mwangi.**  
**Paul Matuku.**  
**Fred Mugambi.**  
**Josephat Omondi.**  
**Benson Kiruja.**

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**(e) Fiduciary Oversight Arrangements**

**1. Human Resources Committee**

The Committee:

**1.1 Oversees:**

- (a)** Implementation of Human Resources Instruments as approved by the Board and the relevant Authorities;
- (b)** First level interviews for Senior Management and recommend to the Board appropriate Candidates for final interviews;
- (c)** Implementation of the Human Resources Annual Work Plan and
- (d)** Implementation of the Board of Directors Performance Contract.

**1.2 Reviews and recommends to the Board for approval:**

- (a)** Human Resources policies, Management proposals on changes in the organizational structures as provided for in the KRA Act,
- (b)** Mitigation strategies to address potential workforce productivity risks and Board of Directors Performance Contract,
- (c)** Quarterly Self-assessments and National Treasury Annual assessments.

**1.3 Reviews and recommends to the Board on the status of:**

- (a)** Human Resources Demographics and Diversity,
- (b)** Staff Establishments, Exits and Recruitments,
- (c)** Staff Training and Capacity Development,
- (d)** Employee Welfare and Discipline Management and Employee Performance Management.

**2. Finance, Administration and Procurement Committee**

The Committee:

**2.1** Reviews and recommends to the Board for approval statutory financial statements prior to submission to statutory bodies.

**2.2** Receives financial reports for consideration and recommendation to the Board for information or approval.

**2.3** Provides oversight on:

- (a)** Assets management for optimal utilization;
- (b)** Work environment for improved staff and customer satisfaction;
- (c)** Facilities management for provision and maintenance of good working tools and environment and
- (d)** Security and safety reports to ensure a secure and safe working environment.

**2.4** Offers oversight on procurement and disposal matters.

**3. Board Audit and Risk Committee**

The Committee:

- (a)** Provides assurance to the Board regarding the quality and reliability of both financial and operating information.
- (b)** Receives reports on the audit work plan and activities of both the internal and external auditors.
- (c)** Reviews the effectiveness of the Internal Audit function, including compliance with Standards for the Professional Practice of Internal Auditing of the Institute of Internal Auditors.
- (d)** Reviews the effectiveness of the system monitoring compliance with Laws and Regulations, approved Procedures, Guidelines and Instructions of the Board of Directors and the results

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of Management's investigation and follow up (including disciplinary action) of any instances of non-compliance.

- (e) Advises the Board on the Authority's on the overall risk appetite, tolerance and strategy, taking account of the current and prospective macroeconomic and financial environment and current risk exposures of the Authority and future risk strategy.
- (f) Reviews the Authority's overall risk assessment processes that inform the Board's decision making, ensuring both qualitative and quantitative metrics are used and approve the parameters used in these measures and the methodology adopted; the Authority's capability to identify and manage new risk types and reports on any material breaches of risk limits and the adequacy of proposed action.

**4. Revenue, Strategy and Technology Committee**

The Committee:

- (a) Reviews, guides the development and monitor the implementation of corporate Strategic Plan and recommend to the Board for approval.
- (b) Monitors implementation of research agenda and innovation outcomes and recommend to the Board for approval.
- (c) Reviews and offer guidance on matters related to tax administration and collection of revenue.
- (d) Review and provide guidance and oversight on ICT policies and strategies and optimisation of ICT in revenue collection and administration.

**(f) Headquarters**

Times Tower Building,  
Haile Selassie Avenue,  
P.O. Box 48240 – 00100, Nairobi, Kenya.

**(g) Contacts**

Telephone (254) 020-310900, 2810000, 315553  
Email [callcentre@kra.go.ke](mailto:callcentre@kra.go.ke) , [cic@kra.go.ke](mailto:cic@kra.go.ke)  
Website [www.kra.go.ke](http://www.kra.go.ke)

**(h) Bankers**

National Bank of Kenya Limited,  
Harambee Avenue Branch,  
P.O. Box 41862-00100 Nairobi, Kenya.

Kenya Commercial Bank Limited,  
Haile Selassie Branch,  
P.O. Box 58992-00200 Nairobi, Kenya.

Cooperative Bank of Kenya Limited,  
Co-op House Branch,  
P.O. Box 67881-00200 Nairobi, Kenya.

Housing Finance Group,  
Rehani House,  
P.O. Box 30088-00100 Nairobi, Kenya.

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**(i) Independent Auditors**

Auditor General,  
Office of the Auditor General,  
Anniversary Towers, University Way,  
P.O. Box 30084,  
GOP 00100,  
Nairobi, Kenya.

**(j) Principal Legal Advisor**

The Attorney General,  
State Law Office,  
Harambee Avenue,  
P.O. Box 40112,  
City Square 00200,  
Nairobi, Kenya.

**2. BOARD OF DIRECTORS**

**1. ANTHONY NG'ANG'A MWAURA**  
**Independent Board Chairman**



Mr. Anthony Ng'ang'a Mwaura is the Chairman of the Board of Directors of Kenya Revenue Authority (KRA). He was appointed as the Chairman of the Board on 17<sup>th</sup> November, 2022 for a term of three (3) years.

Mr. Mwaura is a dynamic professional with vast experience in Strategy, Vision & Mission Planning; Sales & Marketing Leadership; Profitability & Cost Analysis; Programs, Services & Products Billing; Debt Recovery & Cash Management; Contract Negotiations & Strategic Alliances; Finance, Budgeting & Costs Management; Public Relations & Media Affairs; Policy & Products Development; Government Regulations & Relations; Team Building & Performance Improvement and Human Resources Management. He is an experienced manager, team player and problem-solver with keen attention to customer needs and details.

Mr. Mwaura is an Educationist with vast experience in Managing Learning Institutions. He holds a Bachelor of Education Degree from the Kisii University and a Diploma in Business Management from the Kenya Institute of Management.

**2. AMOLO NG'WENO**  
**Independent Director**



Ms. Amolo Ng'weno is a Member of the Board of Directors of Kenya Revenue Authority (KRA). She was appointed on 15<sup>th</sup> December, 2023 for a term ending on 12<sup>th</sup> January, 2026.

She holds a Bachelor of Arts Degree (Psychology and Social Relations) from Harvard University, Cambridge, Massachusetts (USA) and a Master of Public Administration, Economics and Public Policy from the Princeton University, Princeton, New Jersey (USA). Furthermore, she has extensive experience in public, private and philanthropic sectors, specialist in innovation and technology entrepreneurship.

Currently, she is the Chief Executive Officer, BFA Global (Nairobi, Kenya and Boston, Massachusetts) since 2018, which specializes in financial and technical innovation for a more equitable and sustainable world. Prior to becoming the Chief Executive Officer of BFA Global, she was the East Africa Regional Director from 2015 to 2017.

Ms. Amolo Ng'weno has previously held the positions of Managing Director - Digital Divide Data Kenya Limited (Kenya, Tanzania and South Africa 2011-2015), Deputy Director - Financial Services for The Poor, Bill & Melinda Gates Foundation (Seattle, USA 2006-2011), Co-Founder and Board Director - Biashara.Biz Limited (Kenya 2001-2007), Chief Operations Officer - Trust for African Rock Art (Kenya 2004-2006), Co-Founder - Africa Online (Kenya and Cote d'Ivoire 1991-2001) and as an Economist for the World Bank (Washington DC, USA 1991-1995).

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She serves as the Board Chair of GoSoft Integrated Services and has previously served as a Board member, GSMA Mobile for Development Foundation; Chair, Management Committee, Guide Center (Nairobi) of Georgetown University; Trustee, National Environmental Trust Fund and Board member of the Zimele Asset Management Company Limited.

Ms. Amolo Ng'weno has authored several publications on inclusive finance and the lives of low income people, pioneering mobile money service (M-PESA) and savings groups in Kenya.

She is the Chairperson of the Kenya Revenue Authority Staff Pension Scheme (KRASPS) Board of Trustees and a Member of the Revenue, Strategy and Technology Committee.

**3. ASHIF KASSAM, OGW**  
**Independent Director**



Mr. Ashif Kassam is a Member of the Board of Directors of Kenya Revenue Authority (KRA). He was appointed on 12<sup>th</sup> June, 2023 for a term of three (3) years.

He is a professional accountant with a wealth of expertise and experience dating back to 1994. He specialises in audit and assurance, transaction advisory, corporate restructuring and family business consulting, helping organisations create and deliver value.

Mr. Ashif Kassam is the Founder and Executive Chairman of RSM Eastern Africa LLP. He is the outgoing President of the Entrepreneurs Organisation (EO) where he has been a member since 2014.

Mr Kassam is the Vice President of the Aga Khan Council for Kenya, Chairman of Jubilee Asset Management Limited. He has been a director on Jubilee Holding Ltd and has been a member of KEPSA's Governing Council and a former Chair of its Finance Sector Board and Tax Taskforce and has served as a Director of Telkom Kenya Limited.

He has represented Middle East and Africa on the International Audit and Assurance Standards Board (IAASB). He has also been a member on the ICPAK Council and has over twenty-five (25) years of service on various committees including Public Finance, Financial Services and Professional Standards.

Mr. Ashif Kassam is a fellow member of Institute of Certified Public Accountants of Kenya (ICPAK), a fellow member of Association of Chartered Certified Accountants, UK (ACCA), a practicing member of Institute of Certified Public Accountants of Uganda (ICPAU), a member of the National Board of Accountants and Auditors in Tanzania (NBAA), and a member of Chartered Institute of Arbitrators, UK (MCI Arb).

He is the Chairperson of the Revenue, Strategy and Technology Committee and a Member of the Kenya Revenue Authority Staff Pension Scheme (KRASPS) Board of Trustees.

**4. LYDIA RONO**  
**Independent Director**



Ms. Lydia Rono is a Member of the Board of Directors of Kenya Revenue Authority (KRA). She was appointed on 15<sup>th</sup> December, 2023 for a term ending on 12<sup>th</sup> January, 2026.

She has a Master of Business Administration (Finance) from the University of Nairobi and a Bachelor of Commerce from Daystar University. She is also a Certified Executive Leadership Coach and has earned multiple certifications in banking, finance, and leadership. Professional affiliations include memberships in Kenya Institute of Bankers and Kenya institute of Directors.

Lydia Cheron Rono is a seasoned executive with over thirty (30) years of extensive experience in the banking industry, specializing in corporate and institutional banking. She currently holds the position of Group Director, Corporate & Institutional Banking Division, at Co-operative Bank of Kenya, where she leads multiple departments including Corporate Banking, Mortgage Finance, and E-commerce, overseeing a team of over one hundred (100) professionals.

Her career is marked by her strategic leadership in enhancing operational efficiencies, increasing deposits, and spearheading sales strategies that significantly grow the bank's asset base. Her tenure as Group Director of Operations saw her leading two hundred and fifty (250) staff, digitizing operations, and maintaining strict compliance with regulatory standards. Her governance roles are equally notable.

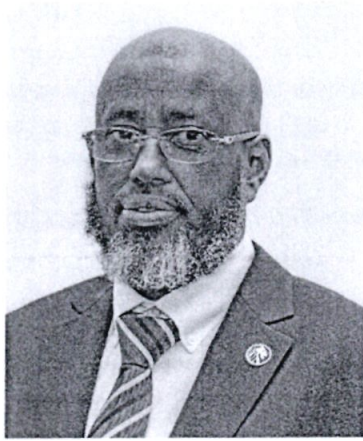
As a Board Member and Chairperson at the Kenya Revenue Authority's Finance, Administration and Procurement Committee, she oversees governance, operational efficiency, and strategic policy implementations. She also holds significant trustee and board member roles in several Real Estate Investment Trusts and CIC Insurance Group, guiding financial and investment strategies to bolster organizational growth.

With a deep-rooted passion for leadership and development, Lydia is recognized for her ability to inspire teams, implement comprehensive strategies, and drive significant business advancements, making her a pivotal asset to the financial sector.

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**5. HADI SHEIKH ABDULLAHI**  
**Independent Director**



Mr. Hadi Sheikh Abdullahi is a Member of the Board of Directors of Kenya Revenue Authority (KRA). He was appointed on 15<sup>th</sup> December, 2023 for a term ending on 12<sup>th</sup> January, 2026.

He holds a Bachelor of Arts Degree (Economics and Sociology) from Egerton University- Njoro, a Master of Business Administration Degree from Moi University – Eldoret and a post graduate diploma in Tax from the Kenya School of Revenue Administration (KeSRA). Furthermore, he has extensive knowledge in Tax Laws and is an expert in International/Regional Trade and Customs.

Currently, Mr. Hadi Sheikh Abdullahi is the Lead Consultant, Westminster Consulting Limited. Prior to this position, he worked at the Kenya Revenue Authority from 1996 upto 2020 rising through the ranks to the position of Chief Manager –Customs and International Tax Policy.

At Westminster Consulting Limited, he has advocated for trade issues pertaining to regional integration; provided his expert opinion on trade remedies, trade investment schemes (Export Promotion Zones, Special Economic Zones) including guidance on mode of operationalizing SEZs; trade policy and advisory on scenario planning including analysis of fiscal; non-fiscal measures and impacts on the Harmonised Commodity Coding System (HS codes), rules of origin criteria, business trend analysis, and cross border trade, amongst others.

He is the Chairperson of the Board Audit Committee and a Member of the Human Resources Committee and the Revenue, Strategy and Technology Committee.

**6. RICHARD BORO NDUNG’U**  
**Independent Director**



Mr. Richard Boro Ndung’u is a Member of the Board of Directors of the Kenya Revenue Authority (KRA). He was appointed on 15<sup>th</sup> December, 2023 for a term ending on 12<sup>th</sup> January, 2026.

He holds a Bachelor of Commerce (Accounting Option) (Honours) from the University of Nairobi.

Mr. Richard Boro Ndung’u currently serves on various private boards and in family-owned enterprises.

He is also a Certified Executive Leadership Coach (CELC), and a member of the International Coaching Federation (ICF) Kenya Chapter and has successfully undergone corporate governance and leadership training undertaken by the Centre for Corporate Governance (CCG). He has previously served as the first Kenyan Chief Executive Officer & Senior Partner of KPMG Kenya & East Africa and the Head of Tax at KPMG Kenya & East Africa.

Through his then membership of the Council of the Institute of Certified Public Accountants of Kenya (ICPAK), he served as a Founder Director in the previous Kenya Anti-Corruption Commission

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(KACC) Advisory Board, which subsequently gave way to the current Ethics and Anti-Corruption Commission (EACC), and he also served on the Board of the then Kenya College of Accountancy, and became one of the Founding Trustees that oversaw its transition and transformation into the current KCA University.

During his long career in Tax which began in 1989, he witnessed and actively participated in some of the momentous changes that have shaped Kenya's fiscal policy, legislation, regulation, and administration, including the celebrated establishment of the KRA itself in 1995.

Mr. Richard Boro Ndung'u was awarded a Fellowship of ICPAK for his committed and distinguished service to Kenya, ICPAK and to the accountancy profession.

He is the Chairperson of the Human Resources Committee and a member of the Board Audit Committee.

**7. WILKISTER SIMIYU**  
**Independent Director**



Ms. Wilkister Simiyu was appointed as a Member of the Board of Directors of Kenya Revenue Authority on 12<sup>th</sup> January, 2023 for a term of three (3) years with effect from 13<sup>th</sup> January, 2023. The appointment was revoked on 13<sup>th</sup> December, 2023

She holds a Bachelor of Laws (LLB) Degree from Moi University and a Master of Laws Degree (Commercial and Corporate Law) from the University of London and is also a Certified Public Secretary (Kenya). She is a trained legal and governance auditor as well as a Governance, Ethics, Risk and Compliance expert.

Ms. Wilkister Simiyu is a consummate governance professional who has worked as an advocate in various law firms. She has also worked as an in-house advocate and Company Secretary in various organisations in Kenya and East Africa. She is currently engaged in Private practice, Training and Consultancy on Governance.

She is an Advocate of the High Court of Kenya and Member of the Law Society of Kenya (LSK) and East African Law Society (EALS) and Institute of Certified Secretaries (ICPS-K).

Ms. Wilkister Simiyu was a Member of the Human Resources Committee of KRA's Board of Directors and the Chairperson of the Kenya Revenue Authority Staff Pension Scheme Board of Trustees.

**8. DARSHAN SHAH**  
**Independent Director**



Mr. Darshan Shah was appointed as a Member of the Board of Directors of Kenya Revenue Authority on 12<sup>th</sup> January, 2023 for a term of three (3) years with effect from 13<sup>th</sup> January, 2023. The appointment was revoked on 13<sup>th</sup> December, 2023.

He is a partner with PKF Kenya LLP with twenty-two (22) years of professional experience in tax advisory, mergers and acquisitions, financial consultancy and audit/assurance services. He currently serves as the Head of Assurance for PKF in Eastern Africa.

Mr. Darshan Shah is also the co-author of the Wiley International Financial Reporting Standards (IFRS) Interpretations Guide 2014 - 2022 and has extensive knowledge and experience of IFRS.

He is a member of the Institute of Certified Public Accountants of Kenya (ICPAK), Institute of Certified Public Accountants of Uganda and Institute of Chartered Accountants in England and Wales, UK (ACA). He is also a Fellow of the Chartered Institute of Certified Accountants (FCCA), UK.

Mr. Darshan Shah served as the Chairperson of the Audit and Risk Committee of KRA's Board of Directors and a Member of the Kenya Revenue Authority Staff Pension Scheme (KRASPS) Board of Trustees and Chairperson of the KRASPS Finance and Investment Committee.

He was the Chairperson of the Finance, Administration and Procurement Committee and a Member of the Revenue, Strategy and Technology Committee of the KRA's Board of Directors.

**9. MICHAEL KAMAU KAMIRU, MBS**  
**Independent Director**



Mr. Michael Kamau Kamiru was appointed as a Member of the Board of Directors of Kenya Revenue Authority on 12<sup>th</sup> January, 2023 for a term of three (3) years with effect from 13<sup>th</sup> January, 2023. The appointment was revoked on 13<sup>th</sup> December, 2023.

He holds a Bachelor of Commerce Degree (Honours) from Catholic University of Eastern Africa and a Master Degree in Business Administration (Corporate Management) from KCA University.

Mr. Kamiru is currently the Head of Governance, Risk and Compliance at Jubilee Allianz General Insurance Limited. He is a Finance Management and Risk Management professional with over twenty-seven (27) years of demonstrated leadership and management experience in the Kenyan insurance industry. He also has extensive experience in strategic management; financial management; financial reporting; budgetary control management; forecasts and projection models; Governance and risk management.

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In social service, he is the current Chairman of the Gaicanjiru High School Board of Management, Vice Chairman of the Nkoroi Catholic Parish and member of the Board of United Family Sacco Limited.

He is a member of the Institute of Certified Accountants of Kenya (ICPAK).

Mr. Kamiru was the Chairperson of the Human Resources Committee and a Member of the Finance, Administration and Procurement Committee of the KRA's Board of Directors.

**10. SAMIR IBRAHIM**  
**Independent Director**



Mr. Samir Ibrahim was appointed as a Member of the Board of Directors of Kenya Revenue Authority on 12<sup>th</sup> January, 2023 for a term of three (3) years with effect from 13<sup>th</sup> January, 2023. The appointment was revoked on 13<sup>th</sup> December, 2023.

He holds a Bachelor of Science Degree in Finance and International Business from the New York University, Leonard N. Stern School of Business.

Mr. Samir Ibrahim is the Chief Executive Officer and Co-Founder of SunCulture Kenya Limited, which deals with climate, solar, agriculture, food systems and security, water, financing and Internet of Things. He is also an advisor to Ezra Venture Studio, a team and network of company builders and climate finance experts.

In social service, he is the founder of Shikilia, a collaboration between private sector and non-profit organizations to raise money and advocate for sending monthly cash transfers to low-income households during the Covid-19 pandemic. He is also a member of the Young Presidents Organization, an Endeavour Entrepreneur, and a Future Energy Leader Alumni of the World Energy Council.

Mr. Samir Ibrahim has served as a Member of the Finance, Administration and Procurement Committee and Revenue, Strategy and Technology Committee of KRA's Board of Directors.

He was a member of the Board Audit and Risk Committee and a Member of the Kenya Revenue Authority Staff Pension Scheme (KRASPS) Board of Trustees.

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**11. DR. FANCY TOO, MBS**  
**Independent Director**



Dr. Fancy Too was appointed as a Member of the Board of Directors of Kenya Revenue Authority on 12<sup>th</sup> January, 2023 for a term of three (3) years with effect from 13<sup>th</sup> January, 2023. The appointment was revoked on 13<sup>th</sup> December, 2023.

She holds a Bachelor of Laws (Honours) (LLB) Degree from Moi University, a Master of Laws Degree and a Doctor of Philosophy (PhD) in Laws from Nottingham Trent University (United Kingdom).

She is a resourceful legal expert with excellent communication skills; deep knowledge on constitutional law, corporate governance, contracts, commercial law, insolvency and intellectual property and a legal researcher with experience in legal analysis and reasoning techniques.

Dr. Fancy Too is an accomplished author and widely published in Insolvency Law.

She is the Director, Graduate Programs (LLM and LLD) at the Strathmore University Law School. She has also previously served as the Dean, Kabarak University Law School.

In social service, she is a Board of Management Chair at Kipteris Girls High School.

Dr. Fancy Too is an Advocate of the High Court of Kenya and Member of the Law Society of Kenya.

She was the Chairperson of the Revenue, Strategy and Technology Committee and a Member of the Audit and Risk Committee of KRA's Board of Directors.

**12. COMMISSIONER GENERAL**  
**HUMPHREY MULONGO WATTANGA**



Mr. Humphrey Wattanga was appointed the Commissioner General of Kenya Revenue Authority (KRA) on 22<sup>nd</sup> August 2023. Prior to his appointment, he was the Managing Director of Meghraj Capital Group, the investment banking advisory arm of the Meghraj Group and an international firm founded by Meghji Pethraj Shah (MP Shah). In this role, he provided strategic leadership on mergers, acquisitions, partnerships and joint ventures, equity and debt raising and cross-border investments for markets in East Africa, India and Japan. Before joining Meghraj Group, Mr. Wattanga served a six-year term as Commissioner and Vice Chair of the Commission on Revenue Allocation (CRA) until December 2022.

He is a corporate finance professional with over 20 years of international experience in mobilizing capital and structuring financial transactions in the public and private sectors. He has also been keen on application of technology to increase efficiency in organisations. Mr. Wattanga began his career in the United States, working for the largest telecommunications company (AT&T) before relocating to South Africa for a decade as a Senior Partner of AFCORP Investments limited, a specialist corporate finance and transaction advisory firm undertaking and structuring capital raising

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**ENDED 30 TH JUNE 2024**

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transactions across the continent.

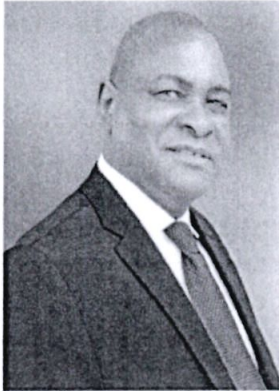
Mr. Wattanga played a key role in the conceptualisation, design, development and implementation of a groundbreaking mobile gateway platform that linked Kenya's mobile money platforms to the Nairobi Securities Exchange, which was used to launch the M-Akiba bond. At CRA, he led the performance review of numerous county revenue collection systems and guided a multi-agency effort to specify and develop a Single Integrated County Revenue Management System. Mr. Wattanga has served as a member of the investment committee of Kenya Climate Ventures (KCV), a pioneering climate-smart investment platform that supports small and medium-sized enterprises. He is a Platinum member of the Kenya Institute of Bankers.

He holds a Master of Business Administration in Information Systems Strategy and Economics from the Wharton School of Business (University of Pennsylvania) and is an alumnus of Harvard University where he graduated cum laude with a Bachelors in Biochemical Sciences.

**EX OFFICIO MEMBERS**

**REPRESENTATIVES OF THE NATIONAL TREASURY AND THE OFFICE OF THE ATTORNEY GENERAL**

**1. MUSA KATHANJE (ALTERNATE DIRECTOR TO THE CABINET SECRETARY, NATIONAL TREASURY AND PLANNING)**



Mr. Musa Kathanje was appointed to the Kenya Revenue Authority Board as the Alternate to the Cabinet Secretary, National Treasury and Planning on 17<sup>th</sup> March, 2021 upto 30<sup>th</sup> July, 2023.

He holds a Masters degree in Business Administration and Bachelor degree in Economics, both from the University of Nairobi and is currently finalising a Phd in Business Administration - Finance from Jomo Kenyatta University of Agriculture and Technology (JKUAT), Kenya. He also holds a certificate in macroeconomic modeling under the United Nations/African Research Network for Development Policy Analysis from the University of Pretoria, South Africa.

Mr. Musa Kathanje is the Director of Macro and Fiscal Affairs Department at the National Treasury having been appointed to the post in November, 2016. He joined the National Treasury in June, 2013 as the Head of Macro Division in the then Economic Affairs Department, on secondment from the Central Bank of Kenya where he was the Head of Monetary Policy Analysis Division.

He has over 26 years of experience in macro-economic policy formulation and analysis, fiscal and monetary policies formulation as well as regional economic integration policy gained from both the Central Bank of Kenya (June, 1996 to June, 2013) and at the National Treasury (June, 2013 to date).

**2. LAWRENCE KIBET (ALTERNATE DIRECTOR TO THE PERMANENT SECRETARY, NATIONAL TREASURY)**



Mr Lawrence Kibet was appointed to the KRA Board of Directors on 31<sup>st</sup> July, 2023 as the alternate to the Principal Secretary – The National Treasury.

He is currently the Director General, Public Investments and Portfolio Management. Prior to joining the National Treasury, he was the Chief Executive Officer of Image Registrars Limited. He is a seasoned professional with strong and successful experience in General Management, Commercial and Business Strategy, Accounting and Finance Management, Corporate Governance, Capital Raising,

Commercial Law Practice, Project Management and Innovation Management.

His overall exposure cuts across several sectors-including Finance and Banking, Energy and Petroleum, Telecommunications and Technology, Logistics, Consumer Products, Banking, Agriculture, Mining, Manufacturing, and Commercial services-and in numerous markets across Africa.

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Mr Kibet holds a Bachelor of Commerce Degree (Finance Option), Masters of Business Administration (MBA), Bachelor of Laws Degree (LLB) all from the University of Nairobi. He is a Master's Degree finalist in Public Policy and Management (MPPM) from Strathmore University with an exposure to the international module from New York University, Wagner School of Public Service.

He is a Member of Institute of Certified Public Accountants of Kenya (ICPAK), Certified Public Secretaries of Kenya (ICPSK), Member of the Law Society of Kenya (LSK) and Member of Investor Relations Society (UK).

His current responsibility at the National Treasury, entails coordinating, managing and providing leadership in Government investments and public enterprises, assets and liabilities in Government, public investment management and Government pensions.

**3. JENNIFER WANGUI GITIRI, HSC (ALTERNATE DIRECTOR TO THE ATTORNEY GENERAL)**



Ms. Jennifer Wangui Gitiri was appointed as a Member of the Board on 10<sup>th</sup> January, 2023 as the alternate to the Attorney General of the Republic of Kenya upto 4<sup>th</sup> February, 2024.

She holds a Bachelor of Laws (Honours) (LLB) Degree and two (2) Master of Laws Degrees in Public International Law and in Comparative Constitutional Law from the University of Nairobi and Central European University (Budapest, Hungary) respectively.

Ms. Jennifer Wangui Gitiri is the Corporation Secretary and Deputy Director, Legal Services at the Assets Recovery Agency. Prior to her current posting, she was a Principal State Counsel, Office of the Attorney General and Department of Justice. She is an experienced legal expert in constitutional law, international law, anti-money laundering, anti-corruption and assets recovery.

She is a Certified Public Secretary (CPS-K) and a trained Financial Action Taskforce (FATF) assessor by the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG).

Jennifer Wangui Gitiri is, an Advocate of the High Court of Kenya, a member of the Law Society of Kenya and a Member of the Institute of Certified Public Secretaries of Kenya.

**4. WAIGI KAMAU (ALTERNATE DIRECTOR TO THE ATTORNEY GENERAL)**



Mr. Waigi Kamau is a Member of the Board of Directors of Kenya Revenue Authority (KRA). He was appointed as a Member of the Board on 5<sup>th</sup> February, 2024 as the alternate to the Attorney General of the Republic of Kenya.

He holds a Bachelor of Arts in Economics (Honours) degree, a Bachelor of Laws (LLB) Degree and a Post Graduate Diploma in Law from the Kenya School of Law. He is an advocate of the High Court of Kenya in good standing with over twenty-two years post admission experience. He is a member of the Chartered Institute of Arbitrators and is also a Certified Public Secretary (CPS-K).

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Mr. Waigi Kamau is a Chief State Counsel, currently heading the Commercial, Tax and Arbitration Section in the Office of the Attorney-General. He has previously served as Regional Head – Office of the Attorney-General (Coast Region). He also served as Deputy Head - Host Country and Consular Affairs, Ministry of Foreign Affairs.

He has vast experience in varied areas of Law including Commercial law, employment law, administrative law, tax law, constitutional law, land law, tortious claims and environmental law acquired in his many years of active practice before both local and international courts and tribunals.

Mr. Waigi Kamau brings into the Board a wealth of managerial, policy and strategic experience having previously served as Chairperson of the Education Appeals Tribunal, as board member of the Nairobi Centre for International Arbitration and as a member of the Accountants Disciplinary Committee.

**POST BALANCE SHEET EVENT**

**APPOINTMENT OF BOARD CHAIRMAN, HON. NDIRITU MURIITHI**

Hon. Ndiritu Muriithi was appointed Chairman of the Board of Directors of the KRA Board with effect from 19<sup>th</sup> December, 2024 in replacement of Anthony Ng'ang'a Mwaura who was moved to Kenya Rural Roads Authority ( KeRRA).

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**3. MANAGEMENT TEAM**

**(a) Commissioner General -Mr. Humphrey Mulongo Wattanga**



Mr. Humphrey Wattanga was appointed the Commissioner General of Kenya Revenue Authority (KRA) on 22nd August 2023. Prior to his appointment, he was the Managing Director of Meghraj Capital Group, the investment banking advisory arm of the Meghraj Group and an international firm founded by Meghji Pethraj Shah (MP Shah). In this role, he provided strategic leadership on mergers, acquisitions, partnerships and joint ventures, equity and debt raising and cross-border investments for markets in East Africa, India and Japan. Before joining Meghraj Group, Mr. Wattanga served a six-year term as Commissioner and Vice Chair of the Commission on Revenue Allocation (CRA) until December 2022.

He is a corporate finance professional with over 20 years of international experience in mobilizing capital and structuring financial transactions in the public and private sectors. He has also been keen on application of technology to increase efficiency in organisations. Mr. Wattanga began his career in the United States, working for the largest telecommunications company (AT&T) before relocating to South Africa for a decade as a Senior Partner of AFCORP Investments limited, a specialist corporate finance and transaction advisory firm undertaking and structuring capital raising transactions across the continent.

Mr. Wattanga played a key role in the conceptualisation, design, development and implementation of a groundbreaking mobile gateway platform that linked Kenya's mobile money platforms to the Nairobi Securities Exchange, which was used to launch the M-Akiba bond. At CRA, he led the performance review of numerous county revenue collection systems and guided a multi-agency effort to specify and develop a Single Integrated County Revenue Management System. Mr. Wattanga has served as a member of the investment committee of Kenya Climate Ventures (KCV), a pioneering climate-smart investment platform that supports small and medium-sized enterprises. He is a Platinum member of the Kenya Institute of Bankers.

He holds a Master of Business Administration in Information Systems Strategy and Economics from the Wharton School of Business (University of Pennsylvania) and is an alumnus of Harvard University where he graduated cum laude with a Bachelors in Biochemical Sciences.

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**(b) Commissioner – Domestic Taxes**

**FCCA CS Rispah Simiyu (Mrs) Advocate, EBS**



Mrs. Rispah Simiyu was appointed Commissioner of Domestic Taxes with effect from 22<sup>nd</sup> October, 2020.

Prior to her appointment as Commissioner of Domestic Taxes, she served as the Deputy Commissioner in charge of the Tax Dispute Resolution Division.

She holds a Master of Laws degree with a bias in International Trade and Investment from the University of Nairobi, a Bachelor of Laws degree from the University of Dar-es-Salaam and a post-graduate Diploma in Law from Kenya School of Law. She has practiced and consulted on tax matters in Kenya, Tanzania and Uganda. She is a Fellow Chartered and Certified Accountant (FCCA), a member of the Law Society of Kenya, an Advocate of the High Court of Kenya, Notary Public, Commissioner for Oaths, Certified Public Secretary, a Certified Mediator (MTI) and a graduate of Strathmore University's Advanced Management Programme.

Mrs. Rispah Simiyu is a seasoned and grounded tax professional with over 23 years of experience. Before joining KRA in April 2018, she served as the Standard Chartered Bank Regional Tax Manager East Africa, where she also covered Transfer Pricing assignments in Africa, Middle East and Pakistan. While at the Bank, she served as a member of the Kenya Bankers Association (KBA) Finance and Audit Committee, and specifically as the Chairperson of the Tax Sub-Committee. She began her career at PricewaterhouseCoopers (PwC) in 2001.

She is a member of the Law Society of Kenya, Institute of Certified Public Accountants and Institute of Certified Secretaries.

**(c) David Mugo Mwangi**

**Acting Commissioner – Domestic Taxes**



Mr. David Mugo Mwangi was appointed the Acting Commissioner for Domestic Taxes on 23<sup>rd</sup> February, 2023. The appointment ended on 21<sup>st</sup> August, 2023. Until his appointment, he was the Deputy Commissioner in charge of Tax Disputes Resolution in Kenya Revenue Authority.

He is a holder of a Bachelor of Arts Degree in Economics and Government from the University of Nairobi (UON) and Associate Diploma in insurance from the Kenya College of Insurance. He is also a Certified Professional Mediator from Mediation Training Institute (MTI).

Mr. David Mugo Mwangi joined the Kenya Revenue Authority in 1996 as an Assessor I.

He has a career in tax administration spanning over thirty three (33) years and has worked in many areas of tax administration including Taxpayer Audit, Tax Policy formulation, Taxpayer Compliance Management and Dispute Resolution. He pioneered the Independent Review of Objections in Kenya Revenue Authority in 2018 and has been a trainer at the Kenya School of Revenue Administration since 2005.

**(d) Commissioner – Strategy, Innovation and Risk Management**

**Dr. Mohamed Mohamud**



Dr. Mohamed Omar was appointed Commissioner, Strategy Innovation & Risk Management from 1<sup>st</sup> October, 2015 to 30<sup>th</sup> September, 2023.

He is a holder of Doctors degree of Philosophy from The University of Leeds – UK, Master of Business Administration degree – MBA (E-Business) from The University of Sheffield, UK and Bachelor of Science degree (BSC-Business & Economics) from Vaxjo University, Sweden.

Dr. Mohamed Omar has vast experience in Strategy and Policy, spanning academia and public sector. Before joining KRA, he was the Economic Pillar Director at the Kenya Vision 2030 Delivery Secretariat, where he was responsible for providing leadership and strategic direction to the implementation of the economic pillar flagship projects. Previously, Dr Omar also worked as a lecturer at the University of Nairobi.

**(e) Mr. Alex Mwangi – Acting Commissioner, Strategy, Innovation and Risk Management**



Mr. Alex Mwangi was appointed Acting Commissioner, Strategy, Innovation and Risk Management on 4<sup>th</sup> September, 2023.

He holds a Bachelor's degree in Statistics from University of Nairobi and a Master's degree in Statistics from the same University. He has attended various local and international training programmes including Tax Policy and Administration at the National Tax College in Japan.

Mr. Alex Mwangi joined Kenya Revenue Authority on 14<sup>th</sup> January 2002 as a Graduate Trainee and has risen through the ranks to the position of Deputy Commissioner, Research, Knowledge Management and

Corporate Planning.

Regionally, he has represented the Authority in international engagements including East African Revenue Authorities Technical Committee; development of African Tax Outlook by African Tax Administration Forum; Revenue Statistics in African by OECD; International Survey on Revenue Administration (ISORA); by International Monetary Fund (IMF) and formulation of Medium Term Revenue Strategy for Kenya.

**(f) Commissioner – Legal Services and Board Coordination**

**CS Paul Muema Matuku, EBS**



Mr. Paul Muema Matuku was appointed Commissioner, Legal Services and Board Coordination on 15<sup>th</sup> May, 2019 and re-appointed on 15<sup>th</sup> May, 2024.

He is a holder of a Bachelors Degree in Law (LLB) from the University of Nairobi and a Post Graduate Diploma in Law from the Kenya School of Law. He is a Fellow of the University of Sydney, Graduate School of Government: Extractive Industries: Effective Governance, Taxation and Financial Management.

He is a beneficiary of the Strategic Leadership Programme at the Kenya School of Government and alumni of Strathmore Business School – Advanced Management Program (Executive MBA equivalent). He is also a graduate of Kenya Revenue Authority Training Institute (KRATI), now Kenya School of Revenue Administration (KESRA) where in trained on Tax & Customs Administration. He is an Advocate of the High Court of Kenya, Notary Public and Commissioner for Oaths and a Certified Public Secretary.

Mr. Paul Muema Matuku joined the Kenya Revenue Authority in 1996 as a Graduate Trainee and rose through the ranks to be a Commissioner.

He has been instrumental in the development and management of dispute resolution mechanisms in KRA having overseen the take-over of the defense of KRA tax disputes cases from the Attorney General in the year 2000 and the development and roll out of a more robust Alternative Dispute Resolution mechanism in the year 2015. He also contributed to the promulgation of the National Energy Policy, 2018; Petroleum Act, 2019 and the Model Production Sharing Contract.

Mr. Paul Muema Matuku is the Secretary to the Kenya Revenue Authority Board.

He is a member of the Law Society of Kenya, the East African Law Society and the Institute of Certified Secretaries, Kenya.

**(g) Commissioner – Investigations and Enforcement**

**Mr. David Yego**



Mr. David K. S. Yego, was appointed Commissioner, Investigations, Enforcement Intelligence and Strategic Operations Department on 23<sup>rd</sup> February, 2023. He has previously served as Commissioner, Investigations & Enforcement Department and Commissioner, Regional Coordination.

He is a holder of a Master’s Degree in Business Administration (MBA) from the University of Nairobi and a Bachelor’s Degree in Mathematics and Economics from Kenyatta University. He is also a Certified Public Accountant of Kenya (CPAK).

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Mr. David K. S. Yego joined the Kenya Revenue Authority in 1996 as a Graduate Trainee and rose through the ranks to be a Commissioner.

He has over fifteen (15) years' experience in senior management with roles in various Departments within the Kenya Revenue Authority with stint in the Internal Audit Division, Customs and Border Control Department and Commissioner General's office. He is instrumental in setting up the Intelligence Unit currently in the Office of the Commissioner General as well as the Prosecution Unit within the Investigations and Enforcement Department in alignment with the 10 OECD Global principles to ensure tax offenses are criminalised.

Mr. David K. S. Yego is a member of the Institute of Certified Public Accountants of Kenya.

**(h) Commissioner – Kenya School of Revenue Administration**

**Dr. Fred Mugambi Mwirigi**



Dr. Mugambi Mwirigi was appointed as Head of the Kenya School of Revenue Administration (KESRA) with effect from 15<sup>th</sup> May, 2019 and re-appointed on 15<sup>th</sup> May, 2024. He has previously served as the Deputy Commissioner in charge of Academic and Students Affairs at KESRA.

He holds a PhD. in Entrepreneurship, a Master of Science degree in Entrepreneurship, a Bachelor of Business Administration (1st class honors) degree and a Diploma in Small Enterprise Management attained from Galilee International Management College, Israel. He is also a graduate of the Advanced Management Program from Strathmore University. Dr. Mugambi has also been trained in various areas in South Africa, China and Bangladesh.

Prior to joining KRA, Dr. Mugambi was the founding Director of the Mombasa Campus of The Jomo Kenyatta University of Agriculture and Technology (JKUAT) where he was the Director for 7 years. Overall, he taught at JKUAT for 11 years and rose to the level of Senior Lecturer. While at JKUAT he was also the Chairman of the Nairobi Industrial Park the initiative that gave rise to a bid by the University to assemble laptops for the government. Prior to joining JKUAT he taught at Kenya Methodist University and also worked at Kenindia Assurance Company.

He sits in various boards and committees. He currently sits on the African Tax Administration Forum (ATAF), Advisory Board of the African tax Research Network (ATRN). He has in the past served as the chairman of the Board Recruitment Committee for the Technical and Vocational Education and Training Authority (TVETA) under the Ministry of Education. Dr. Mugambi is also a member of Rotary International where he is involved in various philanthropic activities.

In the past, Dr. Mugambi has conducted Consultancy and training tasks for many national and international organizations including JICA, Ministry of Industrialization, Consumer International, FAULU Kenya, East African Breweries Limited, GIZ, Adam Smith International, Kenya Education Staff Institute, Kenya Coconut Development Authority and Githunguri Dairy Farmers Cooperative Society, among others in 6 countries.

**(i) Acting Commissioner – Corporate Support Services**

**Nancy Ng’etich**



Ms. Nancy Ng’etich was appointed Acting Commissioner, Corporate Support Services on 23<sup>rd</sup> February, 2023.

She holds a Master’s Degree in Business Administration, Strategic Management from Kenyatta University, a Bachelor’s degree in Law from Moi University, postgraduate Diploma in Law from the Kenya School of Law, Senior Leadership training from Commonwealth Administration of Tax Administration (CATA) and Strathmore Business School (SBS).

Ms. Nancy Ng’etich joined Kenya Revenue Authority as a Graduate Trainee and has risen through the ranks to the position of Deputy Commissioner in Customs and Border Control. She has also served at Ernest &Young LLP as a Senior Manager Customs and Tax Advisory consulting.

She is a legal tax administrator in International Global Trade and Customs Laws. She has been instrumental in the Customs Reforms & Modernization Agenda, Process Re-engineering, Border Coordination Management, Implementation of One Stop Border Posts and Operationalization of Authorized Economic Operator. While at Customs and Border Control, she represented the Department at the National Treasury as a Customs Tax expert in the National Budget making process, Policy formulation and implementation of tax laws and fiscal measures. Regionally, she was the Kenya Customs representative in the National Working Group involved in the formulation of the African Continental Free Trade Agreement Protocol on Trade in Goods, Intellectual property rights, Competition Policy and Rules and Procedures on the Settlement of Disputes. She has also been the Customs team lead at the East African Community (EAC) level in the formulation and implementation of the EAC Customs laws and Regulations.

Ms. Nancy Ng’etich is an Advocate of the High Court of Kenya and a member of the Law Society of Kenya, the Institute of Certified Public Secretaries and the Kenya Institute of Management.

**(j) Commissioner – Customs and Border Control**

**Dr. Lillian Anyango Nyawanda**



Dr. Lilian Anyango Nyawanda was appointed Commissioner, Customs & Border Control effective 15<sup>th</sup> April, 2021. She re-joined the Kenya Revenue Authority in October, 2023 as Commissioner, Customs and Border Control Department (a position she previously held between April, 2021 and February, 2023), after a seven (7) month secondment to the National Treasury and Economic Planning Ministry, as an adviser to the Principal Secretary.

She holds a Bachelor of Commerce (Finance) degree from the University of Nairobi, Master of Business Administration (Strategic Management) degree from United States International University, a Master of

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Philosophy (Public Policy) degree from Walden University and a Doctor of Philosophy degree in Public Policy & Administration from Walden University.

Dr. Nyawanda has a broad wealth of experience in Customs and International Trade, within the East African Region and the African continent at large. She also has extensive experience in policy and legislation, having been part of various legislative reviews and changes. She has gained her experience from the public and private sectors as well as the academia.

During her tenure as the Commissioner, she led the Department in registering unprecedented revenue performance and spearheaded the advancement of technology in Customs, through roll-out and integration of Customs systems. She further oversaw the tightening of controls around Kenyan borders by strengthening the enforcement function, leading efforts to open additional border points as well as establishment of Inland Border Control Check points, to curb smuggling and illicit trade.

She is a high performer who started off her career in tax at KRA in 2003 as a graduate trainee. In 2009, she moved to Deloitte as a Senior Consultant for Customs and International Trade. Subsequently, she worked at EABL in various roles until 2019 when she moved to the Diageo Centre of Excellence to oversee customs governance, risk management and international trade operations across Africa.

She is a member of the National Society of Leadership and Success and a Member of the International Public Policy Association (IPPA). She was recently awarded a Lifetime Membership by the Golden Key International Honor Society.

**4. CHAIRMAN'S STATEMENT FOR THE FINANCIAL YEAR 2023/2024**

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**Foreword**

I'm greatly honoured to present the Kenya Revenue Authority (KRA) Annual Report and Financial Statements for the Financial Year 2023/24. This is the final report within KRA's Eighth Corporate Plan implementation period (FY 2021/2022 to 2023/2024).

The 8<sup>th</sup> Corporate Plan theme is "**Revenue Mobilisation through Tax simplification, technology-driven compliance and tax base expansion**". The strategic thrusts adopted in realizing KRA's principal role of mobilising resources to finance the country's development agenda including the Government's Bottom-Up Economic Transformation Agenda and the Sustainable Development Goals, are i) Revenue mobilisation; ii) Tax base expansion; iii) Simplification of the tax regime to ease compliance and service delivery; iv) Application of cutting-edge technology; v) Performance-oriented and ethical organisation culture; and vi) Strategic partnerships to bolster compliance.

During the 8<sup>th</sup> plan period, the Kenya Revenue Authority collected a total of **Kshs. 6.604 trillion** against a target of **Kshs. 6.831 trillion**, representing a performance of **97.6 percent**. In the final year of the plan, FY 2023/24, KRA attained an overall revenue performance of **95.5 percent** (collecting a net amount of **Kshs. 2.407 trillion** (inclusive of Surplus Funds of Kshs.3.34 billion received directly at The National Treasury) against the revenue target of **Kshs. 2.519 trillion**) despite the challenging global and domestic economic environment. This is a revenue growth of **11.1 percent**, as compared to **Kshs. 2.166 trillion** collected in the FY 2022/23. This revenue collection is the highest in KRA history, an indication of the sustained transformation of the Authority into a high-performance culture, leveraging technology as well as strict enforcement of tax laws.

Enhanced domestic revenue mobilisation by KRA is key to realising the Government's Bottom-Up Economic Transformation Agenda (BETA). The Agenda is geared towards an economic turnaround and inclusive growth and aims to increase investments in at least five sectors envisaged to have the largest impact and linkages to the economy as well as on household welfare. These include Agricultural Transformation; Micro, Small and Medium Enterprises (MSME); Housing and Settlement; Healthcare; and Digital Superhighway and Creative Industry. As part of the economic turnaround plan, the Government aims to scale up revenue collection efforts by the Kenya Revenue Authority (KRA) to over Kshs. 3.0 trillion in the short term.

Looking ahead, the 9<sup>th</sup> Corporate Plan, with the theme "Unlock and tap the full revenue potential through technology transformation, service excellence, and integrity," defines KRA's new aspirational direction. This plan focuses on KRA's continued transformation through technological advancements, promoting service delivery excellence, and fostering an integrity culture. These efforts are expected to unlock new revenue streams while optimising existing ones, assuring Kenya's long-term growth and development.

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The achievements of the 8<sup>th</sup> Corporate Plan serve as a solid basis as we go forward with the 9<sup>th</sup> Corporate Plan. With a renewed emphasis on technology, service excellence, and integrity, KRA is well-positioned to reach and surpass its revenue targets, thereby contributing to the nation's economic and developmental goals.

### **Kenya's Economy**

In the year 2023, Kenya's economy expanded by 5.6 percent compared to a revised growth of 4.9 percent in 2022. The positive growth was notable across most sectors of the economy except Mining and Quarrying, which contracted by 6.5 percent. Growth was mainly driven by a rebound in agricultural activities that contracted in 2022.

The inflationary shock caused by the Russia-Ukraine conflict had a ripple effect on the region, leading to decreased international demand, increased global interest rates, and exchange rate pressures, which posed a challenge for the region amidst recovery from the effects of the COVID-19 pandemic. However, the inflation declined to 6.2% in the FY 2023/24 from 8.8% in the FY 2022/23. Additionally, the current account deficit narrowed from 5.2% of GDP in 2022 to 4.9% in 2023, as trade deficits shrank, and secondary incomes increased.

### **Global Economy**

World real GDP growth is estimated to have slowed from 3.5 per cent in 2022 to 3.1 per cent in 2023. The decline in the growth was attributed to disruptions emanating from the remnant effects of COVID-19, the Russia-Ukraine conflict and tightened monetary policies in a number of economies. In 2024, the global economy is expected to grow at a similar pace as 2023 but slower than the historical (2000-2019) annual average of 3.8 percent. This is on account of restrictive monetary policies, withdrawal of fiscal support, low underlying productivity growth, as well as escalating geopolitical fragmentations that could result in higher commodity prices despite a projected decline in global headline and core inflation.

Advanced economies expanded by 1.6 percent in 2023 compared to the 2.6 percent growth rate experienced in 2022 largely due to tighter monetary conditions within the bloc and a lower-than-anticipated growth rate in the Euro Area. Growth in Emerging Markets and Developing Economies remained at 4.1 percent in the period under review. Sub-Saharan Africa region saw a decline in real GDP growth rate to stand at 3.3 percent in 2023, compared to 4.0 percent growth in 2022.

### **Revenue Performance**

During the Financial Year 2023/24, the Authority collected a **Net of Kshs. 2.407 trillion** against the target of **Kshs. 2.519 trillion**. This represents a performance rate of **95.5 percent** and revenue growth of **11.1%** over Kshs. **2.166 trillion** collected in the Financial Year 2022/23. This performance reflects improved compliance among taxpayers.

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### **Exchequer Revenue**

During the Financial Year 2023/24, the Net Exchequer Revenue was **Kshs. 2.223 trillion** (inclusive of Surplus Funds of Kshs.3.34 billion received directly at The National Treasury) against a target of **Kshs. 2.320 trillion** and above the **Kshs. 2.029 trillion** collected in the previous financial year. This represents a performance rate of **95.8 percent** and a growth of **9.5 percent**.

### **Agency Revenue**

In the FY 2023/24, **Kshs. 184.03 billion** was collected as Agency revenue against a target of **Kshs. 198.55 billion** translating to a performance rate of **92.7 percent**. The Agency revenue grew by **34.9 percent** as compared to the previous Financial Year.

### **Overview of factors underpinning revenue performance in 2023/24**

The Kenya Revenue Authority achieved notable tax revenue performance in FY 2023/24 despite challenges experienced in the domestic economy and globally. This success is largely due to the implementation of revenue mobilisation strategies outlined in the KRA's 8<sup>th</sup> Corporate Plan, effective tax policy measures, and enhanced revenue administration practices. The Authority's strategic initiatives, combined with favourable economic growth in key sectors such as agriculture, manufacturing, and services, have played a crucial role in maintaining strong revenue growth.

KRA has continued to leverage technology to prevent revenue leakages and enhance compliance. Significant developments include the implementation of the Electronic Tax Invoice Management System (eTIMS), enhancements to the iTax platform, and the use of scanners for smart alerts. Additionally, the Integrated Customs Management System (iCMS) has been crucial, incorporating features such as targeting and profiling through smart alerts, a risk engine, and bond management and reconciliation. These technological advancements have significantly bolstered the efficiency and effectiveness of KRA's tax administration, facilitating better tracking and management of taxpayer information.

Moreover, KRA's rigorous monitoring efforts have ensured compliance across all tax heads. The extensive use of data and intelligence to identify unpaid taxes has led to improved voluntary compliance and an expanded tax base, incorporating individuals who previously evaded taxes. Enhanced integrity measures, combined with continuous taxpayer education and outreach programmes, have further contributed to sustaining revenue collection efforts. These efforts reflect KRA's commitment to a transparent and accountable tax administration system.

### **Kenya's Economic Outlook**

The economy is projected to remain strong and resilient in 2024 and over the medium term supported by the continued robust growth of the services sectors, the rebound in agriculture, and the ongoing implementation of measures to boost economic activity in priority sectors by the Government. As such, the economy is expected to remain strong and expand by 5.5 percent in both FY 2023/24 and FY 2024/25.

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**Appreciation**

On behalf of the Board of Directors, I would like to thank the National Treasury and Economic Planning and look forward to their continued support as KRA fulfils its revenue mobilisation duty. I would also like to take this opportunity to thank my fellow Board members, KRA management, and all staff for their unwavering efforts to ensure the Authority's great revenue performance despite the adverse macroeconomic environment.

We appreciate our valued taxpayers' dedication to meeting their tax obligations and contributing to the overall goal of the government. Your dedication to our country by filing and paying your fair share of taxes has led us this far.

**HON. NDIRITU MURIITHI**  
**CHAIRMAN, KRA BOARD OF DIRECTORS**

## **5. REPORT OF THE CHIEF EXECUTIVE OFFICER**

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### **1) Introduction**

The Financial Year 2023/24 marked the final year of the implementation of the 8<sup>th</sup> Corporate Plan (2021/22 to 2023/24). The plan's theme is "*Revenue Mobilisation through Tax Simplification, Technology-Driven Compliance, and Tax Base Expansion*". The Plan builds on the successes gained by KRA since it was established by focusing on tax simplification, the use of modern technology and strategic partnerships. Despite an economic downturn caused by an unfriendly global fiscal climate, KRA achieved a revenue collection of **Kshs. 2.407 trillion** (inclusive of Surplus Funds of Kshs.3.34 billion received directly at The National Treasury) for the period July 2023 - June 2024, compared to **Kshs. 2.166 trillion** collected in the previous fiscal year.

### **2) Operating Environment**

Despite the adverse effect of external shocks, Kenya's growth is projected to reach 5.2% on average during 2024-2026, mainly driven by the private sector as business confidence strengthens and the public sector continues to scale back. This growth will be supported by several factors, including the continued robust growth of the services sectors, a rebound in agriculture aided by anticipated adequate rainfall in most parts of the country, a decline in global commodity prices reducing production costs, and the ongoing implementation of measures by the Government to boost economic activity in priority sectors.

### **3) Revenue Performance**

Revenue collection in the FY 2023/24 stood at a Net of **Kshs. 2.407 trillion** (inclusive of Surplus Funds of Kshs.3.34 billion received directly at The National Treasury) compared to **Kshs. 2.166 trillion** collected in the FY 2022/23. This translates to a performance rate of **95.5 percent** against the revenue target of **Kshs. 2.519 trillion**, and a revenue growth of **11.1 percent**.

It is important to note that revenue collection has progressively increased in the last 5 years from **Kshs. 1.6 trillion** in FY 2019/2020 to **Kshs. 2.407 trillion** in FY2023/24, thereby registering a growth of **50.4 percent** (or Kshs. 800 billion). The trend in revenue performance as shown in Figure 1 indicates consistent revenue growth from 2014/15 to 2023/24, with an average annual revenue growth of **9.7 percent** in the 10 years.

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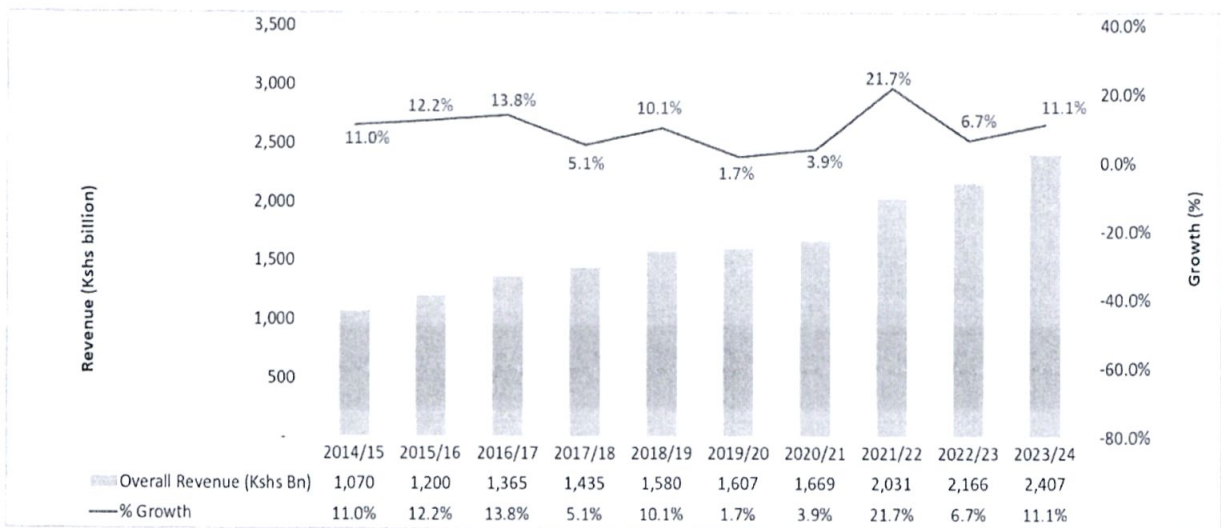


Figure 1: Tax Revenue Trends (2014/15 – 2023/24)

**i. Customs and Domestic Taxes Performance**

Revenue collection by Departments is shown in Figure 2. Customs and Border Control collected **Kshs. 791.181 billion** in FY 2023/24 against a target of **Kshs. 836.709 billion** registering a revenue shortfall of **Kshs. 45.53 billion**. Customs revenues grew by **4.9 percent** over **Kshs. 754.090 billion** collected in the FY 2022/23 and recorded a performance rate of **94.6%**.

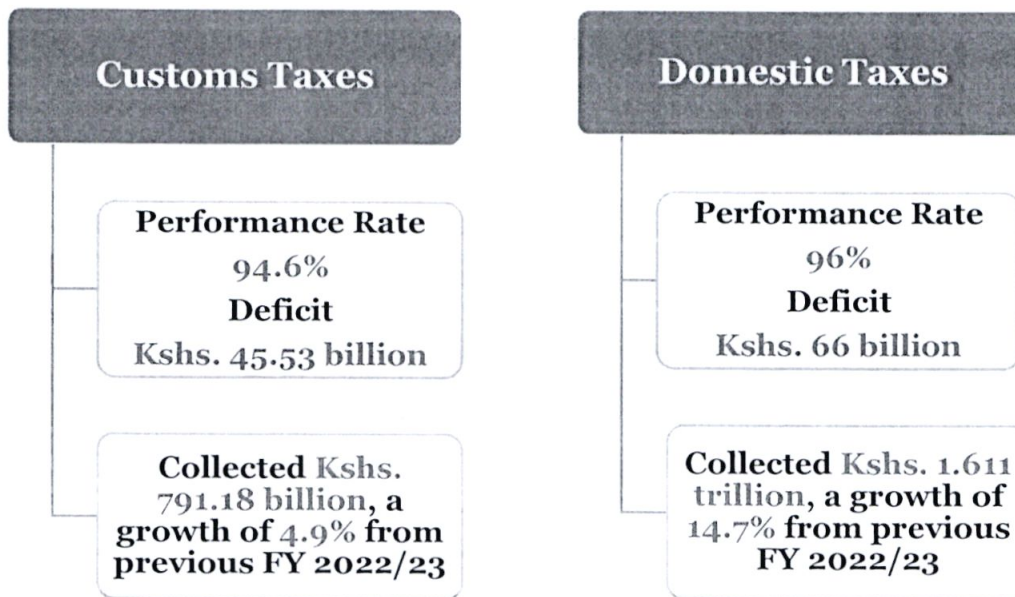


Figure 2: FY 2023/24 Performance rate against the target

On the other hand, the Domestic Taxes Department collected **Kshs. 1.611 trillion** (inclusive of Surplus Funds of Kshs.3.34 billion received directly at The National Treasury) in FY 2023/24 against a target of **Kshs. 1.677 Trillion**, a revenue shortfall of **Kshs. 66 billion**. Domestic tax revenue grew by **14.7 percent** over **Kshs. 1.407 trillion** collected in the FY 2022/23 and recorded a performance rate of **96 percent**.

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**ii. Performance of Key Tax Heads**

*Corporation Tax:* Corporation tax collections stood at **Kshs. 278.16 billion** against a target of **Kshs. 297.73 billion**. The tax head recorded a growth of **4.9 percent** in the FY 2023/24. This performance was driven by increased remittances from sectors like: Wholesale & Retail Trade; Electricity, Oil & Gas; Transport & Storage; Accommodation & Food Service; and Education. These sectors contributed **20.5 percent** of the Corporation taxes.

*Pay As You Earn (PAYE):* P.A.Y.E collection was **Kshs. 543.19 billion** against a target of **Kshs. 580.72 billion**. The performance was mainly driven by remittance from private firms and the public sector, which grew by **13.4%** and **3.7%** respectively.

*Domestic Excise:* The tax head recorded a growth of **8.1 percent** in FY 2023/24, with a collection of **Kshs 73.62 billion** against a target of **Kshs 73.94 billion**. The performance is attributed to the growth in revenue from Beer (16.2% growth); Bottled Water (9.7% growth); Soft Drinks (12.2% growth); and Tobacco (1.9% growth).

*Domestic VAT:* Domestic VAT collection amounted to **Kshs. 314.16 billion** in FY 2023/24 compared to **Kshs 272. 45 billion** in FY 2022/23, a growth of **15.3 percent**. The growth is attributed to the implementation of the tax amnesty programme, which enhanced compliance among taxpayers.

**4) Key Revenue Drivers FY 2023/24**

The revenue growth is attributed to the implementation of key strategies contained in the KRA's 8<sup>th</sup> Corporate Plan. Some of these strategies include:

**Tax Amnesty:** Through the tax amnesty programme, KRA collected **Kshs. 43.9 billion**. This is after **2,617,111** taxpayers were granted amnesty in the financial year 2023/24.

**Tax Base Expansion:** The programme enabled KRA to collect **Kshs. 24.62 billion** in revenue. Some of the initiatives under the TBE include recruitment of landlords under the Monthly Rental income (MRI) and Block Management System (BMS) to map out potential taxpayers. Through the programme KRA recruited **1,247,543** additional taxpayers in the period under review.

**Betting and Gaming Tax:** The integration of betting and gaming companies into the system has given KRA real time access to companies in the sector. During the FY 2023/24, KRA collected **Kshs. 24.27 BILLION** in Excise Duty and Withholding Tax from **111** on-boarded companies.

**Anti-Corruption Measures:** The public and staff reported **883** cases involving tax malpractices. This was done through the iWhistle system and led to the recovery of **Kshs. 4.22 billion**.

**Debt collection initiatives:** KRA enhanced collection from debt programmes on non-compliant taxpayers, netting a total of **Kshs. 103.39 billion** in the FY 2023/24. This performance is attributable to follow-ups on demand notices and the debt instalment plans agreed upon with taxpayers.

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**Dispute resolution framework:** The framework enhanced revenue collection from Litigation, Alternative Dispute Resolution (ADR), and Tax Appeals Tribunal (TAT). This enabled KRA to collect **Kshs. 60.47 billion** from **6,778** conclude cases.

**KRA has continued to use technology to streamline tax administration and facilitate trade.** Among the systems implemented are the Integrated Customs Management System (iCMS), iTax, Regional Electronic Management System (RECTS), Smart Gates, Data Warehouse and Business Intelligence, Integrated Scanners, as well as the Excisable Goods Management System (EGMS).

### **5) Outlook**

The revenue target for the FY 2024/25 is **Kshs. 3.013 trillion**, implying a growth of **25.2 percent** over the FY 2023/24 collection. Revenue contribution for key tax categories in FY 2024/25 is as follows: PAYE (**20.7%**); Non-Oil taxes (**22.8%**); VAT Domestic (**13.5%**); Corporation Tax (**11.7%**); Oil taxes (**10.7%**); Withholding Tax (**7.6%**); among others.

The National Treasury projected that the economy would expand by **5.5 percent** in FY 2023/24 and maintain momentum over the medium term (2023/24-2025/26). Some of the factors that will likely impact the revenue outlook in the subsequent months of FY 2024/2025 include economic prospects in the country (mostly impacted by stringent monetary policies in the global economy, and geopolitical conflicts, among others).

The Authority has successfully implemented the final phase of the 8<sup>th</sup> Corporate Plan (2021/22 to 2023/24). With the continued support of taxpayers, the projected economic growth of 5.5 percent in FY 2023/24, a progressive tax policy framework, tax simplification, and a robust tax compliance mechanism, KRA is confident that it will meet its targets and enable the government to finance its economic agenda.

Beginning this financial year 2024/25, KRA will implement a five-year 9<sup>th</sup> Corporate Plan under the theme "Unlock and tap the full revenue potential through technology transformation, service excellence, and integrity". This plan focuses on KRA's ongoing transformation through technological advancements, promoting service delivery excellence, and fostering a culture of integrity. These efforts are expected to unlock new revenue streams while optimising existing ones, and ensuring Kenya's long-term growth and development.

### **6) Conclusion**

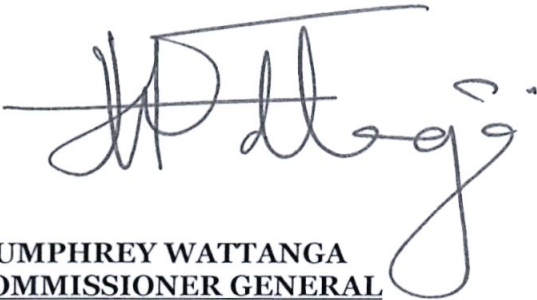
I would like to thank the KRA Board of Directors, management, and staff for their hard work and dedication during the just concluded financial year 2023/24. I am glad to inform you that, despite the volatile and unpredictable economic environment coupled with other challenges, KRA recorded impressive revenue growth. I also take this opportunity to thank The National Treasury and Economic Planning for the support accorded to KRA in executing its mandate.

On behalf of the KRA Board of Directors and Staff, I express our gratitude to all compliant taxpayers for honouring their tax obligations and supporting Kenya's economic sustainability by registering, filing, accurately reporting, and paying their taxes. KRA is dedicated to being more accessible and

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making the taxpaying experience enjoyable. KRA reaffirms its commitment to serving taxpayers with integrity and competence.



**HUMPHREY WATTANGA  
COMMISSIONER GENERAL**

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**6. REVIEW OF KENYA REGULATORY & NON-COMMERCIAL ENTERPRISE'S PERFORMANCE FOR FY 2023/24**

**Statement of Performance against Pre-Determined Objectives**

KRA has four balanced scorecard perspectives and four overarching goals within its strategic plan for the period 2021/22 to 2023/24. These strategic perspectives are:

- 1) Revenue,
- 2) People,
- 3) Customer, and
- 4) Business process.

KRA develops Annual Work Plans based on the above four perspectives. Assessment of the Board's performance against its annual work plan is done monthly by perspective. KRA achieved most of its performance targets set for the FY 2023/24 period for its four strategic perspectives as indicated in Table 1.

**Table 1: Strategic Achievements in FY 2023-2024**

<b>Strategic pillar/ perspective</b>	<b>Objective</b>	<b>KPIs</b>	<b>Activities</b>	<b>Measure</b>	<b>FY 2023/24 Achievement</b>
Revenue	Realize government revenue targets while building a sustainable tax base.	Total Revenue collected	<ul style="list-style-type: none"> <li>• Risk-based compliance management</li> <li>• Debt management</li> <li>• Smart intelligence and investigation</li> <li>• Tax base expansion</li> <li>• Post clearance audit</li> <li>• Integrated scanner management</li> <li>• Cargo tracking</li> </ul>	Kshs.	<b>Kshs. 2.407 trillion</b> was collected against a target of <b>Kshs. 2.519 trillion</b> . The Exchequer Revenue amounted to <b>Kshs. 2.223 trillion</b> against a target of <b>Kshs. 2.321 trillion</b> while agency revenue collection was <b>Kshs. 184.03 billion</b> against a target of <b>Kshs. 198.55 billion</b>
		On-time payment	Compliance activities	%	The on-time payment rate for June 2024 was 81%.
		Active taxpayers	<ul style="list-style-type: none"> <li>• Tax base expansion</li> <li>• Turning around non-filers</li> </ul>	Number	Number of Active Taxpayers as at June 2024 was 9,669,854

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Strategic pillar/perspective	Objective	KPIs	Activities	Measure	FY 2023/24 Achievement
		Landlords recruited	Implement Block Management System	Number.	10,425 MRI Tax Obligations were added and Kshs. 3.517 Billion realized from MRI Added obligations.
		DST Tax collected (from non-residents)	Review the existing laws and regulations to align with the Harmonized Global Approach	Number	DST tax collected: Kshs. 798.02 million was collected against a target of Kshs. 379 million.
		Cases investigated	Enhance intelligence-driven investigation	Number	877 cases prosecuted and publicised against a target of 293.
		Value of illicit goods removed from the market	<ul style="list-style-type: none"> <li>Implementation of stringent measures provided in law</li> <li>Awareness creation and deterrence through publicity</li> <li>Collaboration with other agencies</li> </ul>	Kshs.	<b>DTD</b> Value of illicit goods was at Kshs. 1,295.62 million against a target of Kshs. 500 million. <b>C&amp;BC</b> Value of illicit goods was at Kshs. 385.73 million against a target of Kshs. 150 million. This performance is attributed to joint interventions by DTD, C&BC and I&SO.
<b>Customer</b>	Achieve exceptional customer service and community outreach	Customer satisfaction index	<ul style="list-style-type: none"> <li>Tax simplification</li> <li>Stakeholder engagements</li> <li>Trade facilitation</li> <li>Refunds management</li> </ul>	%	KRA customer satisfaction index for the FY 2023/24 was 73.8% a 0.5% improvement from 73.3% in the FY 2022/23 survey.
		Pre-arrival Cargo Clearance	Uptake of clearance of goods before docking at the Port of Mombasa	%	Attained Pre-arrival processing (PAP) uptake of 40.55% in June 2023 from 34% achieved in FY 2022/23.
		Time taken to release		Hours	Time taken to release goods at

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Strategic pillar/perspective	Objective	KPIs	Activities	Measure	FY 2023/24 Achievement
		goods (Port of Mombasa, ICD-N, KR Shed)			Port of Mombasa and ICD-N increased marginally by 0.91 hours from 50.29 hours in FY 2022/23 to a cumulative average of 51.20 hours as of June 2024 against a target of 111 hours.
		Cases resolved out of suitable disputes received under ADR	Interdepartmental collaboration and support to the ADR mechanism	%	1,184 out of 1,145 cases were resolved (81%). The target for FY 2023/24 was 80%
Business process	Reduce the overall cost of collection while improving the quality of operations and services	Cost of collection	<ul style="list-style-type: none"> <li>Roll out of simplified online self-services</li> <li>Systems Integration</li> <li>Advanced data analytics</li> <li>Reliable and resilient IT infrastructure</li> </ul>	%	Achieved a cost of collection of 1.35% as at May 2024 <ul style="list-style-type: none"> <li>Recurrent Expenditure of Kshs. 29.19 billion incurred against Exchequer Revenue collection of Kshs. 2,165.78 billion.</li> </ul>
		Automation level	<ul style="list-style-type: none"> <li>Maintenance of quality standards</li> </ul>	%	97.3% automation level as of June 2024 (External assessment by ICT Authority)
		Systems integrated	Integrate internal and external systems.	No	6 integrations were completed <ul style="list-style-type: none"> <li>✓ 3 Internal Systems integrations</li> <li>• iSupport to asset Management</li> <li>• iCMS with CRM</li> <li>• Auction-SSO, iCMS-Licensing application and Declaration Checker</li> <li>✓ 3 external system integrations</li> </ul>

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<b>Strategic pillar/ perspective</b>	<b>Objective</b>	<b>KPIs</b>	<b>Activities</b>	<b>Measure</b>	<b>FY 2023/24 Achievement</b>
					<ul style="list-style-type: none"> <li>iTax with eCitizen integration</li> <li>iCMS with eCitizen</li> <li>iTax with 69 GBLPs (Gaming, Betting, Lottery and Prize)</li> </ul>
People	Continue to build a performance-driven and ethical workforce	Optimise human resource capability and capacity	<ul style="list-style-type: none"> <li>Talent management</li> <li>Implementation of structured training</li> <li>Improved performance management</li> <li>Repositioning KESRA as a premier training institution</li> </ul>	%	Ratio of technical to support staff increased from 73.6% to 74.24% as of June 2024.  1,418 Officers from various departments trained in foundation courses in Tax & Customs
		Improved work environment	<ul style="list-style-type: none"> <li>Provision of working tools</li> <li>Implementation of transport management framework</li> </ul>	No	<ul style="list-style-type: none"> <li>Procured 406 laptops</li> <li>Procured 19 5 Motor vehicles and disposed off 5 vehicles</li> <li>10,000 sq. ft of office space acquired</li> <li>6 TSOs (Eldama Ravine, Iten, Marsabit, Maua, Thika and Kakuma) and 3 Warehouse spaces (Thika, Isiolo and Kisumu) leased</li> <li>Property Development Strategy approved</li> </ul>
		Enhancing integrity	<ul style="list-style-type: none"> <li>Staff vetting and investigation</li> <li>Corruption risk analysis and prevention</li> <li>Integrity awareness to internal and external stakeholders</li> </ul>		Corruption perception about KRA improved (corruption perception index declined from 31.12% in FY 2022/23 to 30.99% in FY 2023/24).

**7. MANAGEMENT DISCUSSION AND ANALYSIS**

**1. Revenue Performance and Growth FY 2015/16 – FY 2023/24**

KRA continues to implement her mandate of assessing, collecting, and accounting for all revenues per specific laws governing it. At the same time, the Authority, advises on matters relating to the administration of, and collection of revenue under the written laws or the specified provisions of the written laws while performing such other functions concerning revenue as directed by the Cabinet Secretary for The National Treasury and Economic Planning.

The following sections present the revenue collected, the contribution from the two main departments, and the collection against the target for the nine years. It also gives an overview of some anticipated risks and their mitigation measures.

Figure 1 presents the revenue collection trend from FY 2015/16 to FY 2023/24. The figure shows consistent revenue performance in this period, with average annual revenue growth of **9.6 percent** in the nine years and **13.2 percent** in the last three years. The highest revenue growth was recorded in FY 2021/22 at **21.7 percent**.

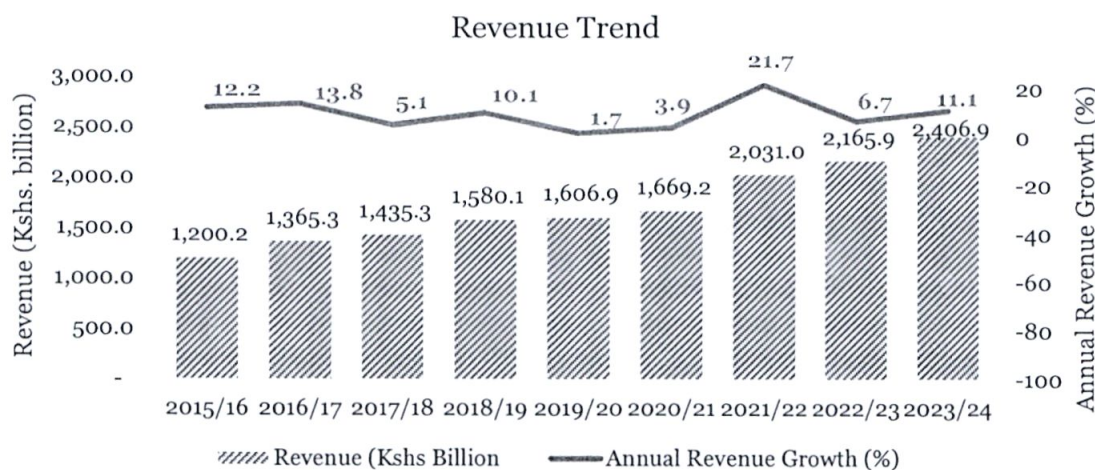


Figure 3: Tax Revenue Trends (2015/16 – 2023/24)

As shown in Figure 2, Customs and Border Control collected **Kshs. 791.18 billion** in the FY 2023/24 against a target of **Kshs. 836.71 billion** registering a revenue shortfall of **Kshs. 45.53 billion**. Customs revenues grew by **4.9 percent** over **Kshs. 754.09 billion** collected in FY 2022/23 and recorded a performance rate of **94.6%**. On the other hand, the Domestic Taxes Department collected **Kshs. 1.611 trillion** in FY 2023/24 against a target of **Kshs. 1.677 trillion**, a revenue shortfall of **Kshs. 66 billion**. Domestic tax revenue grew by **14.7 percent** over **Kshs. 1.407 trillion** collections in FY 2022/23 and recorded a performance rate of **96 percent**.

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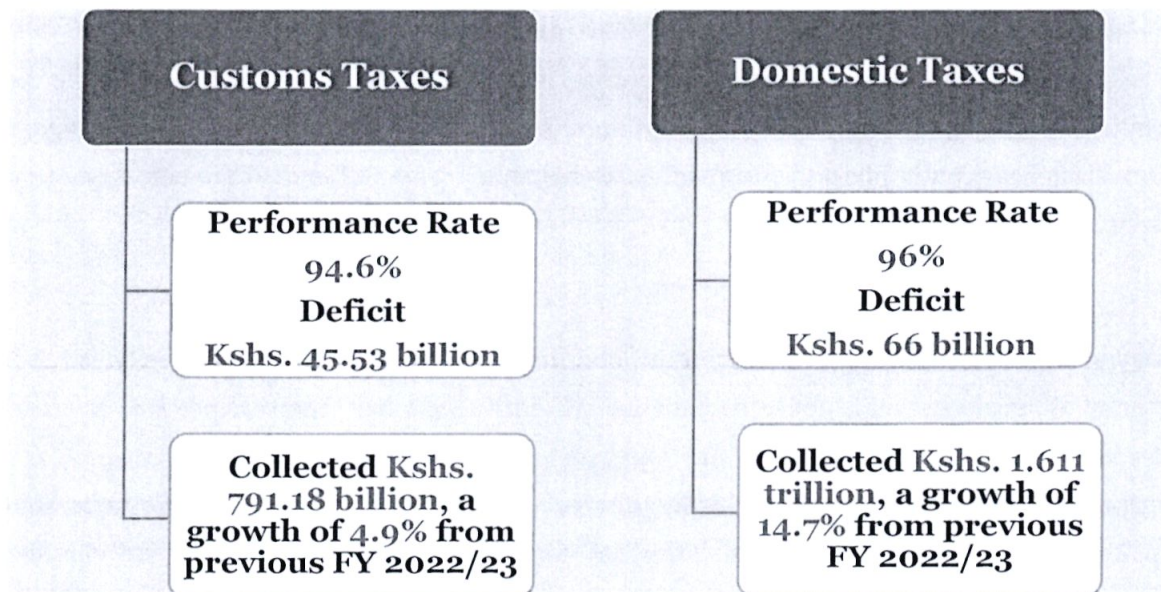


Figure 4: FY 2023/24 Performance rate against the target

**2. Revenue Performance against Target FY 2015/16 – FY 2023/24**

In Figure 3, we present the historical performance of revenue against revised targets. It is noted that the target has been revised over the years to adjust for changes in the macroeconomic environment that dictates the level of revenue collection. For the last nine years, KRA has consistently missed her target by an average of **2.65%**. However, in FY 2020/21 and FY 2021/22, the targets were surpassed by **1.04%** and **2.78%** respectively despite the challenges in the operating environment. In FY 2023/24, the revenue collection fell short of the revised target by **4.45 percent**.

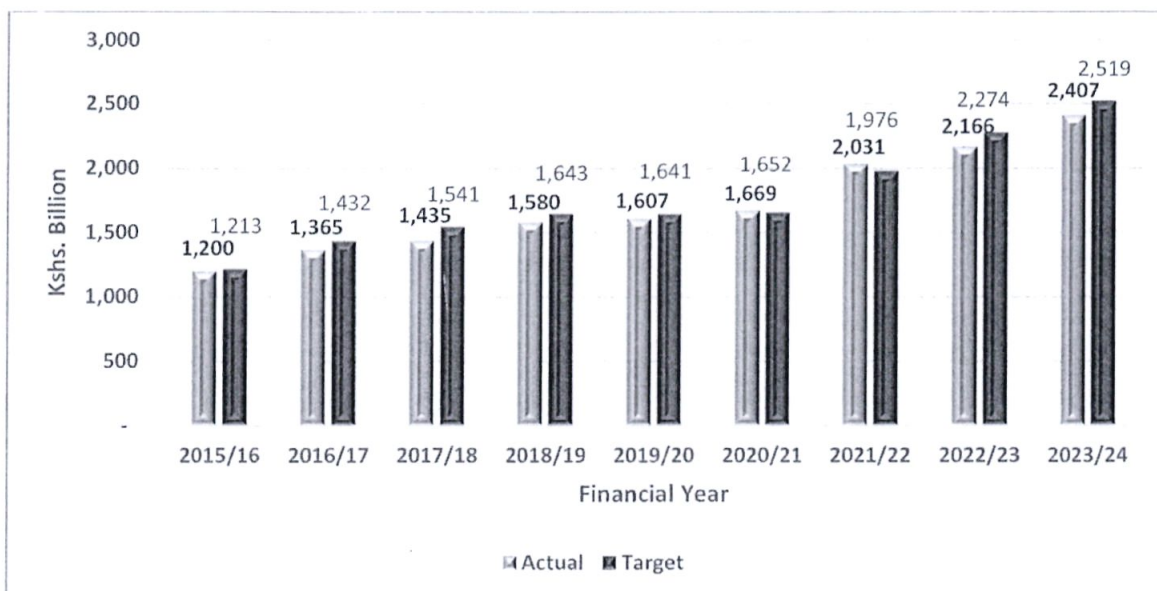


Figure 3: FY 2015/16 - FY2023/24 Actual Collection against Revised Target

### **3. Risks and Mitigation in the 8<sup>th</sup> Corporate Plan**

While KRA remains optimistic about implementing her mandate, we take cognisance of the risks that can lead to challenges in the implementation of this mandate. For this reason, risk mitigation measures have been put in place to ensure effective risk management. Some of the anticipated risks are discussed in this section.

#### **a. Non-registration of taxpayers**

To mitigate this risk, KRA's Eighth Corporate Plan implemented tax base expansion through the recruitment of new taxpayers, subjecting persons and entities to taxes that were previously exempt, and the addition of new obligations to the taxpayers already in the tax base. The strategies for tax base expansion focus on the taxation of the informal sector, the use of a geographic information system for block management system, increased compliance by high net-worth individuals to promote equity, taxation of the digital economy, and strategic collaboration and partnerships for revenue mobilisation.

#### **b. Taxpayer/customer experience risk**

To mitigate this risk, KRA has enhanced efforts towards simplification of tax processes and technology links to make it easy for taxpayers to comply with their tax obligations. KRA is also implementing tax policy reforms to ensure stability and clarity of tax laws and avert risks associated with policy formulation and design.

#### **c. Data integrity risk**

This is the risk that data stored and processed by information technology (IT) systems are incomplete, inaccurate, or inconsistent across different IT systems. KRA is in the process of cleaning up the taxpayer database. A clean taxpayer database is critical for revenue mobilisation as it ensures that the taxpayers have the correct obligations and ledger balances reflect the correct position.

#### **d. Smuggling risk**

This comes about due to the instability and underdevelopment of some neighbouring countries thus facilitating smuggling across porous borders. This risk is mitigated through the following strategies:  
i) Use of East Africa Community Centralized Platform for information and data exchange interface;  
ii) Work with the multi-agency task force to tackle security, smuggling, and illicit trade; and iii) Improve border management.

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**8. CORPORATE GOVERNANCE STATEMENT**

Corporate governance is the structure and processes used to direct and manage an organization in order to enhance corporate performance, accountability, fairness and transparency and accountability. It also entails the balancing of the interests of all stakeholders of the organization.

The Kenya Revenue Authority Board of Directors is the governing body of the Authority. The Board of Directors is responsible for the governance of the Authority and is accountable to the Cabinet Secretary, National Treasury to ensure compliance with the Kenya Revenue Authority Act, the Mwongozo Code of Conduct for State Corporations, international best practice and business ethics.

The Directors attach great importance to the need to conduct business and operations of the Authority with integrity, professionalism and in accordance with generally accepted international corporate governance practice. The Authority is committed to the implementation of good corporate governance practices as outlined by promotion of ethical leadership, accountability and ensure the sustainability of the organization.

The Board's responsibilities are broadly set out in Section 6 (6) of the Kenya Revenue Act CAP 469 of the Laws of Kenya.

**Board Meetings**

The Board meets on a monthly basis to review Management performance, including revenue collection, operational issues and future planning. The Directors are given appropriate and timely information to enable them maintain full and effective control over strategic, financial, operational, revenue and compliance issues. All the Directors are independent of Management and free from any business relationship that could materially interfere with the exercise of their independent judgment. The Board met sixteen (16) times during the period under review.

**Board Committees**

The Board had four (4) standing Committees during the period under review, which met regularly under the Terms of Reference set out by the Board.

**Human Resources Committee**

The Committee is responsible for monitoring and appraising the performance of Senior Management, reviewing of human resource policies, approval of remuneration policy for employees and making recommendations on Senior Management appointments to the Board. The Committee met eight (8) times and its Members were:

- i. Mr. Richard Ndung'u,
- ii. Mr. Hadi Abdullahi,
- iii. The Attorney General and
- iv. Commissioner General.

**Finance, Administration and Procurement Committee**

The Committee is responsible for review of the Authority's annual budget, Procurement and Disposal Plans and related policies. The Committee met six (6) times and its Members were:

- i. Ms. Lydia Rono,
- ii. The Principal Secretary – The National Treasury

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- iii. The Attorney General and
- iv. Commissioner General.

**Board Audit and Risk Committee**

The Committee is responsible for review of audit reports, compliance with relevant laws, procedure and standards, quality of financial reporting and oversight on internal control and risk, among others. The Committee assists the Board in discharging its supervisory and good corporate governance responsibilities. The Committee met five (5) times and its Members were:

- i. Mr. Hadi Abdullahi,
- ii. Mr. Richard Ndung'u and
- iii. The Principal Secretary – The National Treasury.

**Revenue, Strategy and Technology Committee**

The Committee is responsible for review of the Authority's strategic implementation of the Corporate Plan and Reform Programme. It also serves as a forum to encourage continuous research and review of tax policy proposals; regulatory framework and revenue collection. The Committee met eight (8) times and its Members were:

- i. Mr. Ashif Kassam, OGW,
- ii. Ms. Amolo Ngw'eno,
- iii. Mr. Hadi Abdullahi,
- iv. The Principal Secretary – National Treasury and
- v. Commissioner General.

**Board of Trustees**

The Authority has a Staff Pension Scheme which is supervised, managed and administered by a Board of Trustees. The Authority as sponsor of the Scheme, is represented by the following Board Members:

- i. Ms. Amolo Ngw'eno,
- ii. Mr. Ashif Kassam, OGW and
- iii. Mr. Waigi Kamau.

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**Board Matters**

Attendance to board meetings by members	<p>In the Financial Year 2023/2024: There were sixteen (16) full Board Meetings and twenty seven (27) Board Committees Meetings attended by Members.</p> <table border="1" data-bbox="491 501 1315 927"> <thead> <tr> <th>Meetings</th> <th>Nature</th> <th>No. of Meetings</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Full Board</td> <td>Scheduled</td> <td align="center">12</td> </tr> <tr> <td>Special</td> <td align="center">4</td> </tr> <tr> <td rowspan="2">Finance, Administration and Procurement Committee</td> <td>Scheduled</td> <td align="center">4</td> </tr> <tr> <td>Special</td> <td align="center">2</td> </tr> <tr> <td rowspan="2">Human Resources Committee</td> <td>Scheduled</td> <td align="center">4</td> </tr> <tr> <td>Special</td> <td align="center">4</td> </tr> <tr> <td rowspan="2">Revenue, Strategy and Technology Committee</td> <td>Scheduled</td> <td align="center">6</td> </tr> <tr> <td>Special</td> <td align="center">2</td> </tr> <tr> <td rowspan="2">Audit Committee</td> <td>Scheduled</td> <td align="center">4</td> </tr> <tr> <td>Special</td> <td align="center">1</td> </tr> </tbody> </table>	Meetings	Nature	No. of Meetings	Full Board	Scheduled	12	Special	4	Finance, Administration and Procurement Committee	Scheduled	4	Special	2	Human Resources Committee	Scheduled	4	Special	4	Revenue, Strategy and Technology Committee	Scheduled	6	Special	2	Audit Committee	Scheduled	4	Special	1
Meetings	Nature	No. of Meetings																											
Full Board	Scheduled	12																											
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	Special	2																											
Audit Committee	Scheduled	4																											
	Special	1																											
Succession plan	<p>Appointment is by the President (for the Board Chairman) and Cabinet Secretary – The National Treasury (for Board Members) as per the Kenya Revenue Authority Act Section 6(2)(a) and Section 6(2)(e). Expiry of term is usually communicated to The National Treasury at least three (3) months before expiry of Term</p>																												
Existence of a board charter	The Board Charter was reviewed and approved by the Board on 14 <sup>th</sup> June, 2024.																												
Process of appointment and removal of directors	As per the Kenya Revenue Authority Act Sections 7 and 8 and the State Corporations Act Section 7.																												
Roles and functions of the Board	As per the Kenya Revenue Authority Act Section 6(6).																												
Induction and training	<p>The Directors attended the following Workshops:</p> <ul style="list-style-type: none"> <li>• Induction Workshop for Board Members of State Corporations facilitated by the State Corporations Advisory Committee (29<sup>th</sup> to 31<sup>st</sup> January, 2024) – 7 Directors attended.</li> <li>• Board Induction workshop for New Board members by the Institute of Internal Auditors (IIA) (26<sup>th</sup> February to 1<sup>st</sup> March, 2024) – 2 Directors attended.</li> <li>• Workshop on Data Analytics and Governance (27<sup>th</sup> to 29<sup>th</sup> September, 2024).</li> </ul>																												
Board Performance	The Board Performance Self-Assessment for Financial Year 2023/2024 was carried out on 20 <sup>th</sup> September, 2023 and facilitated by the State Corporations Advisory Committee.																												
Conflict of interest	Declaration of Conflict of interest is done in all Board and Board Committees Meeting and recorded as part of the proceedings.																												
Board remuneration	As per the relevant Government Circular: Sitting Allowance: Letter dated 11 <sup>th</sup> February, 2011 Ref ZZ MOF 131/04																												
Ethics and conduct	This is provided for under Chapter 3 of the Board Charter, which quotes policies and Acts that the Board Members as Public officers are subject to.																												
Governance Audit	The award for the procurement of Governance Audit Services was given in June, 2024. The audit will be conducted in the Financial Year 2024/2025.																												

## **9. CORPORATE SOCIAL RESPONSIBILITY (CSR) STATEMENT**

### **Statement Purpose:**

The Corporate Social Responsibility (CSR) statement is a progress report on Kenya Revenue Authority (KRA) as a responsible corporate citizen. KRA's corporate sustainability target audience include employees, their families, local communities and society at large. The CSR initiatives are aimed to improve quality of life, the environment and the economy in the long-term. KRA focuses on four strategic pillars namely: Environment, Health, Education, and Sports.

In the financial year 2023/2024, KRA staff volunteers played a key role in the implementation of 44 social engagements. These initiatives are as follows; two (2) engagements under the environment pillar, three (3) under the health pillar, one (1) under education pillar and 39 engagements under the volunteers' programme respectively.

### **The theme of FY 2023/24 CSR initiatives**

In this financial year, KRA focused on achieving its responsible corporate citizenship through partnership and volunteerism leading to the theme of: Ushirikiano na Kujitolea. This statement highlights our journey of collaboration with both our internal and external partnerships for a common goal which is supporting initiatives for people, planet and profit. We are grateful to Commissioner General, Humphrey Wattanga (Mr). for supporting the social engagements and climate change mitigation by leading KRA staff in planting 377,388 trees in support the Government of Kenya 15B Tree planting drive.

### **Innovative approaches to CSR**

#### **Community engagements through social engagements**

In this financial year, KRA achieved 44 community social engagements through:

- The Tenda Wema campaign
- CSR staff volunteers programme

#### **Tenda Wema**

Tenda Wema campaign is a 'Do Good' staff initiative that encourages staff to support social engagements in-kind. We have implemented three (3) Tenda Wema initiatives that benefited 1598 people.

#### **Staff Volunteers Programme**

CSR staff volunteers' programme is an initiative that voluntarily registers staff to give hours of community service in social community engagements. So far, KRA has registered 368 CSR staff volunteers. In the FY 2023/24 KRA Volunteers gave 2275 Hours to community service. This is approximately 94 days of their time in serving the community. Through the volunteers' programme we implemented two activities:

- Weekly volunteers' initiative
- CSR Volunteers Handbook

### **Weekly Volunteers Initiative**

Through the weekly volunteers' initiative staff participated in the Feeding Programme that is a partnership between KRA and Relationship Haven. This initiative is supported by the Hindu Council of Kenya. This initiative is conducted every Sunday from 12.30 pm to 5:00 pm where staff visit informal settlements in Nairobi. In the FY 2023/24 154 KRA volunteers participated in 39 activities and served 10,729 families and children in Nairobi slums namely; Huruma, Elite school Kibera, Komarock Market, Makadara boys center, Imara Daima, Mission Hope Pangani, Mathare Christ Hope, Shinning Hill Academy, Njiru, Jericho Makadara, Viwandani Makadara, Mukuru Kayaba, Kicheko, mlolongo, Dagoretti South, Christian Restoration Church Matopeni, Pangani ward, Dagoreti Lenana area, Mwiki Kasarani area and Baba Dogo among others.

### **Volunteers Handbook**

KRA developed a CSR Volunteers' Handbook whose purpose is to act as a volunteer's guide and facilitate the on-boarding process of newly registered volunteers. The handbook provides registration details and timesheets for documenting volunteers activities.

### **Environment pillar**

#### **Tree growing**

In this financial year, KRA has planted 377,388 against a target of 300,000 tree seedlings. This was made possible through adoption of forest in all KRA regions across the country. The trees were grown in the following locations: Mau Forest, Kinale Forest, Mangrove Forest, Mt. Elgon Forest, Kajulu Forest, Ganahola, Suam Forest, Lower Imenti Forest and Elbagon-Kiptunga Forest.

#### **E-Waste Initiative**

KRA has also implemented an E-Waste Management initiative in partnership with WEE Centre. This initiative advances the Sustainable Development Goals and Circular economy through collecting, recovering and recycling all electronic waste. On December 8, 2024, KRA held a staff sensitization session on the importance of E-Waste management. This session aimed to educate staff and raise awareness about the E-Waste management initiative.

### **Education pillar**

Since 2022, KRA has engaged various partners and volunteers to mentor 549 students, youth and teen mothers in Ngong, Kibra, Njiru and Mukuru kwa Reuben.

#### **Mentorship initiatives**

##### **Shinning Hill Junior & Secondary School**

In the financial year 2023/24 CSR conducted a mentorship programme at Shinning Hill Junior and Secondary on 9th February 2024 at Njiru, Kasarani. This programme saw 191 students mentored on issues of drug abuse, teenage pregnancies and early marriages. The mentorship was carried out by approved KRA counsellors and approved peer educators Mrs. Bertha Kanyili and Mr. Samuel Githinji from Customs & Boarder Control Department.

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Mentoring these students is important as it shows KRA’s commitment to ensuring the wellbeing of Kenya’s future tax payers.

**Health pillar**

The Health pillar is two pronged with KRA corporate led initiatives and volunteers driven initiative that supports neurodiversity and sanitary dignity.

**Neurodiversity & Inclusivity.**

In July 2023, CSR organized a neurodiversity initiative at Percy Davies Special Schools in Murang’a, showcasing its commitment to supporting neurodiversity communities. The school has 202 special needs children mostly affected by autism.

In October 2023, KRA conducted a staff sensitization on dyslexia at the workplace to mark the global Dyslexia Awareness month.

**Sanitary dignity – Code Red Campaign**

Code Red is an initiative that aims to address the need for menstrual hygiene and infant care products in correctional facilities for women and children. Its primary objective is to supply essential sanitary pads and diapers, fostering a healthier and more supportive environment within the prison system.

This initiative was achieved through staff donations of sanitary towels, diapers and dignity kits to women prisons in Kenya and schools. The Code Red campaign benefitted 1,097 women and 45 children’s in Langata Women’s Maximum Prison, Kisumu Women Prison, Shimo la Tewa Women Prison, Saika Group ‘Njiru Feminist’ at Silanga in Saika and St. Thomas Aquinas Komosoko secondary school in Isebania

Summary of community social engagements July 2023-June 2024

No.	CSR Engagement	Description	Reach/ Numbers	Date/ Month
1	Neurodiversity	<input type="checkbox"/> Percy Davis Special School in Murang’a County	200 students	26th July 2023
		<input type="checkbox"/> 14 KRA staff volunteers participated in the initiative		
		<input type="checkbox"/> 300 KRA staff Participated in a Staff Sensitization on Neurodiversity on 31st October 2023	200 students	31st October 2023
2	Tree Planting	<input type="checkbox"/> Tree Planting of 1,000 trees at Kessup block-Kaptagat Forest on 1st July 2023	1,000 trees	1st July 2023
		<input type="checkbox"/> Tree Planting of 5,000 trees at Eldoret RSA Paramilitary Training on 28th July 2023	5,000 trees	28th July 2023

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<input type="checkbox"/>	Tree Planting of 580 trees at Nabkoi Forest, Anabkoi Constituency, Uasin Gishu County on 4th August 2023	580 trees	4th August 2023
<input type="checkbox"/>	Tree Planting of 500 trees at Chewoiyet Primary School in West Pokot on 4th August 2023	500 trees	4th August 2023
<input type="checkbox"/>	Tree planting of 5,000 tree by RSA's at the KDF recruit training school on 6th August 2023	5,000 trees	6th August 2023
<input type="checkbox"/>	Tree Planting of 3,000 trees at St. Mary's Secondary School in Narok Town on 10th August 2023	3,000 trees	10th August 2023
<input type="checkbox"/>	Tree Planting of 255 trees at KESRA Mombasa Campus on 18th August 2023	255 trees	18th August 2023
<input type="checkbox"/>	Tree Planting of 5,000 trees at RSA Graduation Ceremony on 25th August 2023	5,000 trees	25th August 2023
<input type="checkbox"/>	Tree planting of 50 trees at KESRA Mombasa Campus on 2nd October 2023	50 trees	2nd October 2023
<input type="checkbox"/>	Tree planting of 30 trees at Hombe Kenya Forest Service Station, Nyeri on 18th October 2023	30 trees	18th October 2023
<input type="checkbox"/>	Tree planting of 400 trees at Arabuko Community Forest in Malindi on 30th October 2023	400 trees	30th October 2023
<input type="checkbox"/>	Tree planting of 11,000 trees at Dongo Kundu Forest, Mombasa county		10th May 2024
<input type="checkbox"/>	Tree planting of 2500 trees at Lari Forest, Kiambu county		10th May 2024
<input type="checkbox"/>	Tree planting of 10,000 trees at Lower Imenti Forest in Meru	10,000 trees	13th November 2023
<input type="checkbox"/>	Tree planting of 376 trees at AIC Namanga Primary School in Namanga OSBP	376 trees	13th November 2023
<input type="checkbox"/>	Tree planting of 20,000 trees at Narok- Mau Forest	20,000 trees	13th November 2023
<input type="checkbox"/>	Tree planting of 10,000 trees at Elbagon- Kiptunga Forest	10,000 trees	13th November 2023
<input type="checkbox"/>	Tree planting of 10,000 trees at Kimondi Forest	10,000 trees	13th November 2023
<input type="checkbox"/>	Tree planting of 3,000 trees at Suam Forest	3,000 trees	13th November 2023
<input type="checkbox"/>	Tree planting of 30 trees trees at Busia OSBP during International Customs Day	30 trees	26th January 2024
<input type="checkbox"/>	Tree planting of 2,300 trees at Taita Taveta OSBP	2,300 trees	13th November 2023

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<input type="checkbox"/>	Tree planting of 600 trees at Namanga OSBP	600 trees	11th April 2024
<input type="checkbox"/>	Tree planting of 2,000 trees at Taita Taveta Sub-County	2,000 trees	13th November 2023
<input type="checkbox"/>	Tree planting of 10,000 trees at Ganahola in Mikindani	10,000 trees	13th November 2023
<input type="checkbox"/>	Tree planting of 10,000 trees at Dongo Kundu, Mombasa	10,000 trees	4th December 2023
<input type="checkbox"/>	Tree planting of 100,000 trees at Kinale Forest	100,000 trees	4th December 2023
<input type="checkbox"/>	Tree planting of 273 trees at Lunga Lunga	273 trees	13th November 2023
<input type="checkbox"/>	Tree Planting of 3,000 trees at Kajulu Forest	3000 Trees	13th November 2023
<input type="checkbox"/>	Tree planting of 50 trees at Turkana County	50 trees	8th March 2024
<input type="checkbox"/>	Tree Planting of 10,000 trees at Mt. Elgon Forest	10000 trees	13th November 2023
<input type="checkbox"/>	Tree Planting of 153 trees at Siaya	153 trees	13th November 2023
<input type="checkbox"/>	Tree Planting of 12,000 trees at Kinale Forest	12,000 trees	13th November 2023
<input type="checkbox"/>	Tree Planting of 20,000 trees at Kinale Forest	20,000 trees	13th November 2023
<input type="checkbox"/>	25 KRA staff volunteers participated		
<input type="checkbox"/>	Tree Planting of 2,500 trees at Korinda Prisons in Busia County	2,500 trees	13th November 2023
<input type="checkbox"/>	Tree Planting of 1,200 trees at Mangrove Forest in Jomvu Kuu, Mombasa on 30th October 2023	1,200 trees	30th October 2023
<input type="checkbox"/>	Tree Planting of 200 trees at Kilifi on 30th October 2023	200 trees	30th October 2023
<input type="checkbox"/>	Tree Planting of 200 trees at Lunga Lunga OSBP on 30th October 2023	200 trees	30th October 2023
<input type="checkbox"/>	Tree Planting of 250 trees at Taita Taveta OSBP on 30th October 2023	250 trees	30th October 2023
<input type="checkbox"/>	Tree Planting of 11 trees at Moi Stadium in Kisumu on 29th October 2023	11 trees	29th October 2023
<input type="checkbox"/>	Tree Planting of 2,000 trees at Kisii Primary School in Kisii TSO on 28th September 2023	2,000 trees	28th September 2023

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3	Tenda Wema	<input type="checkbox"/> Donated food items such as Maize Flour, Cooking Oil, Rice, Sugar and Wheat Flour to Shinning Hill School in Njiru on 9th February 2024.		9th February 2024
		<input type="checkbox"/> 17 staff participated in the event		
		<input type="checkbox"/> Donated Clothes and Maize Flour to Mng'aro Mtaani Organisation in Kasarani Area on 31st August 2023	500 children and families	31st August 2023
4	Feeding Programme	<input type="checkbox"/> Baba Dogo 09th July 2023	200 children and families	09th July 2023
		<input type="checkbox"/> 4 KRA staff volunteers present		
		<input type="checkbox"/> Fed 200 children and families		
		<input type="checkbox"/> Jericho, Makadara 16th July 2023	153 children and families	16th July 2023
		<input type="checkbox"/> 3 KRA volunteers present		
		<input type="checkbox"/> Fed 153 children and families		
		<input type="checkbox"/> Dagoreti Lenana area 23rd July 2023	300 children and families	23rd July 2023
		<input type="checkbox"/> 4 KRA staff volunteers present		
		<input type="checkbox"/> Fed 300 children and families		
		<input type="checkbox"/> Kabarage, Loresho westlands on 30th July 2023	276 children and families	30th July 2023
		<input type="checkbox"/> 4 KRA staff volunteers		
		<input type="checkbox"/> Fed 276 children and families		
		<input type="checkbox"/> Baba Dogo, Karadudu area on 6th August 2023	400 children and families	6th August 2023
		<input type="checkbox"/> 5 KRA staff volunteers present		
		<input type="checkbox"/> Fed 400 children and families		
		<input type="checkbox"/> Soweto Bethsaida children centre on 13th August 2023	250 children and families	13th August 2023
		<input type="checkbox"/> 3 KRA staff volunteers present		
		<input type="checkbox"/> Fed 250 children and families		
<input type="checkbox"/> Pangani ward Starehe Constituency on 20th August 2023	300 children and families	20th August 2023		
<input type="checkbox"/> 2 KRA staff volunteers present				
<input type="checkbox"/> Fed 300 children and families				
<input type="checkbox"/> Kibera on 27th August 2023	350 children and families	27th August 2023		
<input type="checkbox"/> 4 KRA staff volunteers present				
<input type="checkbox"/> Fed 350 children and families				

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<input type="checkbox"/>	Mathare youth centre distribution on 3rd September 2023	300 children and families	3rd September 2023
<input type="checkbox"/>	3 KRA staff volunteers present		
<input type="checkbox"/>	Fed 300 children and families		
<input type="checkbox"/>	Ruai Kasinga, Kasarani constituency on 17th September 2023	250 children and families	17th September 2023
<input type="checkbox"/>	2 KRA staff volunteers present		
<input type="checkbox"/>	Fed 250 children and families		
<input type="checkbox"/>	Christian Restoration Church, Matopeni on 24th September 2023	320 children and families	24th September 2023
<input type="checkbox"/>	2 KRA staff volunteers present		
<input type="checkbox"/>	Fed 320 children and families		
<input type="checkbox"/>	Feeding Programme at Dagoretti city primary school on 1st October	Fed 200 children and families	1st October 2023
<input type="checkbox"/>	4 KRA staff volunteers present		
<input type="checkbox"/>	Fed 200 children and families		
<input type="checkbox"/>	Feeding Programme at Mathare Mabatini mashimoni on 8th October	150 children and families	8th October 2023
<input type="checkbox"/>	4 KRA staff volunteers present		
<input type="checkbox"/>	Fed 150 children and families		
<input type="checkbox"/>	Feeding Programme at Kicheko, Beijing Road, Mlolongo	194 children and families	15th October 2023
<input type="checkbox"/>	8 KRA staff volunteers present		
<input type="checkbox"/>	Fed 194 children and families		
<input type="checkbox"/>	Feeding Programme at Viwandani Lunga lunga Road 5th November 2023	Fed 230 children and families	5th November 2023
<input type="checkbox"/>	4 KRA staff volunteers present		
<input type="checkbox"/>	Fed 230 children and families		
<input type="checkbox"/>	Feeding programme at Ruai	536 children and 108 adults	17th March 2024
<input type="checkbox"/>	3 KRA staff participated		
<input type="checkbox"/>	Feeding programme at Huruma Community Social Justice centre	260 Children	24th March 2024
<input type="checkbox"/>	Feeding Programme at Ngando Dagoretti	380 people	31st March 2024

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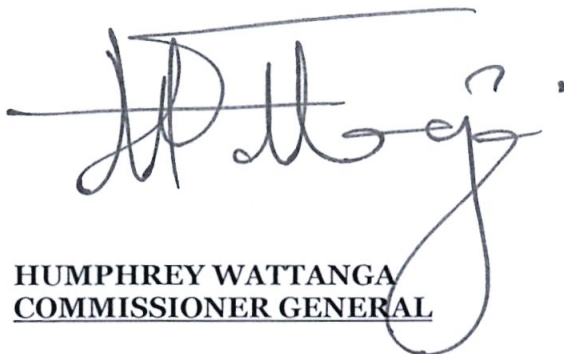
<input type="checkbox"/>	Feeding Programme at Kuwinda Lang'ata		7th April 2024
		620 children	
<input type="checkbox"/>	Feeding Program at Olympic Kibera	300 children	14th April 2024
<input type="checkbox"/>	Feeding Programme at Shinning Hill Academy, Njiru on 3rd December 2023	Fed 107 children and 47 families	3rd December 2023
<input type="checkbox"/>	7 KRA staff volunteers present		
<input type="checkbox"/>	Fed 107 children and 47 families		
<input type="checkbox"/>	Feeding Programme at Mathare, Christ Hope on 10th December 2023	Fed 200 children and 90 families	10th December 2023
<input type="checkbox"/>	11 KRA staff volunteers present		
<input type="checkbox"/>	Fed 200 children and 90 families		
<input type="checkbox"/>	Feeding Programme at Elite School 8 KRA staff volunteers present Feed 499 Children and Families	Fed 499 children and families	10th March 2024
<input type="checkbox"/>	Feeding Programme at Olympic Kibera 17th December 2023	Fed 200 children and families	17th December 2023
<input type="checkbox"/>	4 KRA staff volunteers present		
<input type="checkbox"/>	Fed 200 children and families		
<input type="checkbox"/>	Feeding Programme at Imara Daima, Riara slum	Fed 220 children and families	7th January 2024
<input type="checkbox"/>	4 KRA staff volunteers present		
<input type="checkbox"/>	Fed 220 children and families		
<input type="checkbox"/>	Feeding Programme at Makadara boys center, Eastlands	Fed 85 children and families	28th January 2024
<input type="checkbox"/>	4 KRA staff volunteers present		
<input type="checkbox"/>	Fed 85 children and families		
<input type="checkbox"/>	Feeding Programme at Kibera, Lindi ward mosque	Fed 450 children and families	4th February 2024
<input type="checkbox"/>	5 KRA staff volunteers present		
<input type="checkbox"/>	Fed 450 children and families		
<input type="checkbox"/>	Feeding Programme at Komarock Market, Kangundo Road	Fed 250 children and families	10th February 2024
<input type="checkbox"/>	1 KRA staff volunteers present		
<input type="checkbox"/>	Fed 250 children and families		
<input type="checkbox"/>	Feeding Programme at Huruma	Fed 474 children and families	11th February 2024
<input type="checkbox"/>	2 KRA staff volunteers present		

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<input type="checkbox"/>	Fed 474 children and families		
<input type="checkbox"/>	Feeding Programme at Kibera DC		
<input type="checkbox"/>	6 KRA staff volunteers present	Fed 496 children and families	18th February 2024
<input type="checkbox"/>	Fed 496 children and families		
<input type="checkbox"/>	Feeding Programme at Viwandani, Makadara		
<input type="checkbox"/>	10 KRA staff volunteers present	Fed 305 children and families	25th February 2024
<input type="checkbox"/>	Fed 305 children and families		
<input type="checkbox"/>	Feeding Programme at Huruma		
<input type="checkbox"/>	8 KRA staff volunteers present	Fed 619 children and families	3rd March 2024
<input type="checkbox"/>	Fed 619 children and families		
<input type="checkbox"/>	Feeding Programme at Mabati Mathare on 12th November 2023	Fed children and families 200 and	12TH November 2023
<input type="checkbox"/>	5 KRA staff volunteers present		
<input type="checkbox"/>	Fed 200 children and families		
<input type="checkbox"/>	Feeding Programme at Viwandani, Makadara on 19th November 2023	Fed children and families 200 and	19th November 2023
<input type="checkbox"/>	5 KRA staff volunteers present		
<input type="checkbox"/>	Fed 200 children and families		
<input type="checkbox"/>	Feeding Programme at Jericho, Makadara on 26th November 2023	Fed children and families 400 and	26th November 2023
<input type="checkbox"/>	9 KRA staff volunteers present		
<input type="checkbox"/>	Fed 400 children and families		
<input type="checkbox"/>	Feeding Programme at Amani Kibera Community on 22nd October 2023	184 children and families	22nd October 2023
<input type="checkbox"/>	4 KRA staff volunteers present		
<input type="checkbox"/>	Fed 184 children and families		
<input type="checkbox"/>	Feeding Programme at Mukuru Kayaba on 29th October 2023	270 children and families	29th October 2023
<input type="checkbox"/>	3 KRA staff volunteers present		
<input type="checkbox"/>	Fed 270 children and families		
<input type="checkbox"/>	Feeding programme at Juja Road	145 Children	12th May 2024

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5	Documentation of Impact Stories	<input type="checkbox"/> Documentation of impact story at Lifesong Half way House in Ngong on 3rd November 2023		3rd November 2023
		<input type="checkbox"/> 8 KRA staff participated		
6	E-Waste Sensitization	<input type="checkbox"/> 185 KRA staff Participated in a E-Waste Management Sensitization on 8th December 2023		8th December 2023
7	Youth Connect Africa Summit	<input type="checkbox"/> 15 KRA staff participated in the YouthConnect Africa Summit 2023 from 8th-11th December 2023 at KICC		8th-11th December 2023
8	Code Red Campaign	<input type="checkbox"/> Isebania donated 8 Carton of sanitary pads to 144 girls in St. Thomas Aquinas Komosoko secondary school	144 Girls	8th March 2024
		<input type="checkbox"/> Western Region donated 28 Cartons of sanitary pads at Kisumu Women's prison.	30 women	8th March 2024
		<input type="checkbox"/> Southern region staff visited Shimo la Tewa Women's Prison and donated sanitary pads, inner ware and pampers to mark this year's International Women's Day	148 women	8th March 2024
		<input type="checkbox"/> Donation of 24 packets of sanitary pads and 2 bundles of Maize Flour at Silanga , Saika Group	25 teenage mothers	16th March 2024
		<input type="checkbox"/> 7 KRA staff participated in a Code Red Campaign at Langata Women's Maximum Security.	750 Women 45 Children	12th April 2024
TOTAL		12,058 children and families feed		
		377,388 trees planted		



**HUMPHREY WATTANGA**  
**COMMISSIONER GENERAL**

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**10. REPORT OF THE BOARD OF THE DIRECTORS**

The Directors submit their report together with the unaudited Revenue Accountability Statements for the year ended June, 2024 which show the state of Kenya Revenue Authority's affairs.

**Principal activities**

The principal activities of the Authority continue to be assessment and collection of revenue, administration, enforcement of laws relating to and accounting for revenue collected under the relevant Acts.

**Results**

The results of the Authority for the year ended June,2024 are set out on pages 55 to 100.

**Directors**

The Members of the Board who served during the year are shown on page 5 to 16.

**Auditors**

The Auditor General is responsible for the statutory audit of the entity in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

.....  
**Paul Matuku, EBS**  
**By Order of the Board**  
**Board Secretary**

Date: .....

**KENYA REVENUE AUTHORITY  
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**11. STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Section 82 (1) of the Public Finance Management Act, 2012 requires that, at the end of each quarter and financial year, a receiver of revenue shall prepare an account of the revenue received and collected by the receiver during that financial year. As the collector of revenue, the Kenya Revenue Authority prepares the Revenue Accountability Statement, which give a true and fair view of the state of affairs of the collections at the end of each quarter and the financial year. The Directors are also required to ensure that the Authority keeps proper accounting records, which disclose with reasonable accuracy the collections, by the Authority.

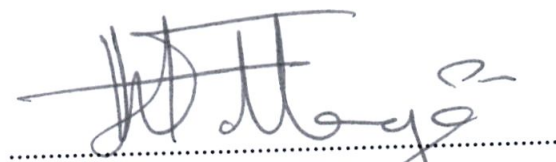
The Directors are responsible for the preparation and presentation of the Authority's Revenue Accountability Statement, which give a true and fair view of the collections by the Authority for the year ended June, 2024. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the collections by the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the Revenue Accountability statement, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Authority; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Directors accept responsibility for the Authority's Revenue Accountability Statement, which has been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and The KRA Act. The Directors are of the opinion that the Authority's Revenue Accountability Statement give a true and fair view of the state of Authority's transactions during the year ended June, 2024. The Directors further confirm the completeness of the accounting records maintained for the Authority, which have been relied upon in the preparation of the Authority's Revenue Accountability Statement as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that the Authority will not remain a going concern for at least the next twelve months from the date of this statement.

**Approval of the Revenue Accountability Statement**

The Authority's Revenue Accountability Statement was approved by the Board on \_\_\_\_\_ and signed on its behalf by:

  
.....  
**HUMPHREY WATTANGA**  
**COMMISSIONER GENERAL**

.....  
**HON. NDIRITU MURIITHI**  
**CHAIRMAN**

# REPUBLIC OF KENYA

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NAIROBI

*Enhancing Accountability*

## REPORT OF THE AUDITOR-GENERAL ON REVENUE ACCOUNTABILITY STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2024 – KENYA REVENUE AUTHORITY

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### PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

### REPORT ON REVENUE ACCOUNTABILITY STATEMENTS

#### Qualified Opinion

I have audited the accompanying revenue accountability statements of Kenya Revenue Authority set out on pages 55 to 98, which comprise of the statement of financial position

as at 30 June, 2024 and the statement of revenue collections and transfers, statement of targets versus actual performance by tax head for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the revenue accountability statements present fairly, in all material respects, the financial position of Kenya Revenue Authority at 30 June, 2024 and of its revenue collections for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Kenya Revenue Authority Act, Cap 469 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Non-Collection of Capital Gains Tax**

The statement of revenue collections and transfers reflects taxes on income, profits and capital gains of Kshs.1,048,743,369,140 as disclosed in Note 17.1 to the revenue statements. The amount includes Kshs.8,380,999,876 in respect of capital gains tax. Analysis of stamp duty collection reports between the month July to November, 2023 revealed that 2,711 properties valued at Kshs.33,238,026,008 were transferred during the financial year. Included in the properties were 2,421 properties valued at Kshs.25,775,394,504 for which the Authority did not collect capital gains tax revenue amounting to Kshs.1,106,263,721. Further, there was no evidence provided to indicate that trend analysis/monitoring was done to allow for compliance audit and additional assessment.

In the circumstances, the accuracy and completeness of the capital gains tax of Kshs.8,380,999,876 could not be confirmed.

#### **2. Unreconciled Customs Duty (Import Duty)**

The statement of revenue collections and transfers reflects total treasury collections of Kshs.2,250,179,782,780. Review of Customs duties (Import Duty) tax collections supporting schedules indicated that the Authority collected customs duties totalling Kshs.133,448,662,626. Out of the amount, Kshs 48,735,649 was collected through CBK direct credits/payments as revenue collections not applied to taxpayers. However, the amount was not separately disclosed in the revenue accountability statement.

In the circumstances, the accuracy and completeness of the total treasury collections of Kshs.2,250,179,782,780 could not be confirmed.

### **3. Collection of Revenue on Behalf of the Nairobi City County Government**

Note 17.13 to the revenue statements reflect revenue of Kshs.10,938,189,077 collected on behalf of the Nairobi City County Government during the year. The Service Level Agreement (SLA) between the Authority and Nairobi City County Government was entered into through Gazette Notice No.1967 of 6 March, 2020 for a period of 24 months, effective from March, 2020 to March, 2022. The agreement was later extended for 6 months up to September, 2022 through Gazette Notice No.2662 of 31 January, 2022.

However, records provided for audit indicated that the Nairobi City County Government continued channeling collections through the Authority's bank accounts up to July, 2024. Although Management indicated that the continued use of the Authority's bank account was to enable smooth transition, no disclosure to this effect has been made in revenue statement. The continued use of the Authority bank accounts for over 21 months without an existing agreement was irregular and unlawful.

In the circumstances, the validity of Nairobi City County Government revenue collection of Kshs.10,938,189,977 could not be confirmed.

### **4. Unreconciled Domestic Taxes Collections (CBK Direct Credits)**

The statement of revenue collections and transfers reflects total treasury collections of Kshs.2,250,179,782,780. Review of the domestic tax collections supporting schedule indicated that the Authority collected VAT on Domestic Goods and Services totalling Kshs.687,549,946 through CBK direct credits/payments. This was yet to be reconciled and updated to the respective taxpayers iTax ledgers. Management explained that continuous reconciliation is undertaken to allocate the received amounts to the specific taxpayers. However, a detailed report on what had been reconciled, allocated and updated in the iTax system was not provided for audit.

In the circumstances, the accuracy and completeness of total treasury collections of Kshs.2,250,179,782,780 could not be confirmed.

### **5. Long Outstanding Revenue Debt**

Appendix vi to the revenue statements reflects an outstanding revenue debt of Kshs. 2,333,928,549,203 as at 30 June, 2024 which was Kshs.1,334,329,081,874 (133.49%) higher than the Kshs.999,599,467,329 reported as at 30 June, 2023. The balance includes additions in arrears for the year under review of Kshs. 2,065,779,034,627. The amount is 91.8% of the total treasury collections of Kshs.2,250,179,782,780 for the same period an indication that the set targets for the Authority are way below possible tax yield.

Further, the debt breakdown includes Kshs.765,311,932,975 in respect of migrated legacy system debt which was under ledger reconciliation jointly with the taxpayers. Reconciliation process should result in reduction of the debt figures. However, following

the reconciliation process, the legacy debt appears to have increased. Details of the additional debt added to legacy in terms of taxpayers, amount and reasons for inclusion were not provided for audit. In addition, the legacy debt migration report provided indicated an amount of Kshs.450,196,075,880 resulting to unreconciled variance of Kshs.315,115,857,095.

Management explained that debt totalling Kshs.138,616,534,831 was undergoing review to establish validity which may be a weakness in debt capture, processing and accounting procedures resulting in invalid debt.

In the circumstances, the accuracy and completeness of outstanding revenue debt of Kshs.2,333,928,549,203 could not be confirmed.

## **6. Unconfirmed Cash in Transit**

Note 17.17 (E) (iv) to the revenue statement on funds available for transfer from prior years reflects opening cash in transit of Kshs.19,279,392,318. The balance was adjusted by Kshs.804,167,959 to Kshs.18,475,224,359. Although, Management explained that the adjustment was in respect of prior year adjustments and errors corrections, analysis of amounts relating to unallocated revenue, errors and timing differences were not provided for audit.

In the circumstances, the funds available for transfer from prior years of Kshs.18,475,224,359 could not be confirmed.

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Kenya Revenue Authority management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

### **Other Matter**

#### **1. Unresolved Prior Year Matters**

In the audit report of the previous year, several issues were raised under the Report on Financial Statements and Report on Lawfulness and Effectiveness in use of Public Resources. However, the issues have not been discussed by the Public Investments Committee of the National Assembly hence they remain unresolved.

## **2. Non-Compliance with Public Sector Accounting Standards Reporting Template**

Review of the non-financial information revealed that the Board Secretary did not sign the report of the Board of Directors as required by the Public Sector Accounting Standards Board reporting template. The statements have therefore not complied with the PSASB guidelines.

### **Other Information**

The Directors are responsible for the other information set out on page 1 to 54 which comprise of Key Entity Information and Management, The Board of Directors, Management Team, Chairman's Statement, Report of the Chief Executive Officer, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Corporate Social Responsibility, Report of the Directors, Statement of Directors Responsibilities and Review of Kenya Regulatory and Non-Commercial Enterprises' Performance for the year 2023/24. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Authority's Revenue Accountability statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

#### **1. Non-Compliance with the Law on Export and Investment Promotion Levy**

The statement of revenue collection and transfers reflects collection of export and investment promotion levy amount of Kshs.344,300,650 as detailed in Note 17.9 to the revenue statement. However, Management did not open an Export and Investment Promotion Levy account at the Central Bank of Kenya despite having The National Treasury approvals resulting in delayed collection of revenue in the right account as stipulated in Public Finance Management Act, 2012.

Consequently, collections from September, 2023 to March, 2024 totalling Kshs.213,105,116 was transferred to Import duty Account at The National Treasury. There were also no regulations establishing the Fund Account which would form the basis for collection and utilization of the funds.

In the circumstances, Management was in breach of the law.

## **2. Lack of Service Level Agreement for Collection of Traffic Fees**

Note 17.11 to the revenue statements reflects Traffic fees collection of Ksh.335,250,780. However, the Authority did not have a Service Level Agreement with National Transport and Safety Authority (NTSA) with regard to collection of traffic fees as required by Regulation 67 (20) of the Public Finance Management Regulation (National Government),2015.

In the circumstances, the regularity of traffic fees collections of Ksh.335,250,780 could not be confirmed.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

## **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

### **Basis for Conclusion**

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk Management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

### **Responsibilities of Management and Board of Directors**

Management is responsible for the preparation and fair presentation of these Revenue Accountability statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of Revenue Accountability statements

that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

The Board of Directors are responsible for overseeing the Authority's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

### **Auditor-General's Responsibilities for the Audit**

My responsibility is to conduct an audit of the Revenue Accountability Statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the Revenue Accountability Statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with IFPP will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Revenue Accountability Statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the Revenue Accountability Statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7 (1) (a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

31 December, 2024

KENYA REVENUE AUTHORITY

ANNUAL REPORT AND REVENUE ACCOUNTABILITY STATEMENTS FOR THE YEAR ENDED 30 TH JUNE 2024

12. STATEMENT OF THE REVENUE COLLECTION AND TRANSFERS.

	Notes	Actual for the year ended 30th June 2024 KShs	Actual for the year ended 30th June 2023 KShs
Current Year Collections (FY 2023-2024)			
<b>1 (a) Treasury collections</b>			
Taxes on Income, Profits and Capital Gains	17.1	1,048,743,369,140	944,413,247,665
Taxes on Property	17.2	110,950,992	200,317,577
Taxes on Goods and Services	17.3	957,777,225,969	844,930,443,291
Taxes on International Trade & Transactions	17.4	186,737,569,218	192,359,194,116
Other Taxes not elsewhere classified (Stamp Duty)	17.5	5,091,624,728	12,205,806,845
Sales of Goods and Services (Traffic Fees)	17.6	4,406,264,350	4,400,006,574
Railway Development Levy	17.7	32,023,920,739	39,899,400,353
Export and Investment Promotion Levy	17.9	344,300,650	-
Betting Tax	17.8	4,671,142,639	3,875,436,823
Surplus Funds	17.10	*10,273,414,355	*8,211,995,804
<b>Total Treasury Collections</b>		<b>2,250,179,782,780</b>	<b>2,050,495,849,046</b>
(b) Agency collections	17.11	184,029,419,397	136,375,441,101
(c) AIA Revenue(Miscellaneous Revenue)	17.12(A)	13,486,180	14,574,902
<b>Total Collections for the Year excluding Nairobi County Government Collections</b>		<b>2,434,222,688,356</b>	<b>2,186,885,865,050</b>
Nairobi County Government Collections	17.13	*10,938,189,077	9,331,046,235
Unallocated Revenue Balance & Excise Stamps	17.17(A)i&ii	41,823,477	395,802,640
Funds available for transfer from prior years	17.17(E) (iv)	18,475,224,359	15,278,283,876
<b>Total Collections for the year including NCCG &amp; Unallocated Revenue Balance</b>		<b>2,463,677,925,270</b>	<b>2,211,890,997,801</b>
<b>2 Exchequer Additional Funding (Penalty Receipts from Agents Banks)</b>	17.12(B)	91,048,745	152,247,266
<b>3 Total funds available for Transfer during the year</b>		<b>2,463,768,974,013</b>	<b>2,212,043,245,067</b>
<b>Accounted for as follows:</b>			
<b>Transfers</b>			
Transfers to Treasury and Fund Accounts	17.14	2,207,102,729,753	2,019,102,557,219
Transfers to Principals	17.15(A)	172,187,329,654	131,675,948,784
AIA-Revenue	17.15(B)	104,585,076	2,301,001,503
Transfers to County Revenue Fund A/C and related Charges	17.15(C)	10,951,698,879	9,320,954,576
Agency commissions and 16%VAT deducted	17.16	3,818,201,459	3,106,854,113
Refund Payments	17.18(A)i&ii	31,681,284,529	27,256,536,555
<b>Total transfers and commissions</b>		<b>2,425,845,829,350</b>	<b>2,192,763,852,749</b>
<b>Cash in Transit</b>		<b>37,923,144,662</b>	<b>19,279,392,318</b>

Note: 1. The Statement of the Revenue Collections and Transfers reflect gross collections

2. \*Surplus funds exclude Kshs. 3,340,000,000 and Kshs 6,495,100,000.00 remitted directly to The National Treasury by Central Bank of Kenya in the Financial year 2022-2023 and 2023-2024 respectively.

3. \*Nairobi County Government Collections are for the period July 2023 to 30<sup>th</sup> June, 2024. However, the KRA mandate on collections expired on 15<sup>th</sup> September, 2022.

Collections continued to be received in the KRA Accounts to allow for transition of the new County leadership and allow smooth transition of the Revenue Accounts. The transition process was concluded on 31<sup>st</sup> July, 2024 and the KRA County Accounts subsequently closed.

4. These collections arises from receipts from KRA Systems (Payment Gateway & Common Cash Receipting System) and Bank statements for direct credits and Unallocated. The Direct credits are transactions remitted to CBK and accounted for under the Tax Head. While the Unallocated is defined in Note1 7.17(E) i&ii.

**KENYA REVENUE AUTHORITY**

**ANNUAL REPORT AND REVENUE ACCOUNTABILITY STATEMENTS FOR THE YEAR ENDED 30 TH JUNE 2024**

**13. STATEMENT OF THE FINANCIAL POSITION AS AT 30<sup>TH</sup> JUNE 2024.**

	Notes	Actual as at 30th June 2024	Actual as at 30th June 2023
		KShs	KShs
<b>1</b>	<b>Financial Assets</b>		
	<b>Cash And Cash Equivalent</b>		
	Closing Balance- Exchequer	17.17(A) 24,449,141,622	12,606,671,254
	Closing Balance- Agency	17.17(B) 8,703,459,836	1,346,309,680
	Closing Balance- AIA	17.17(C) -	2,865,763
	Closing Balance-Nairobi County Government	17.17(D) 23,501,854	37,011,656
	Closing Balance- Refund Payment Account	17.18(A)i&ii 4,705,217,873	4,888,112,316
	Closing Balance- Excise Stamps	17.17(E)(iii) 2,132,970	-
	Balance on Unallocated Revenue	17.17(E) i&ii 39,690,507	395,802,640
	<b>Total cash and cash equivalent</b>	<b>37,923,144,662</b>	<b>19,276,773,308</b>
<b>2</b>	<b>Financial Liabilities</b>	<b>Actual as at 30th June 2024</b>	<b>Actual as at 30th June 2023</b>
	<b>Account payables</b>		
	The National Treasury	17.17(A) 24,449,141,622	12,606,671,254
	Payables to Principals, Commission and 16%/14% Vat:	17.17(B) 8,703,459,836	1,346,309,680
	AIA Payable to KRA (Miscellaneous)	17.17(C) -	2,865,763
	Nairobi County Government	17.17(D) 23,501,854	37,011,656
	Payment Accounts	17.18(A)i&ii 4,705,217,873	4,888,112,316
	KRA Imprest Account(Excise Stamps)	17.17(E)(iii) 2,132,970	-
	Balance on Unallocated Revenue	17.17(E) i&ii 39,690,507	395,802,640
	<b>Total Accounts Payables</b>	<b>37,923,144,662</b>	<b>19,276,773,308</b>

The Revenue Accountability Statements set out herein were signed on behalf of the Board of Directors by;

CPA Josephat Omondi

Head of Finance - ICPAK No. 3473

Humphrey Wattanga

Commissioner General

Hon. Ndiritu Muriithi

Chairman.

The notes set out hereto form an integral part of the Revenue Accountability Statements

**KENYA REVENUE AUTHORITY**

**ANNUAL REPORT AND REVENUE ACCOUNTABILITY STATEMENTS FOR THE YEAR ENDED 30 TH JUNE 2024**

**14. STATEMENT OF TARGET VS ACTUAL PERFORMANCE BY TAX HEAD**

TAX HEAD	Original Budget amount as per Treasury Estimates of Revenue Grants and Loans for the year ended 30th June 2024	Target Revision effected	Revised Budget amount as per Treasury Estimates of Revenue Grants and Loans for the year ended 30th June 2024	Actual Receipts for year ended 30th June 2024	Target Realised for year ended 30th June 2024	Actual Receipts for year ended 30th June 2023	Year on year Growth
	Kshs	Kshs	Kshs	Kshs	%	Kshs	%
<b>Collections</b>							
<b>Treasury collections</b>							
<b>Taxes on Income, Profits and Capital Gains</b>							
Income Tax from Individuals (PAYE)	619,012,774,349	38,533,881,688	580,478,892,661	543,188,161,942	94%	494,978,594,750	10%
Contribution from Govt Employees to WCPS	345,262,250	-	345,262,250				
Income Tax from Corporations	590,761,341,268	66,999,820,469	523,761,520,799	497,174,207,322	95%	443,827,695,841	12%
Capital Gain Tax	1,708,559,081	(6,001,340,940)	7,709,900,021	8,380,999,876	109%	5,606,957,074	49%
<b>Sub totals</b>	<b>1,211,827,936,948</b>	<b>99,532,361,217</b>	<b>1,112,295,575,731</b>	<b>1,048,743,369,140</b>	<b>94%</b>	<b>944,413,247,665</b>	<b>11%</b>
<b>Taxes on Property</b>							
Rent of Land(Land rent)	426,425,987	426,425,987	-	110,950,992	-	200,317,577	-45%
<b>Sub totals</b>	<b>426,425,987</b>	<b>(426,425,987)</b>	<b>-</b>	<b>110,950,992</b>	<b>-</b>	<b>200,317,577</b>	<b>-45%</b>
<b>Taxes on Goods and Services</b>							
Receipt from VAT on Domestic Goods and Services	386,336,526,018	48,513,808,101	337,822,717,917	344,270,061,417	102%	298,851,380,440	15%
VAT on Imported Goods and Services	346,965,062,024	-	346,965,062,024	331,522,212,344	96%	276,088,985,278	20%
Anti-adulteration Levy	4,172,087,649	-	4,172,087,649	795,157,218	19%	1,545,187,006	-49%
<b>Excise Taxes</b>	<b>353,209,560,051</b>	<b>62,646,267,127</b>	<b>290,563,292,924</b>	<b>281,189,794,991</b>	<b>97%</b>	<b>268,444,890,567</b>	<b>5%</b>
Export and Investment Promotion Levy		-	-	344,300,650	-	-	-
<b>Sub totals</b>	<b>1,090,683,235,742</b>	<b>111,160,075,228</b>	<b>979,523,160,514</b>	<b>958,121,526,619</b>	<b>98%</b>	<b>844,930,443,291</b>	<b>13%</b>
<b>Taxes on International Trade &amp; Transactions</b>							
Customs Duties(Import duty)	173,449,782,838	30,896,515,834	142,553,267,004	133,448,662,626	94%	130,167,072,613	3%
Import Declaration and Inspection fees	59,524,899,917	289,014,735	59,235,885,182	53,288,906,592	90%	62,192,121,503	-14%
<b>Sub totals</b>	<b>232,974,682,755</b>	<b>31,185,530,569</b>	<b>201,789,152,186</b>	<b>186,737,569,218</b>	<b>93%</b>	<b>192,359,194,116</b>	<b>-3%</b>
<b>Other Taxes Not Classified Elsewhere</b>							
Stamp duty	9,539,744,242	6,896,376	9,532,847,866	5,091,624,728	53%	12,205,806,845	-58%
<b>Sub totals</b>	<b>9,539,744,242</b>	<b>6,896,376</b>	<b>9,532,847,866</b>	<b>5,091,624,728</b>	<b>53%</b>	<b>12,205,806,845</b>	<b>-58%</b>
Surplus Funds	-	-	-	10,273,414,355	-	8,211,995,804	25%
<b>Sub totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,273,414,355</b>	<b>-</b>	<b>8,211,995,804</b>	<b>23%</b>
<b>Sale of goods and Services (Traffic Revenue)</b>							

**KENYA REVENUE AUTHORITY**

**ANNUAL REPORT AND REVENUE ACCOUNTABILITY STATEMENTS FOR THE YEAR ENDED 30 TH JUNE 2024**

TAX HEAD	Original Budget amount as per Treasury Estimates of Revenue Grants and Loans for the year ended 30th June 2024	Target Revision effected	Revised Budget amount as per Treasury Estimates of Revenue Grants and Loans for the year ended 30th June 2024	Actual Receipts for year ended 30th June 2024	Target Realised for year ended 30th June 2024	Actual Receipts for year ended 30th June 2023	Year on year Growth
Second Hand Motor Vehicle Tax Licences under Traffic Act	282,675,656	-	282,675,656	4,406,264,350	83%	4,400,006,574	0%
Fees under Traffic Act	2,567,088,771	-	2,567,088,771				
<b>Sub totals</b>	<b>5,333,910,557</b>	<b>-</b>	<b>5,333,910,557</b>				
<b>Railway Development Levy</b>							
Other Receipts not Classified elsewhere(RDL)	37,396,000,000	-	37,396,000,000	32,023,920,739	86%	39,899,400,353	-20%
<b>Sub totals</b>	<b>37,396,000,000</b>	<b>-</b>	<b>37,396,000,000</b>	<b>32,023,920,739</b>	<b>86%</b>	<b>39,899,400,353</b>	<b>-20%</b>
Betting Taxes	4,761,170,340	(643,563,980)	5,404,734,320	4,671,142,639	86%	3,875,436,823	21%
<b>Sub totals</b>	<b>4,761,170,340</b>	<b>(643,563,980)</b>	<b>5,404,734,320</b>	<b>4,671,142,639</b>	<b>86%</b>	<b>3,875,436,823</b>	<b>21%</b>
<b>Total Treasury Collections</b>	<b>2,592,943,106,571</b>	<b>241,667,725,397</b>	<b>2,351,275,381,174</b>	<b>2,250,179,782,780</b>	<b>96%</b>	<b>2,050,495,849,046</b>	<b>10%</b>
<b>Agency collections</b>							
Airport Revenue	15,369,977,932	-	15,369,977,932	16,970,444,395	110%	13,599,001,167	25%
Aviation Revenue	-	-	-	684,220,363	-	6,076,731,530	-89%
Petroleum Development Fund	29,174,320,371	(2,906,077,429)	32,080,397,800	24,158,098,791	75%	25,915,090,680	-7%
<b>Road Maintenance Levy</b>							
Road Maintenance Levy Annuity Fund	16,599,000,000	2,299,000,000	14,300,000,000	79,278,686,629	98%	84,143,023,609	-6%
Taxes -from Other general government units(RML)	78,472,211,993	11,968,000,000	66,504,211,993				
<b>Subtotal -Road Maintenance Levy</b>	<b>95,071,211,993</b>	<b>14,267,000,000</b>	<b>80,804,211,993</b>	<b>79,278,686,629</b>	<b>98%</b>	<b>84,143,023,609</b>	<b>-6%</b>
K.A.A. Concession Fees	170,262,196	-	170,262,196	167,983,128	99%	155,784,174	8%
Road Transit Toll Levy	1,600,000,000	-	1,600,000,000	2,068,280,186	129%	1,594,825,992	30%
Sugar Levy	-	-	-	-	-	94,723	-100%
Petroleum Regulatory Levy	1,297,490,083	-	1,297,490,083	1,965,564,442	151%	1,191,586,328	65%
Merchant Superintendent Shipping Levy	2,059,324,627	-	2,059,324,627	2,141,088,302	104%	1,904,929,486	12%
KEBS Levy	661,659,888	-	661,659,888	607,597,795	92%	611,031,112	-1%
Traffic Fees-Agency	431,000,413	-	431,000,413	335,250,780	78%	391,480,426	-14%
Housing Levy	63,220,000,000	-	63,220,000,000	54,159,008,522	86%	477,252	11347698%
Solatium Contribution	-	-	-	261,788,280	-	-	-
NITA Levy	858,554,973	-	858,554,973	1,231,407,784	143%	791,384,622	56%
AIA Revenue (Miscellaneous)	3,551,000	-	3,551,000	13,486,180	380%	14,574,902	-7%
<b>Sub-totals (Agency , AIA Revenue )</b>	<b>209,917,353,478</b>	<b>11,360,922,571</b>	<b>198,556,430,907</b>	<b>184,042,905,577</b>	<b>93%</b>	<b>136,390,016,003</b>	<b>35%</b>
<b>Total Revenue Collections(Gross)</b>	<b>2,802,860,460,049</b>	<b>253,028,647,968</b>	<b>2,549,831,812,081</b>	<b>2,434,222,688,356</b>	<b>95%</b>	<b>2,186,885,865,050</b>	<b>11%</b>

Note: 1. The Statement of Target Vs Actual Performance by tax head reflect gross collections

**NOTES.**

The gross collection for the year ended 30th June 2024 was Kshs. 2,434 billion against a target of Kshs.2,550 billion reflecting a performance of 95%. The performance was impacted by the prolonged harsh operating economic environment, i.e., high domestic and import prices driven by exchange rate depreciation and high-energy costs leading to erosion of purchasing power. Further, high bank lending rates have crowded out private sector access to affordable credit for their businesses resulting in higher operating costs. Further, slowed economic growth arising from multiple shocks that affected the economy inclusive of the conflict between Russia and Ukraine, fighting in the Middle East that has disrupted global trade leading to increased fuel and food prices, volatile financial markets, among others. However, notable performance areas were as follows;

- i. Taxes on Income, Profits and Capital Gains performed at Kshs 1,049 billion against a target of Kshs 1,112 billion, with a performance of 94%. The performance is attributed to the following;

Income Tax from Individuals (PAYE & WCPS) performed at Kshs 543 billion against a target of Kshs 581 billion, a performance of 94%. This performance is due to below optimal disbursements from various Government entities such as Public Universities, County Governments and various Semi-Autonomous Government Agencies (SAGAs) arising from funding constraints. The private sector remittance also declined as a result of recorded drops in employee numbers, reduction of employees' salaries in order to manage costs, while a number of firms wound up business operations during the year.

Income Tax from Corporations performed at Kshs 497 billion against a target of Kshs 524 billion, a performance of 95%. This performance is mainly attributed to declined instalment remittances from the main sectors such as Information & Communication Technology and Finance & Insurance sectors, real estates and Construction due to harsh operating economic environment, i.e., high domestic and import prices driven by exchange rate depreciation and high-energy costs led to erosion of purchasing power.

Capital Gains Tax performed at Kshs. 8.4 billion against a target of Kshs. 7.7 billion registering a performance rate of 109%. This performance is attributed to increased level of property transactions for the year and increased positive impact on CGT rate change from 5% to 15% (Effective January 2023)

- ii. Taxes on properties (Land Rent) performed at Kshs 111 million during the year ended 30<sup>th</sup> June, 2024. The collection on this item was transferred to the Ministry of Lands with no target assigned to the Authority in the revised printed estimates. Hence, landowners transacted on the Ministry of Lands Ardhisasa System as it presents a convenient one-stop shop on which they obtain Land Clearance Certificates.
- iii. Taxes on Goods and Services performed at Kshs 958 billion against a target of Kshs 980 billion, with a performance of 98%. The performance is attributed to;

VAT on Domestic Goods and Services performed at Kshs 344 billion against a target of Kshs 338 billion, a performance of 102%. The performance was within range.

VAT on Imported Goods and Services registered a performance of Kshs. 332 billion against a target of Kshs. 347 billion, a performance rate of 96%. This is mainly attributed to decline in Bulk cargo (fertilizer, Iron & steel, clinker, maize, wheat) and Motor Vehicles arising from high international unit prices, depreciation of the shilling against the dollar and conflicts in the Middle East, and between Russia & Ukraine, which has disrupted the supply chain resulting to increased costs. Importation of Iron & Steel and Clinker declined also due to introduction of Export Investment Levy at 17.5% intended to protect local production of the same. In addition, exemptions and remissions accorded to Sugar, denatured ethyl alcohol, Rice and Maize grew by 56.7%.

Anti-Adulteration levy performed at Kshs 0.8 billion against a target of Kshs 4.2 billion, a performance of 19%. The performance is attributed to a decline in import volumes on Illuminating Kerosene by 47.7% in FY 2023/24 and a dip of 50.1% on Illuminating Kerosene consumed in the country thereby resulting to decline collections by 49% compared to collections of Kshs. 1.5 Billion in the Financial year 2022/23.

Excise Taxes performed at Kshs 281 billion against a target of Kshs 291 billion, a performance of 97%. The performance is attributed to following;

- a) Decline in deliveries of excisable products (Tobacco, Wines & Spirits and Cosmetics) that in turn negatively affected domestic excise revenue.
- b) Excise rate reduction from 20% to 15% on fees charged for money transfer services by banks, money transfer agencies and other financial service providers affected negatively collections on financial services.
- c) Decline in excisable oil volumes of diesel, Kerosene Type jet fuel, and Illuminating Kerosene by 3.7%, 14.8% and 40.8% respectively during the period.

- iv. Taxes on International Trade & Transactions performed at Kshs 187 billion against a target of Kshs 202 billion, with a performance of 93%. The performance is attributed to the following;

Customs Duties (Import duty) performed at Kshs 133 billion against a target of Kshs 143 billion, a performance of 94%. This performance is attributed to decline of bulk cargo by 14.5% and Motor Vehicles at 0.2%. The products that experienced importation decline were fertilizer, Iron & steel, clinker, maize and wheat. Further, the performance was affected by growth of exemptions and remissions by 56.7% accorded to Sugar, denatured ethyl alcohol, Rice and Maize.

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The performance on Import Declaration and Inspection Fees was Kshs. 53 billion against a target of Kshs. 59 billion resulting to a performance of 90%, which was within range.

- v. Stamp Duty performed at Kshs.5.1 billion against a target of Kshs 9.5 billion, a performance of 53%. The collection of this revenue was handed back to the Ministry of Lands with effect from November, 2023.
- vi. Sale of goods and Services (Traffic Revenue) registered a collection of Kshs 4.4 billion against a target of Kshs. 5.3 billion, a performance rating of 83%. This under performance was attributed to decrease in Motor vehicle registration fees attributed to declined importation of Motor Vehicles due to increase in prices occasioned by depreciation of the local currency.
- vii. Railway Development Levy performed at Kshs. 32 billion against a target of Kshs 37 billion, a performance rating of 86%. This performance is attributed to reduction of railway development levy rate from 2% to 1.5 % and exemption of additional items from Railway Development Levy with effect from 1st July 2023.
- viii. Betting taxes performed at 86% with a collection of Kshs. 4.7 billion against a target of Kshs. 5.4 billion. This is attributed to the performance on Withholding tax on winnings, which was lower than anticipated in the target.
- ix. Agency & A.I.A collections registered a performance of 93% during the year ended 30<sup>th</sup> June 2024. This performance was mainly affected by the underperformances on Road Maintenance Levy and Petroleum Development Fund which performed at 98% and 75% respectively. The performance on Road Maintenance Levy was due to decline in import values. While performance of PDF was affected by declines from Diesel, Kerosene Type Jet Fuel and Illuminating Kerosene volumes by 3.7%, 14.8% and 40.8% respectively.

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**15. STATEMENT OF TARGET VS ACTUAL PERFORMANCE BY DEPARTMENT**

Departments	Target - Treasury	Actual Receipts for the year ended 30th June 2024	% target realized	Actual Receipts for the year ended 30th June 2023	Year on year Growth
	KShs	KShs	%	KShs	%
<b>Revenue collection</b>					
<b>Treasury collections</b>					
Customs Services Department	703,326,964,050	663,484,530,793	94%	619,494,506,649	7%
Domestic Taxes Department	1,611,954,506,567	1,551,628,987,637	96%	1,399,541,335,824	11%
Traffic Revenues	5,333,910,557	4,406,264,350	83%	4,400,006,574	-
<b>Total Treasury collections</b>	<b>2,320,615,381,174</b>	<b>2,219,519,782,781</b>	<b>96%</b>	<b>2,023,435,849,046</b>	<b>10%</b>
Provision for Refunds (CSD)	660,000,000	660,000,000	100%	660,000,000	-
Provision for Refunds (DTD)	30,000,000,000	30,000,000,000	100%	26,400,000,000	14%
<b>Gross Treasury collections</b>	<b>2,351,275,381,174</b>	<b>2,250,179,782,780</b>	<b>96%</b>	<b>2,050,495,849,046</b>	<b>10%</b>
<b>Agency collections</b>					
Customs Services Department	133,385,215,632	127,709,640,696	96%	134,595,642,591	-5%
Domestic Taxes Department	64,740,214,861	55,998,014,101	86%	1,402,892,986	3892%
Traffic Revenues	431,000,413	335,250,780	78%	391,480,426	-14%
<b>Total Agency collections</b>	<b>198,556,430,907</b>	<b>184,042,905,577</b>	<b>93%</b>	<b>136,390,016,003</b>	<b>35%</b>
<b>Total Revenue Collections(Gross)</b>	<b>2,549,831,812,081</b>	<b>2,434,222,688,357</b>	<b>95%</b>	<b>2,186,885,865,050</b>	<b>11%</b>

Note: The Statement of Target Vs Actual Performance by Department reflect gross collections

## **16. ACCOUNTING POLICIES**

### **a. Reporting Entity**

The Kenya Revenue Authority has prepared the Revenue Accountability Statements.

### **b. Basis of Preparation**

The Revenue Accountability Statements comply with the requirements of the Public Financial Management Act of 2012 and the cash basis of International Public Sector Accounting Standards.

The accounting policies have been consistently applied to all the financial periods presented.

The Revenue Accountability Statements are presented in Kenya Shillings (Kshs), being the currency of legal tender in Kenya that is the functional and reporting currency of the Government of Kenya.

### **c. Reporting periods**

The Government of Kenya Fiscal Year runs from 1st July to 30th June. The Revenue Accountability Statements covers the period 1st July 2023 to 30<sup>th</sup> June, 2024. The comparative figures reflect the 6 months ended 30<sup>th</sup> June, 2023.

### **d. Significant accounting policies**

The Revenue Accountability Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated:

#### ***(i) Receipts***

Revenue from taxes is recognized at the point of collection. Revenue billed/assessed during the year but not yet collected is disclosed as receivable for purposes of disclosure.

#### ***(ii) Revenue Debt***

Revenue debt relates to Revenue billed/assessed but yet to be collected or received. These are disclosed in the Statement of Revenue Debt.

#### ***(iii) Transfers***

The transfers relates to payments made from the collection accounts to the Treasury receiver of revenue account. It also related to transfers made to the various principals.

#### ***(iv) Agency funding***

The Authority receives an allocation from The National Treasury as determined by the Cabinet Secretary each year, not exceeding 2% of the revenue estimated in the Financial Estimates for each financial year to be collected by the Authority. This is the main source of revenue for recurrent expenditure of KRA.

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In addition, the Authority also charges a commission of 2% on collections made on behalf of other principals. The commission is deducted at source plus 16% VAT thereon before remittance to the principals.

**(v) Cash and equivalents**

Cash and equivalents comprises of cash in transit.

**(vi) Comparative Figures**

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

**(vii) Subsequent events**

There have been no events subsequent to the financial year-end with a significant impact on the Revenue Accountability Statements for the year ended 30<sup>th</sup> June, 2024.

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17. NOTES TO THE REVENUE ACCOUNTABILITY STATEMENT

17.1 Taxes on Income, Profits and Capital Gains

	Tax Head	Actual Receipts for year ended 30th June 2024	Actual Receipts for year ended 30th June 2023
		KShs	KShs
1	Income Tax from Individuals (PAYE& WCPS)	543,188,161,942	494,978,594,750
	<b>Subtotal</b>	<b>543,188,161,942</b>	<b>494,978,594,750</b>
2	<b>Income Tax from Corporations</b>		
	a) Other Income Taxes	481,719,954,842	429,634,148,005
	b) Turnover Tax	396,421,851	128,120,755
	c) Capital Gains Tax	8,380,999,876	5,606,957,074
	d) Rental Income	14,406,277,233	13,693,981,870
	e) Digital Service Tax (DST)	651,553,396	371,445,211
	<b>Subtotals</b>	<b>505,555,207,198</b>	<b>449,434,652,915</b>
	<b>Total</b>	<b>1,048,743,369,140</b>	<b>944,413,247,665</b>

17.2. Taxes on Property

	Tax Head	Actual Receipts for year ended 30th June 2024	Actual Receipts for year ended 30th June 2023
		KShs	KShs
1	Land Rent	110,950,992	200,317,577
	<b>Total</b>	<b>110,950,992</b>	<b>200,317,577</b>

17.3 Taxes on Goods and Services

	Tax Head	Actual Receipts for year ended 30th June 2024	Actual Receipts for year ended 30th June 2023
		KShs	KShs
1	VAT on Domestic Goods and Services	344,270,061,417	298,851,380,440
2	VAT on Imported Goods and Services		
	a) VAT - Imports (General Rate)	331,522,212,344	231,725,224,818
	b) VAT Oil at 8%	-	44,363,760,460
	c) Anti-adulteration Levy	795,157,218	1,545,187,006
	<b>Subtotals</b>	<b>676,587,430,979</b>	<b>576,485,552,724</b>
3	Excise Receipts (Air time + domestic + import+Fin.services)		
	a) Gross Excise Duty	112,721,370,624	110,261,739,896
	b) Excise Duty Domestic	73,624,151,326	68,124,196,921
	c) Excise Tax on Airtime	35,919,474,528	41,406,640,162
	d) Excise Tax on Money Transfer	48,326,602,271	42,012,202,097
	e) Excise Tax on Betting	10,598,196,242	6,640,111,491
	<b>Subtotals</b>	<b>281,189,794,991</b>	<b>268,444,890,567</b>
	<b>Total</b>	<b>957,777,225,969</b>	<b>844,930,443,291</b>

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17.4. Taxes on International Trade & Transactions

	Tax Head	Actual Receipts for year ended 30th June 2024	Actual Receipts for year ended 30th June 2023
		KShs	KShs
1	Customs Duties(Import Duty )	133,448,662,626	130,167,072,613
2	Other Taxes on International Trade and Transactions (IDF Fee)	53,288,906,592	62,192,121,503
	<b>Total</b>	<b>186,737,569,218</b>	<b>192,359,194,116</b>

17.5. Other Taxes not elsewhere classified (Stamp Duty)

	Tax Head	Actual Receipts for year ended 30th June 2024	Actual Receipts for year ended 30th June 2023
		KShs	KShs
1	Stamp Duty	5,091,624,728	12,205,806,845
	<b>Total</b>	<b>5,091,624,728</b>	<b>12,205,806,845</b>

17.6. Sales of Goods and Services (Traffic Fees)

	Tax Head	Actual Receipts for year ended 30th June 2024	Actual Receipts for year ended 30th June 2023
		KShs	KShs
1	Traffic revenue	4,406,264,350	4,400,006,574
	<b>Total</b>	<b>4,406,264,350</b>	<b>4,400,006,574</b>

17.7. Railway Development Levy

	Tax Head	Actual Receipts for year ended 30th June 2024	Actual Receipts for year ended 30th June 2023
		KShs	KShs
1	Railway Development Levy	32,023,920,739	39,899,400,353
	<b>Total</b>	<b>32,023,920,739</b>	<b>39,899,400,353</b>

17.8. Betting Tax

	Tax head	Actual Receipts for year ended 30th June 2024	Actual Receipts for year ended 30th June 2023
		KShs	KShs
1	Betting Tax	4,671,142,639	3,875,436,823
	<b>Total</b>	<b>4,671,142,639</b>	<b>3,875,436,823</b>

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17.9. Export and Investment Promotion Levy

	Tax head	Actual Receipts for year ended 30th June 2024	Actual Receipts for year ended 30th June 2023
		KShs	KShs
1	Export and Investment Promotion Levy	344,300,650	-
	<b>Total</b>	<b>344,300,650</b>	<b>-</b>

17.10 Surplus Funds

	Institution	Actual Receipts for year ended 30th June 2024	Actual Receipts for year ended 30th June 2023
S/N	Surplus Funds Directly Received In Kra Account	Kshs.	Kshs.
1	Capital Markets Authority	-	4,130,055,725
2	Kenya National Bureau of statistics	6,488,946	2,370,871
3	Retirement Benefits Authority	120,142,263	208,713,630
4	Kenya Dairy Board	10,516,573	19,908,686
5	Kenya Bureau Of Standards	50,000,000	-
6	Communications Authority Of Kenya	3,692,445,960	-
7	Competition Authority of Kenya	13,112,203	-
8	Insurance Regulatory Authority	388,713,977	1110394525
9	Kenya Civil Aviation Authority	4,420,981,789	1,634,140,170
10	National Construction Authority	412,318,411	98,634,023
11	Water Resources Management Authority	500,000	3,000,000
12	Kenya Maritime Authority	380,594,362	1,004,778,174
13	Export Processing Zone	3,204,759	-
14	Agriculture and Food Authority	757,810,087	-
15	Water Services Regulatory Board	16,585,025	-
	<b>Subtotal</b>	<b>10,273,414,355</b>	<b>8,211,995,804</b>
	<b>Surplus Funds Remitted Directly To National Treasury</b>		
1	Central Bank of Kenya	-	4,000,000,000
2	Capital Markets Authority	-	2,095,100,000
3	Kenya Bureau Of Standards	-	250,000,000
4	Retirement Benefits Authority	-	150,000,000
5	Communications Authority Of Kenya	3,000,000,000	-
6	Kenya Maritime Authority	220,000,000	-
7	Commission of University Education	120,000,000	-
	<b>SUBTOTAL</b>	<b>3,340,000,000</b>	<b>6,495,100,000</b>
	<b>GRAND TOTAL</b>	<b>13,613,414,355</b>	<b>14,707,095,804</b>

Note: Surplus funds relate to surrendered end of year unexpended voted or excess Appropriation in Aid by the Accounting Officers of the State Corporations as per the Public Finance Management Act.

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17.11. Agency collections

	Tax Head	Principal	Agency Accounts Nos.	Actual Receipts for year ended 30th June 2024	Actual Receipts for year ended 30th June 2023
				KShs	KShs
1	Airport Revenue	Kenya Airports Authority	1,000,007,451	16,970,444,395	13,599,001,167
2	Aviation Revenue	Kenya Civil Aviation Authority	1,000,007,826	684,220,363	6,076,731,530
3	Petroleum Development Fund	National Treasury	1,000,007,435	24,158,098,791	25,915,090,680
4	Road Maintenance Levy	Kenya Roads Board	1,000,007,818	79,278,686,629	84,143,023,609
5	K.A.A. Concession Fees	Kenya Airports Authority	1,000,008,121	167,983,128	155,784,174
6	Road Transit Toll Levy	Kenya Roads Board	1,000,007,818	2,068,280,186	1,594,825,992
7	Sugar Levy	Sugar Directorate (Agriculture and Food Authority)	1000007729/ 1000008113	-	94,723
8	Petroleum Regulatory Levy	Energy Regulatory Commission	1,000,009,004	1,965,564,442	1,191,586,328
9	Merchant Superintendent Shipping Levy	Kenya Maritime Authority	1,000,008,598	2,141,088,302	1,904,929,486
10	KEBS Levy	Kenya Bureau of Standards	1,000,007,702	607,597,795	611,031,112
11	Traffic Fees-Agency	National Transport & Safety Authority	1,000,007,486	335,250,780	391,480,426
12	Housing Levy	Ministry of Housing	1,000,411,562	54,159,008,522	477,252
13	National Industrial Training Levy(NITA)	National Industrial Training Levy(NITA)	1000007737	1,231,407,784	791,384,622
14	Solatum Compensation	Ministry of Health	1000008512/1000741732	261,788,280	-
	<b>Total</b>			<b>184,029,419,397</b>	<b>136,375,441,101</b>

17.12. (A) AIA Miscellaneous Revenue

	Tax Head	Actual Receipts for year ended 30th June 2024	Actual Receipts for year ended 30th June 2023
		KShs	KShs
1	Miscellaneous	13,486,180	14,574,902
	<b>Total</b>	<b>13,486,180</b>	<b>14,574,902</b>

*Note: Miscellaneous Revenue mainly comprises of collections on overtime fees and sale of Tamperproof seals for the year ended 30<sup>th</sup> June 2024. This is an Appropriation-In-Aid for Kenya Revenue Authority.*

17.12 (B) Penalty Receipts from Agent Commercial Bank

		Actual Receipts for year ended 30th June 2024	Actual Receipts for year ended 30th June 2023
		KShs	KShs
1	Service Level Agreement (SLA) Penalty Receipts from Access Bank & Spire Bank	91,048,745	152,247,266
	<b>Total</b>	<b>91,048,745</b>	<b>152,247,266</b>

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17.13. Nairobi County Government Collections

S/NO	Revenue Stream	Actual Receipts for year ended 30th June 2024	Actual Receipts for year ended 30th June 2023
		KShs	KShs
1	Land Rates	3,339,222,190	2,864,357,086
2	Parking fees (total)	1,898,836,758	1,861,601,275
3	Unified Business Permits	2,302,138,644	1,633,513,224
4	Plans and Inspections (Building Permits)	1,189,882,532	963,349,767
5	Billboards and advertisements	597,196,140	593,283,759
6	House and Stall Rent	487,576,139	450,419,350
7	Fire Inspection Certificates	58,240,403	202,611,108
8	Food Handlers Certificates	104,753,106	132,717,178
9	Markets	232,647,880	250,509,468
10	Other Incomes	727,695,286	378,684,020
	<b>SUB TOTAL</b>	<b>10,938,189,077</b>	<b>9,331,046,235</b>

17.14. Transfer to Treasury and Fund Accounts

	Tax Head	Actual transfer for year ended 30th June 2024	Actual transfer for year ended 30th June 2023
		KShs	KShs
1	Income Tax from Individuals (PAYE)	542,967,968,305	494,478,285,513
2	Income Tax from Corporations	492,193,655,542	441,599,476,552
3	Land Rent	110,850,171	200,405,272
4	VAT on Domestic Goods and Services	311,066,476,781	271,754,723,677
5	VAT on Imported Goods and Services	331,149,925,310	277,687,316,243
6	Excise Domestics	164,166,755,259	152,382,048,055
7	Excise Airtime	61,294,521	-
8	Excise on Financial Services	1,013,087,203	3,939,007,641
9	Excise Imports	111,735,265,960	109,605,374,118
10	Customs Duties(Import)	133,268,786,431	129,974,980,991
11	Other Taxes on International Trade and Transactions (IDF Fee)	53,237,228,833	62,296,032,629
12	Stamp Duty	5,100,190,053	12,221,842,464
13	Railway Development Levy	31,963,781,514	39,896,226,652
14	Traffic revenue	4,364,086,607	4,392,226,005
15	Traffic revenue(Amount Paid directly to NTSA by Treasury)		35,096,720
16	KRA- Tax on Winnings-KSh (Sports Fund Coll Account)	14,429,962,909	10,427,518,883
17	Surplus Funds(Banked in Income tax A/c)	10,273,414,355	8,211,995,804
	<b>Total</b>	<b>2,207,102,729,753</b>	<b>2,019,102,557,219</b>

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17.15. Agency Transfers

(A) Transfers to Principals

The following is a breakdown of the transfers from holding accounts to principals;

S/NO.	Agency accounts	Agency Accounts Nos.	Principal	Actual transfer for year ended 30th June 2024	Actual transfer for year ended 30th June 2023
				KShs	KShs
1	Airport Revenue (APSC)	1000007451	Kenya Airports Authority	16,312,150,600	12,957,989,641
2	Petroleum Deve Fund (PDF Levy)	1000007435	National Treasury	23,060,931,619	25,309,806,950
3	Affordable Housing Levy	1000411562	Department of Housing	46,740,845,890	-
4	Road Transit Toll Levy	1000007818	Kenya Roads Board	1,998,142,359	1,533,197,788
5	Sugar Development Levy (SDL)	1000008113	Sugar Directorate (Agriculture and Food Authority)	-	99,367
6	K.A.A. Concession Fees	1000008121	Kenya Airports Authority	163,885,764	150,503,228
7	Aviation Revenue (DCA Aviation)	1000007826	Kenya Civil Aviation Authority	1,082,729,910	5,730,456,534
8	Petroleum Regulatory Levy	1000009004	Energy Regulatory Commission	1,739,009,930	1,151,882,659
9	Merchant Superintendent Shipping Levy (MSS)	1000008598	Kenya Maritime Authority	2,124,358,923	1,812,712,873
10	Road Maintenance Levy (RML)	1000007516	Kenya Roads Board	76,765,514,354	81,338,638,387
11	KEBS LEVY	1000007702	Kenya Bureau of Standards	591,385,124	581,779,623
12	Traffic Fees - Agency	1000007486	National Transport & Safety Authority	330,622,893	385,452,392
13	National Industrial Training Levy(NITA)	1000007737	National Industrial Training Levy(NITA)	1,147,519,945	723,429,343
14	Solatum Compensation	1000008512/1000741732	Ministry of health	130,232,344	-
	<b>Total</b>			<b>172,187,329,654</b>	<b>131,675,948,784</b>

(B) Transfers to KRA (AIA- Miscellaneous Revenue)

S/NO.	AIA-Revenue	Actual transfer for year ended 30th June 2024	Actual transfer for year ended 30th June 2023
		KShs	KShs
1	Miscellaneous	13,536,331	14,543,641
2	KRA Allocation from Treasury (SLA-Penalty receipts)	91,048,745	2,286,457,862
	<b>Total</b>	<b>104,585,076</b>	<b>2,301,001,503</b>

Note: Miscellaneous Revenue mainly comprises of Transfers on overtime fees and sale of Tamperproof seals and exchequer funding for the year ended 30<sup>th</sup> June, 2024.

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(C) Transfers to-Nairobi County Government Fund & related Charges

		Actual transfer for year ended 30th June 2024	Actual transfer for year ended 30th June 2023
		KShs	KShs
1	Nairobi County Government	10,951,698,879	9,320,954,576
	<b>Total</b>	<b>10,951,698,879</b>	<b>9,320,954,576</b>

17.16. Agency Commission and 16% VAT

S/N O.	Agency accounts Tax Head	Actual transfer for year ended 30th June 2024			Actual transfer for year ended 30th June 2023		
		Commission excluding 16% VAT	16% VAT Component	Commission+ 16%VAT	Commission excluding 16% VAT	16% VAT Component	Commission+ 16%VAT
				KShs	KShs	KShs	KShs
1	Airport Revenue (APSC)	333,991,618	53,438,659	387,430,277	265,315,436	42,450,470	307,765,906
2	Petroleum Development Fund (PDF Levy)	486,404,870	77,824,779	564,229,649	514,865,660	82,378,506	597,244,165
3	Affordable Housing Levy	708,362,776	113,338,044	821,700,820	-	-	-
4	Road Transit Toll Levy	40,912,006	6,545,921	47,457,927	31,392,256	5,022,761	36,415,017
5	Sugar Development Levy (SDL)	-	-	-	2,035	326	2,360
6	K.A.A. Concession Fees	3,355,564	536,890	3,892,455	3,081,557	493,049	3,574,606
7	Aviation Revenue (DCA Aviation)	22,168,916	3,547,027	25,715,943	117,330,882	18,772,941	136,103,823
8	Petroleum Regulatory Levy	35,678,840	5,708,614	41,387,454	23,656,896	3,785,103	27,441,999
9	Merchant Superintendent Shipping Levy (MSS)	43,496,292	6,959,407	50,455,699	37,115,333	5,938,453	43,053,786
10	Road Maintenance Levy (RML)	1,571,775,478	251,484,077	1,823,259,555	1,665,410,286	266,465,646	1,931,875,932
11	KEBS - Levy	12,108,623	1,937,380	14,046,002	11,911,950	1,905,912	13,817,862
12	Traffic Fees - Agency Fees	6,912,836	1,106,054	8,018,889	8,240,221	1,318,435	9,558,656
13	National Industrial Training Levy(NITA)	23,718,653	3,794,984	27,513,637	-	-	-
14	Solatum Compensation	2,666,510	426,642	3,093,151	-	-	-
	<b>Total</b>	<b>3,291,552,982</b>	<b>526,648,477</b>	<b>3,818,201,459</b>	<b>2,678,322,511</b>	<b>428,531,602</b>	<b>3,106,854,113</b>

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17.17. Closing Balances

The following is the movement in the closing balances:

A. Closing Balances -Treasury Collections

S/NO	Treasury Collections	Cash in Transit as at 30th June 2024	Cash in Transit as at 30th June 2023
		KShs	KShs
1	Income Tax from Individuals (PAYE)	804,093,418	583,911,551
2	Income Tax from Corporations	13,013,122,329	7,154,731,707
3	Land Rent	106,389	5,568
4	VAT on Domestic Goods and Services	4,497,837,631	1,293,440,494
5	VAT on Imported Goods and Services	1,483,000,918	*320,439,973
6	Excise Domestics	326,224,550	290,304,551
7	Excise Imports	777,097,234	296,593,166
8	Excise Financial Services	361,048,152	997,106
9	Export & Investment Promotion Levy	129,249,116	-
10	Customs Duties(Import)	1,949,906,623	1,729,599,464
11	IDF Fee	840,708,044	789,034,765
12	Stamp Duty	-	8,512,528
13	Railway Development Levy	129,802,987	59,837,100
14	KRA Tax on winnings(Sports Fund)	5,324	-
15	Traffic revenue	136,938,907	81,882,291
	<b>TOTAL</b>	<b>24,449,141,622</b>	<b>12,606,671,254</b>

Note:

1. The above Closing balances includes balances held at the Commercial Banks and Central Bank of Kenya.
2. \*The adjustment of Ksh. 2,619,010 relates to VAT Import Cash in Transit at KRA Kenya Commercial Bank Account No. 1108976298 that was inadvertently accounted as part of Prior year adjustments & Corrections in the FY 2022/2023 Revenue Accountability Statement.

Table 1: Closing Balance Exchequer (VAT Imports) FY 2022-2023

	2022-2023
Opening Balance - VAT Imports Account	317,820,963
<b>ADD:</b> Amount initially classified as Prior year adjustment	*2,619,010
Restated VAT Imports Opening Balance	<b>*320,439,973</b>

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#### B. Closing Balance Analysis – Agency Collections, commissions & 16% VAT

	Agency Accounts	Cash in Transit as at 30th June 2024	Cash in Transit as at 30th June 2023
		KShs	KShs
1	Airport Revenue (APSC)	420,806,310	173,705,466
2	Petroleum Development Fund (PDF LEVY)	647,182,609	206,956,858
3	Road Transit Toll Levy	40,374,357	6,738,758
4	K.A.A. Concession Fees	1,155,750	202,000
5	Aviation Revenue (DCA Aviation)	4,919,313	475,045,758
6	Petroleum Regulatory Levy	24,325,244	3,793,774
7	Merchant Superintendent Shipping Levy (MSS)	10,252,179	1,412,875
8	Road Maintenance Levy (RML)	582,253,326	256,657,358
9	KEBS - Levy	114,003,863	111,899,764
10	Traffic Revenue Fees (Agency)	36,139,342	40,070,933
11	National Industrial Training Levy(NITA)	98,586,868	68,314,029
12	Solatium contribution	128,462,785	-
13	Housing fund	6,594,997,891	1,512,106
	<b>Total</b>	<b>8,703,459,836</b>	<b>1,346,309,680</b>

#### C. Closing Balance Analysis – AIA Revenue

	AIA Revenue (Miscellaneous)	Cash in Transit as at 30th June 2024	Cash in Transit as at 30th June 2023
		KShs	KShs
1	Miscellaneous	-	2,865,763
	<b>Total</b>	<b>-</b>	<b>2,865,763</b>

Note: This relates to Miscellaneous Revenue in the closing Bank balances

#### D. Closing Balance as at 30th June 2024-Nairobi County Government collections

	Agency Accounts	Cash in Transit as at 30th June 2024	Cash in Transit as at 30th June 2023
		KShs	KShs
1	Nairobi County Government	23,501,854	37,011,656
	<b>Total</b>	<b>23,501,854</b>	<b>37,011,656</b>

#### Note on closing balances:

The closing balances at the agent banks comprise collections that were within the T+2-transfer arrangement. The variances in amounts across the revenue items is dependent on the level of activities and remittances on the last two days of the month.

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E. (i) Unallocated Revenue closing balances for the year ended 30th June 2024.

	Bank Name	Account Name	Bank Account No.	Amount(Kshs)
1	Co-operative Bank of Kenya Limited	Com. of Customs & Excise -Nkrumah	01136006150701	140,104
2	Co-operative Bank of Kenya Limited	KRA collection Account(VAT/E-slip)	01136001340300	291,075
3	Eco bank Kenya Limited	Kenya Revenue Authority	6580000121	122,570
4	Equity Bank (Kenya)Limited	Kenya Revenue Authority	0240299657063	905,650
5	I&M Bank Limited	Kenya Revenue Authority	100816369910	553,634
6	KCB Kenya Limited	Kenya Revenue Authority	1108976298	29,350,292
7	National Bank of Kenya Limited	KRA- Comm of Cust Serv. Pre-Idf A/C	01002305340900	3,072,755
8	National Bank of Kenya Limited	KRA collection Account	01001005109600	5,140,784
9	Stanbic Bank Kenya Limited	Kenya Revenue Authority	100002716307	177,269
	<b>Sub Total</b>			<b>39,754,133</b>
	<b>Debits (Bank Errors &amp; Charges)</b>			
1	Access bank	Kenya Revenue Authority	0010100001268	(24,876)
2	Imperial Bank	Kenya Revenue Authority	ITAX- L121422/7224000607	(550)
3	NCBA Bank Kenya PLC	Kenya Revenue Authority	7135210017	(38,200)
	<b>Sub Total</b>			<b>(63,626)</b>
	<b>Grand Total</b>			<b>39,690,507</b>

**Note:**

Unallocated Revenue relate to payments remitted to KRA collection accounts but with missing mandatory information especially Taxpayer details, PRN Numbers or where the PRN Number was already expired. Follow up is being made with the respective taxpayers and the bank to provide the missing information to allow utilization. Debit balances relates to bank errors and erroneous charges, which are followed up and regularized by banks in subsequent periods. All the above debits will be regularized in July 2024, except for the amounts of Kshs 550 for Imperial Bank, which is currently under statutory management/receivership.

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### (ii) Unallocated Revenue for the year ended 30<sup>th</sup> June 2023

	Bank Name	Account Name	Amount(Kshs)
1	Equity Bank (Kenya)Limited	Kenya Revenue Authority	44,810
2	NCBA Bank Kenya PLC	Kenya Revenue Authority	-
3	Absa Bank Kenya PLC	Kenya Revenue Authority	418
4	Family Bank Limited	Kenya Revenue Authority	2,000
5	Mpesa paybill	Kenya Revenue Authority	448,052
6	National Bank of Kenya Limited	KRA collection Account	1,110,069
7	Co-operative Bank of Kenya Limited	Comm of Customs & Excise -Nkrumah	1,263,505
8	Coop bank -Mpesa Account	Kenya Revenue Authority	12,944,997
9	National Bank of Kenya Limited	KRA- Comm of Cust Serv. Pre-Idf A/C	1,704,935
10	Co-operative Bank of Kenya Limited	Comm of Customs & Excise -Coop House	3,479,825
11	Co-operative Bank of Kenya Limited	KRA collection Account(VAT/E-slip)	38,888,193
12	KCB Kenya Limited	Kenya Revenue Authority	338,983,200
13	Standard Chartered Bank Kenya Limited	Kenya Revenue Authority	8,430
14	Stanbic Bank Kenya Limited	Kenya Revenue Authority	90,670
15	Kenya Post Office Savings Bank	Kenya Revenue Authority Collection Account	2
	<b>Subtotal</b>		<b>398,969,106</b>
	Debits (Bank Errors & Charges)		
1	Equity Bank (Kenya)Limited	Kenya Revenue Authority	(3,049,437)
2	Ecobank Kenya Limited	Kenya Revenue Authority	(72,000)
3	Gulf African Bank Ltd	Kenya Revenue Authority Collection Account	(23,851)
4	Access bank	Kenya Revenue Authority	(20,628)
5	Imperial Bank	Kenya Revenue Authority	(550)
	<b>Total</b>		<b>395,802,640</b>

### (iii) Closing Balance- Excise Stamps

	Bank	Account Name	Account No.	FY 2023-2024 Amount(Kshs)
1	Stanbic Bank Kenya Limited	Kenya Revenue Authority	100002716307	117,776
2	KCB Kenya Limited	Kenya Revenue Authority	1108976298	175,000
3	E-citizen(National Treasury)	Kenya Revenue Authority		1,840,194
	<b>SUBTOTAL</b>			<b>2,132,970</b>

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(iv) Funds available for Transfer from Prior years

	FY 2023-2024	FY 2022-2023
	Kshs.	Kshs.
Opening Cash in Transit	19,279,392,318	15,705,841,594
Prior year adjustments & Error corrections	(804,167,959)	(427,557,717)
<b>Funds Available for Transfer from Prior years</b>	<b>18,475,224,359</b>	<b>15,278,283,876</b>

Note:

1. The figure of Kshs. 804,167,959 relates to adjustments for prior year (FY 2022-2023) transactions recognized as collections and payments in the current financial year 2022-2024.
2. \*The adjustment of Ksh. 2,619,010 relates to VAT Import Cash in Transit at KRA Kenya Commercial Bank Account No. 1108976298 that was inadvertently accounted as part of Prior year adjustments & Corrections in the FY 2022/2023 Revenue Accountability Statement.

Table 2: Prior year adjustments & Error corrections

	FY 2023-2024	FY 2022-2023
Prior year adjustments & Corrections as per FY 2022/2023 Revenue Accountability Statement	18,475,224,360	15,275,664,866
VAT Import closing balance FY 2022/2023 adjustment	-	2,619,010
Adjusted Prior year adjustments & Corrections	<b>18,475,224,360</b>	<b>15,278,283,876</b>

(iv) Payables- Due to Exchequer & Principals

Payables	BALANCES MOVEMENT AS AT 30 <sup>TH</sup> JUNE, 2024				
	Exchequer	Agency/Payment Accounts	NCCG	Unallocated Revenue	TOTAL
	Kshs	Kshs.	Kshs	Kshs	Kshs
Balance B/F at the beginning of the period	12,609,290,264	6,237,287,758	37,011,656	395,802,640	19,279,392,318
Prior year Adjustments/Error corrections	22,798,333	(431,163,652)		(395,802,640)	(804,167,959)
Exchequer Collections for the period	2,250,179,782,780				2,250,179,782,780
Agency Collections for the period		184,029,419,397			184,029,419,397
AIA Revenue & Treasury Funding(SLA Penalty receipts)		104,534,925			104,534,925
Provision for Refunds	(31,260,000,000)	31,260,000,000			-
NCCG Collections			10,938,189,077		10,938,189,077
Unallocated Revenue				41,823,477	41,823,477
<b>Total Funds available</b>	<b>2,231,551,871,377</b>	<b>221,200,078,428</b>	<b>10,975,200,735</b>	<b>41,823,477</b>	<b>2,463,768,974,017</b>
<b>Disbursements</b>					
Amounts disbursed to Exchequer during the year	(2,207,102,729,753)	-			(2,207,102,729,753)
Remittances to Principals		(172,187,329,654)			(172,187,329,654)
Agency commissions and 16%VAT deducted remitted to KRA		(3,818,201,459)			(3,818,201,459)
NCCG Remittances			-10,951,698,879		(10,951,698,879)
Refund Payments		(31,681,284,529)			(31,681,284,529)
AIA Revenue Remittances		-104,585,076			(104,585,076)
<b>Total Disbursements during the period</b>	<b>(2,207,102,729,753)</b>	<b>(207,791,400,718)</b>	<b>(10,951,698,879)</b>		<b>(2,425,845,829,350)</b>
<b>Balance c/d at the end of the period</b>	<b>24,449,141,624</b>	<b>13,408,677,710</b>	<b>23,501,856</b>	<b>41,823,477</b>	<b>37,923,144,667</b>

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**17.18. (A) (i) Central Bank of Kenya (CBK) Refund Payment Accounts Movement Schedule for year ended 30<sup>th</sup> June, 2024**

Payment Account	Opening balance as per CBK accounts as at 01/7/2023	Provision for Refund	Receipts/Returned payments/Penalty Payments	Total Amount available	Refunds Payments for the year	Remittances to Principals	Amount for Error correction & Provision for refunds re-allocation	Closing bank Balances as at 30.06.2024
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
Customs Services Payments Account	4,457,436,148	788,705,206	92,498,972,668	97,745,114,022	900,920,546	92,181,479,543	13,055,167	4,649,658,765
Income Tax Payments Account	101,231,431	600,000,000	221,702,279	922,933,710	600,126,690	-	290,700,984	32,106,036
Value Added Tax Payments Account	322,586,640	30,000,000,000	-	30,322,586,640	30,176,410,772	-	128,705,206	17,470,662
Stamp Duty Payment Account	6,858,097	-	871,205,917	878,064,014	3,826,520	821,700,820	46,554,263	5,982,411
<b>Total</b>	<b>4,888,112,316</b>	<b>31,388,705,206</b>	<b>93,591,880,864</b>	<b>129,868,698,386</b>	<b>31,681,284,529</b>	<b>93,003,180,364</b>	<b>479,015,620</b>	<b>4,705,217,873</b>

**17.18. (A) (ii) Central Bank of Kenya (CBK) Refund Payment Accounts Movement Schedule for year ended 30<sup>th</sup> June, 2023.**

Payment Account	Opening balance as per CBK accounts as at 01/7/2022	Provision for Refund	Receipts/Returned payments	Total Amount available	Refunds Payments for the year	Remittances to Principals	Amount for Error correction/Re-allocation of Provision for Refunds	Closing bank Balances as at 30.06.2023
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
Customs Services Payments Account	3,373,720,562	660,000,000	97,982,105,638	102,015,826,200	774,783,039	96,750,119,502	33,487,512	4,457,436,148
Income Tax Payments Account	2,139,964,000	2,165,173,774	254,509,556	4,559,647,330	2,164,991,185	2,286,457,862	6,966,852	101,231,431
Value Added Tax Payments Account	31,250	26,400,000,000	-	26,400,031,250	24,312,239,586	-	1,765,205,024	322,586,640
Stamp Duty Payment Account	11,380,842	-	-	11,380,842	4,522,745	-	-	6,858,097
<b>Total</b>	<b>5,525,096,654</b>	<b>29,225,173,774</b>	<b>98,236,615,194</b>	<b>132,986,885,622</b>	<b>27,256,536,555</b>	<b>99,036,577,363</b>	<b>1,805,659,388</b>	<b>4,888,112,316</b>

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**Note;**

1. The above tables 17.18(A) reflects funds movement in the Refunds Payment Accounts held at the Central bank of Kenya. The funds and disbursements on each account is explained as follows;
  - i. The Customs Payment Account receives funds allocated for payment of customs refunds and Agency revenues that are subsequently remitted to the agency principals.
  - ii. The VAT Payment Account receives funds allocated for VAT refunds and reflects payments made for approved VAT refund claims.
  - iii. The Stamp Duty Payment Account receives funds allocated for both Stamp Duty and Land Rent refunds and reflects payment made for approved refund claims.
  - iv. The Excise Duty Payment Account receives funds allocated for both Excise refunds and reflects payment made for approved refunds claims.

**B) (i) Statement of utilization of Funds allocated for Refunds as at 30<sup>th</sup> June, 2024**

Payment Account	Opening balance as per CBK accounts as at 01/7/2023	Provision for Refund	Receipts/Returned payments	Total Amount available	Refunds Payments for the year	Remittances to Principals	Amount for Error correction & Provision for refunds re-allocation	Total Payments	% utilization
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	
Customs Services Payments Account	4457436148	788,705,206	92,498,972,668	97,745,114,022	900,920,546	92,181,479,543	13,055,167	93,095,455,257	95%
Income Tax Payments Account	101,231,431	600,000,000	221,702,279	922,933,710	600,126,690	-	290,700,984	890,827,675	97%
Value Added Tax Payments Account	322,586,640	30,000,000,000	-	30,322,586,640	30,176,410,772	-	128705206	30,305,115,978	100%
Stamp Duty Payment Account	6,858,097	-	871,205,917	878,064,014	3,826,520	821,700,820	46,554,263	872,081,603	99%
<b>TOTAL</b>	<b>4,888,112,316</b>	<b>31,388,705,206</b>	<b>93,591,880,864</b>	<b>129,868,698,386</b>	<b>31,681,284,529</b>	<b>93,003,180,364</b>	<b>479,015,620</b>	<b>125,163,480,513</b>	<b>96%</b>

**(ii) Statement of utilization of Funds allocated for Refunds as at 30<sup>th</sup> June, 2023**

Payment Account	Opening balance as per CBK accounts as at 01/7/2022	Provision for Refund	Receipts/Returned payments	Total Amount available	Refunds Payments for the year	Remittances to Principals	Amount for Error correction	Total Payments	% utilization
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	%
Customs Services Payments Account	3373720562	660,000,000	97,982,105,638	102,015,826,200	774,783,039	96,750,119,502	33,487,512	97,558,390,052	96%
Income Tax Payments Account	2,139,964,000	2,165,173,774	254,509,556	4,559,647,330	2,164,991,185	2,286,457,862	6,966,852	4,458,415,898	98%
Value Added Tax Payments Account	31,250	26,400,000,000	-	26,400,031,250	24,312,239,586	-	1,765,205,024	26,077,444,610	99%
Stamp Duty Payment Account	11,380,842	-	-	11,380,842	4,522,745	-	-	4,522,745	40%
<b>TOTAL</b>	<b>5,525,096,654</b>	<b>29,225,173,774</b>	<b>98,236,615,194</b>	<b>132,986,885,622</b>	<b>27,256,536,555</b>	<b>99,036,577,363</b>	<b>1,805,659,388</b>	<b>128,098,773,306</b>	<b>96%</b>

KENYA REVENUE AUTHORITY

ANNUAL REPORT AND REVENUE ACCOUNTABILITY STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2024

APPENDICES

(i) Customs and Border Control Department

The following is a detailed collection analysis of Customs Services Department

Statement of Target Vs Actual Performance by Department

Tax Head	Actual for the year ended 30th June 2024			Actual for the year ended 30th June 2023		
	Target	Actual Receipts	% target realised	Target	Actual Receipts	% target realised
	Kshs.	Kshs.	%	Kshs.	Kshs.	%
<b>Exchequer</b>						
Gross Import Duty	142,553,267,004	133,448,662,626	94%	142,855,824,248	130,167,072,613	91%
Gross Excise Duty - Imports	113,664,662,191	112,721,370,624	99%	126,663,602,730	110,261,739,896	87%
VAT - Imports	351,137,149,673	332,317,369,562	95%	285,019,284,424	277,634,172,284	97%
Import Declaration Fees	59,235,885,182	53,288,906,592	90%	60,020,272,634	62,192,121,503	104%
Export and Investment Promotion Levy	-	344,300,650	-	-	-	-
Railway Development Levy	37,396,000,000	32,023,920,739	86%	36,830,000,000	39,899,400,353	108%
<b>Sub-Gross total Exchequer</b>	<b>703,986,964,050</b>	<b>664,144,530,793</b>	<b>94%</b>	<b>651,388,984,036</b>	<b>620,154,506,649</b>	<b>95%</b>
Less: Prov. for Refunds(Import Duty)	(180,000,000)	(180,000,000)	100%	(180,000,000)	(180,000,000)	100%
Less: Prov. for Refunds(Excise Duty)	(480,000,000)	(480,000,000)	100%	(480,000,000)	(480,000,000)	100%
<b>Net total Exchequer</b>	<b>703,326,964,050</b>	<b>663,484,530,793</b>	<b>94%</b>	<b>650,728,984,036</b>	<b>619,494,506,649</b>	<b>95%</b>
<b>Agency</b>						
Airport Revenue	15,369,977,932	16,970,444,395	110%	8,850,318,307	13,599,001,167	154%
Aviation Revenue	-	684,220,363	-	8,114,000,000	6,076,731,530	75%
Petroleum Development Fund	32,080,397,800	24,158,098,791	75%	25,399,128,572	25,915,090,680	102%
Road Maintenance Levy	80,804,211,993	79,278,686,629	98%	91,970,000,000	84,143,023,609	91%
K.A.A. Concession Fees	170,262,196	167,983,128	99%	150,416,361	155,784,174	104%
Road Transit Toll Levy	1,600,000,000	2,068,280,186	129%	539,000,000	1,594,825,992	296%
Solatum Contribution	-	261,788,280	-	-	-	-
Sugar Levy	-	-	-	-	94,723	-
Petroleum Regulatory Levy	1,297,490,083	1,965,564,442	151%	1,249,031,142	1,191,586,328	95%
Merchant Superintendent Shipping Levy	2,059,324,627	2,141,088,302	104%	1,601,897,072	1,904,929,486	119%
Miscellaneous	3,551,000	13,486,180	380%	7,854,000	14,574,902	186%
<b>Sub-total Agency</b>	<b>133,385,215,632</b>	<b>127,709,640,696</b>	<b>96%</b>	<b>137,881,645,454</b>	<b>134,595,642,591</b>	<b>98%</b>
<b>Total CSD</b>	<b>836,712,179,683</b>	<b>791,194,171,489</b>	<b>95%</b>	<b>788,610,629,490</b>	<b>754,090,149,240</b>	<b>96%</b>

KENYA REVENUE AUTHORITY

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(ii) Domestic Taxes Department

The following is the detailed collection analysis for Domestic Taxes Department;

Statement of Target Vs Actual Performance by Department

Tax Head	Actual for the year ended 30th June 2024			Actual for the year ended 30th June 2023		
	Target	Actual Receipts	% target realised	Target	Actual Receipts	% target realised
	Kshs.	Kshs.	%	Kshs.	Kshs.	%
<b>Exchequer</b>						
VAT-Gross Collection	337,822,717,917	344,270,061,417	102%	323,598,127,938	298,851,380,440	92%
Less Provision for Refunds	(30,000,000,000)	(30,000,000,000)	100%	(26,400,000,000)	(26,400,000,000)	100%
VAT Domestic	<b>307,822,717,917</b>	<b>314,270,061,418</b>	<b>102%</b>	<b>297,198,127,938</b>	<b>272,451,380,440</b>	<b>92%</b>
P. A. Y. E	580,824,154,911	543,188,161,942	94%	511,315,528,603	494,978,594,750	97%
Other Income Taxes	505,948,069,470	481,719,954,842	95%	464,284,509,488	429,634,148,005	93%
Turnover Tax	715,369,323	396,421,851	55%	112,653,556	128,120,755	114%
Capital gain Tax	7,709,900,021	8,380,999,876	109%	6,361,777,232	5,606,957,074	88%
Rental Income	16,345,567,081	14,406,277,233	88%	13,915,029,541	13,693,981,870	98%
Excise Duty Domestic	73,943,328,228	73,624,151,326	100%	74,559,120,550	68,124,196,921	91%
Excise Tax on Airtime	36,032,443,678	35,919,474,528	100%	41,809,545,680	41,406,640,162	99%
Excise Tax on Financial Services	47,345,478,553	48,326,602,271	102%	45,706,028,887	42,012,202,097	92%
Excise Tax on Betting Services	10,779,228,274	10,598,196,242	98%	5,714,941,142	6,640,111,491	116%
Excise Tax on Advertisement	8,798,152,000	-	-	-	-	-
Betting Tax	5,404,734,320	4,671,142,639	86%	4,345,820,630	3,875,436,823	89%
Stamp Duty	9,532,847,866	5,091,624,728	53%	13,673,633,916	12,205,806,845	89%
Land Rent	-	110,950,992	-	289,295,826	200,317,577	69%
Surplus Plus	-	10,273,414,355	-	-	8,211,995,804	0%
Digital Service Tax	752,514,925	651,553,396	87%	378,646,453	371,445,211	98%
<b>Sub-Total Exchequer Revenue</b>	<b>1,611,954,506,567</b>	<b>1,551,628,987,637</b>	<b>96%</b>	<b>1,479,664,659,442</b>	<b>1,399,541,335,824</b>	<b>95%</b>
Agency Revenue						
KEBS - Levy	661,659,888	607,597,795	92%	578,058,088	611,031,112	106%
Housing Levy	63,220,000,000	54,159,008,522	86%	429,280	477,252	111%
NITA Levy	858,554,973	1,231,407,784	143%	497,592,350	791,384,622	159%
<b>Total Agency Collections including NITA collections</b>	<b>64,740,214,861</b>	<b>55,998,014,101</b>	<b>86%</b>	<b>1,076,079,718</b>	<b>1,402,892,986</b>	<b>130%</b>
<b>Total</b>	<b>1,676,694,721,428</b>	<b>1,607,627,001,738</b>	<b>96%</b>	<b>1,480,740,739,160</b>	<b>1,400,944,228,810</b>	<b>95%</b>

**KENYA REVENUE AUTHORITY**

**ANNUAL REPORT AND REVENUE ACCOUNTABILITY STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2024**

**(iii) Road Transport Department**

The following is the detailed collection analysis for Traffic Revenue;

**Statement of Target Vs Actual Performance by Department**

Tax Head	Actual for the year ended 30th June 2024			Actual for the year ended 30th June 2023		
	Target	Actual Receipts	% target realised	Target	Actual Receipts	% target realised
	Kshs.	Kshs.	%	Kshs.	Kshs.	%
Exchequer	5,333,910,557	4,406,264,350	83%	4,277,680,592	4,400,006,574	103%
Agency	431,000,413	335,250,780	78%	511,589,200	391,480,426	77%
<b>Total</b>	<b>5,764,910,970</b>	<b>4,741,515,130</b>	<b>82%</b>	<b>4,789,269,792</b>	<b>4,791,487,000</b>	<b>100%</b>

**(iv) Nairobi City County Government Collections**

Revenue Stream	Actual for the year ended 30th June,2024			Actual for the year ended June 2023		
	Target	Actual Receipts	Target realised %	Target	Actual Receipts	Target realised %
Land Rates	7,030,000,000	3,339,222,190	47%	5,625,000,000	2,864,357,088	51%
Parking fees (total)	3,000,000,000	1,898,836,758	63%	3,025,000,000	1,861,601,275	62%
Single Business Permits	3,000,000,000	2,302,138,644	77%	3,000,000,000	1,633,513,224	54%
Plans and Inspections (Building Permits)	2,050,000,000	1,189,882,532	58%	1,750,000,000	963,349,767	55%
Billboards and advertisements	1,200,000,000	597,196,140	50%	1,200,000,000	593,283,759	49%
House and Stall Rent	600,000,000	487,576,139	81%	600,000,000	450,419,350	75%
Fire Inspection Certificates	453,000,000	58,240,403	13%	450,000,000	202,611,108	45%
Food Handlers Certificates	300,000,000	104,753,106	35%	250,000,000	132,717,178	53%
Markets	560,000,000	232,647,880	42%	538,770,000	250,509,468	46%
Other Incomes	1,797,072,415	727,695,286	40%	1,839,064,348	378,684,020	21%
<b>Total</b>	<b>19,990,072,415</b>	<b>10,938,189,077</b>	<b>55%</b>	<b>18,277,834,348</b>	<b>9,331,046,235</b>	<b>51%</b>

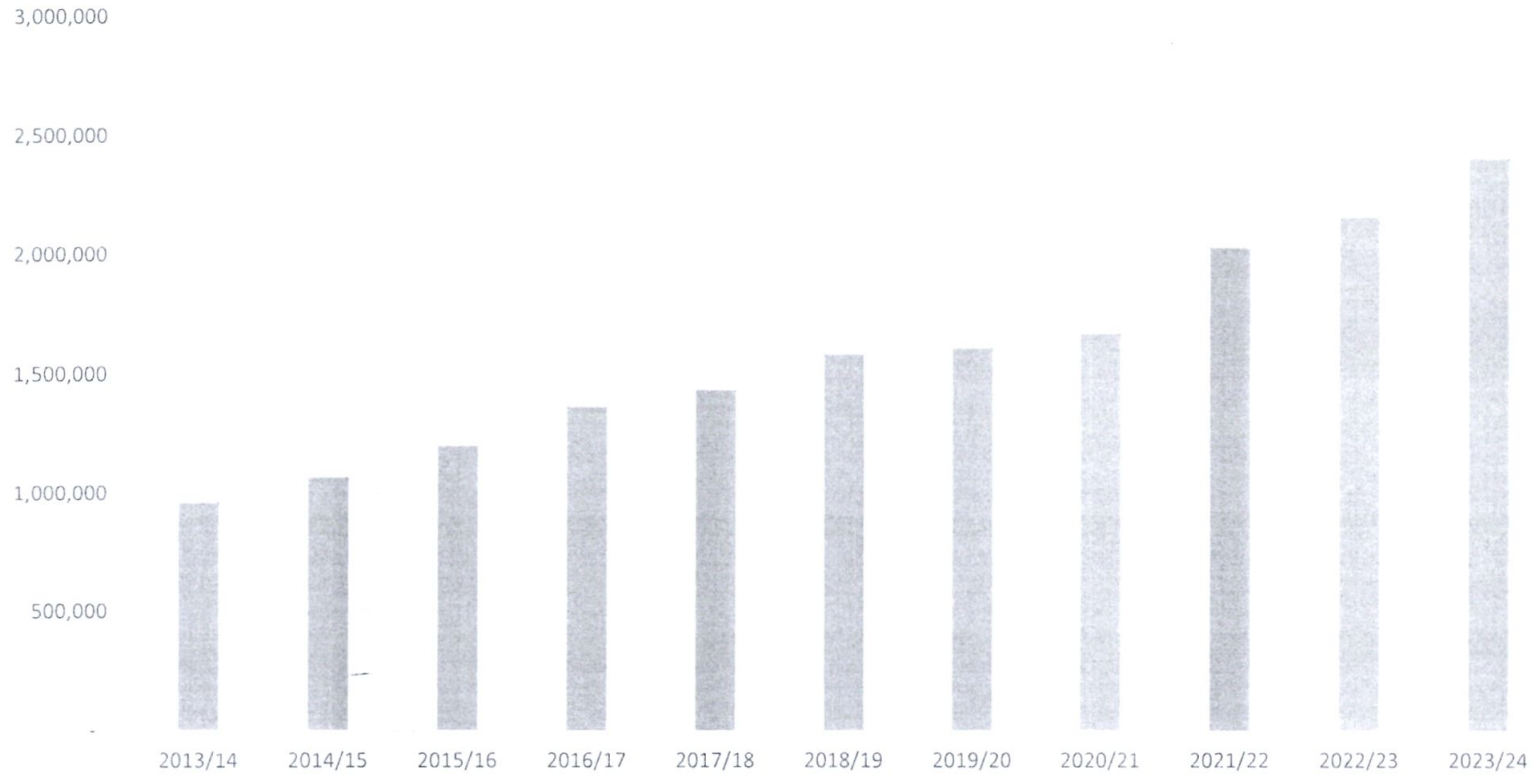
KENYA REVENUE AUTHORITY

ANNUAL REPORT AND REVENUE ACCOUNTABILITY STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2024

(v) Collections trend for the financial years 2013/14 to 2023/24 (Net figures in Kshs Millions)

DEPT	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
<b>C&amp;BC</b>											
Exchequer	289,689	313,291	325,272	352,939	375,888	423,227	414,465	500,932	598,487	619,495	663,484
Agency	42,142	45,132	60,731	90,585	94,180	102,110	96,183	123,854	130,007	134,596	127,710
<b>Total C&amp;BC</b>	<b>331,831</b>	<b>358,423</b>	<b>386,003</b>	<b>443,524</b>	<b>470,068</b>	<b>525,337</b>	<b>510,648</b>	<b>624,786</b>	<b>728,494</b>	<b>754,090</b>	<b>791,194</b>
<b>DTD</b>											
Exchequer	626,335	705,718	808,702	917,061	961,406	1,049,912	1,092,126	1,038,691	1,296,640	1,399,541	1,551,629
Agency	1,966	1,508	1,543	581	506	511	560	605	960	1402.892	55,998
<b>Total DTD</b>	<b>628,301</b>	<b>707,226</b>	<b>810,245</b>	<b>917,642</b>	<b>961,912</b>	<b>1,050,423</b>	<b>1,092,686</b>	<b>1,039,297</b>	<b>1,297,600</b>	<b>1,400,944</b>	<b>1,607,627</b>
<b>TRD</b>											
Exchequer	2,959	2,964	2,859	3,060	2,961	3,834	3,592	4,584	4,421	4,400	4,406
Agency	732	982	1,052	1,042	405	468	415	586	511	391	335
<b>Total DTD</b>	<b>3,691</b>	<b>3,946</b>	<b>3,911</b>	<b>4,102</b>	<b>3,366</b>	<b>4,302</b>	<b>4,007</b>	<b>5,170</b>	<b>4,932</b>	<b>4,791</b>	<b>4,741</b>
Total KRA											
Exchequer	918,983	1,021,973	1,136,833	1,273,060	1,340,255	1,476,973	1,510,183	1,544,207	1,899,547	2,023,436	<b>2,219,519</b>
Agency	44,840	47,622	63,326	92,208	95,091	103,089	97,158	125,046	131,478	136,390	184,043
<b>Total Revenue</b>	<b>963,823</b>	<b>1,069,595</b>	<b>1,200,159</b>	<b>1,365,268</b>	<b>1,435,346</b>	<b>1,580,062</b>	<b>1,607,341</b>	<b>1,669,253</b>	<b>2,031,025</b>	<b>2,159,826</b>	<b>2,403,562</b>

KRA Revenue performance for FY 2013-2014 to FY 2023-2024 Annual Revenue collections in Kshs. (Millions)



KENYA REVENUE AUTHORITY

ANNUAL REPORT AND REVENUE ACCOUNTABILITY STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2024

(vi) (a) Statement of Revenue Debt as at 30<sup>th</sup> June 2024

	Department	For the year ended 30th June 2024	For the year ended 30th June 2023
		Kshs.	Kshs.
1	Customs and Border Control Department	12,017,802,461	13,188,859,191
	<b>Sub-totals</b>	<b>12,017,802,461</b>	<b>13,188,859,191</b>
2	Domestic Taxes Department -Legacy		
	-iTax	2,321,910,746,742	986,410,608,138
	<b>Sub-totals</b>	<b>2,321,910,746,742</b>	<b>986,410,608,138</b>
	<b>Total</b>	<b>2,333,928,549,203</b>	<b>999,599,467,329</b>

(b) Statement of Revenue Debt by Tax Head as at 30<sup>th</sup> June 2024

Tax Head	Balance as at 1 July 2023	Arrears Received /accounted During the Period	Additions in Arrears for the Period ended 30th June 2024	Total Arrears as at 30th June 2024
	Kshs.	Kshs.	Kshs.	Kshs.
Tax on income profits and capital gains	714,090,396,450	(502,721,786,767)	1,315,368,754,822	1,526,737,364,505
Taxes on goods and services	272,320,211,688	(223,853,755,171)	746,706,925,720	795,173,382,237
<b>Sub total</b>	<b>986,410,608,138</b>	<b>(726,575,541,938)</b>	<b>2,062,075,680,542</b>	<b>2,321,910,746,742</b>
Taxes on International Trade and Transactions	13,188,859,191	(4,874,410,814)	3,703,354,084	21,766,624,090
<b>Sub total</b>	<b>13,188,859,191</b>	<b>(4,874,410,814)</b>	<b>3,703,354,084</b>	<b>12,017,802,461</b>
<b>Total</b>	<b>999,599,467,329</b>	<b>(731,449,952,753)</b>	<b>2,065,779,034,627</b>	<b>2,333,928,549,203</b>

(c) Statement of Revenue Debt by age of the debt as at 30<sup>th</sup> June 2024

Tax head	Less than 1 Year	Between 1 to 2 Years	Between 2-3 Years	Over 3 Years	Total
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
Taxes on income profits and capital gains	177,255,727,258	120,453,593,864	108,294,658,160	1,120,733,385,222.37	1,526,737,364,505
Taxes on goods and services	23,488,318,251	32,922,269,026	45,687,918,151	693,074,876,809	795,173,382,237
<b>Sub -total</b>	<b>200,744,045,508</b>	<b>153,375,862,890</b>	<b>153,982,576,312</b>	<b>1,813,808,262,032</b>	<b>2,321,910,746,742</b>
Taxes on International Trade and Transactions	1,265,419,468	812,655,977	767,264,352	9,172,462,664	12,017,802,461
<b>Sub-total</b>	<b>1,265,419,468</b>	<b>812,655,977</b>	<b>767,264,352</b>	<b>9,172,462,664</b>	<b>12,017,802,461</b>
<b>Grand Total</b>	<b>202,009,464,976</b>	<b>154,188,518,867</b>	<b>154,749,840,664</b>	<b>1,822,980,724,696</b>	<b>2,333,928,549,203</b>

KENYA REVENUE AUTHORITY

ANNUAL REPORT AND REVENUE ACCOUNTABILITY STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2024

(d) Breakdown of Revenue Debt as at 30<sup>th</sup> June 2024

Department	Debt Breakdown			Total Debt (Kshs)
	Principal (Kshs)	Penalty (Kshs)	Interest (Kshs)	
Customs and Border Control Department	8,457,461,167	2,010,649,785	1,549,691,509	12,017,802,461
<b>Sub Total</b>	<b>8,457,461,167</b>	<b>2,010,649,785</b>	<b>1,549,691,509</b>	<b>12,017,802,461</b>
Domestic Taxes Department(iTax)	1,846,318,741,449	117,561,276,886	358,030,728,406	2,321,910,746,742
<b>Sub Total</b>	<b>1,846,318,741,449</b>	<b>117,561,276,886</b>	<b>358,030,728,406</b>	<b>2,321,910,746,742</b>
<b>Grand Total</b>	<b>1,854,776,202,617</b>	<b>119,571,926,672</b>	<b>359,580,419,914</b>	<b>2,333,928,549,203</b>

(e) Classification of Revenue Debt as at 30th June 2024

Department	Classification				Total Debt (Kshs)
	Collectible (KShs.)	Doubtful (Kshs.)	Uncollectable (Kshs)	Under validation	
Customs and Border Control Department	2,845,339,797	8,266,306,582	906,156,082	-	12,017,802,461
<b>Sub Total</b>	<b>2,845,339,797</b>	<b>8,266,306,582</b>	<b>906,156,082</b>	<b>-</b>	<b>12,017,802,461</b>
Domestic Taxes Department(iTax)	98,481,394,926	1,071,564,497,287	16,378,998,407	1,135,485,856,122	2,321,910,746,742
<b>Sub Total</b>	<b>98,481,394,926</b>	<b>1,071,564,497,287</b>	<b>16,378,998,407</b>	<b>1,135,485,856,122</b>	<b>2,321,910,746,742</b>
<b>Grand Total</b>	<b>101,326,734,723</b>	<b>1,079,830,803,869</b>	<b>17,285,154,489</b>	<b>1,135,485,856,122</b>	<b>2,333,928,549,203</b>

Note:

1. Domestic Taxes Department

The Domestic Taxes debt as at 30<sup>th</sup> June 2024 was Kshs 2,333,928,549,203.

2. (a) Challenges in Debt Management

- i. Erroneous/Mis-declarations by Taxpayers during filing leading to invalid debts.
- ii. Objections and court cases that affect collections efforts
- iii. Semi-automated debt processes complicating debt processing
- iv. High number of Tax debtors compared Versus staff numbers
- v. Erroneous/incomplete Ledger data inherited from the Legacy system
- vi. Lack of and slow integration by other government agencies systems to iTax to facilitate seamless update of payment information into the Ledgers.

(b) Measures in Place to Improve Revenue Debt Arrears

- i. Continuous strengthening of the Corporate Taxpayer Account Management Division that is charged with debt management by improving structures and staff capacity (numbers and training).
- ii. Automation and roll out of debt module in iTax to transform the overall debt processes.
- iii. Implementation of a project approach to deal with huge debts owed by nil and non-filers for the various tax heads.

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## ANNUAL REPORT AND REVENUE ACCOUNTABILITY STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2024

- iv. Building capacity on gathering intelligence information to facilitate effective utilisation of debt enforcement actions such as Agency Notices and distraint (auction of property) to deal with difficult and hard-core debt cases.
- v. Establishment of a full time project team to fast track debt validation of legacy system debts and creation of specific debt validation teams at TSOs.
- vi. Strengthening of the Tax appeal processes including objections, ADR and TAT to enhance timely resolution of the many cases tying huge debt.
- vii. Enhanced and comprehensive data cleaning and validation processes on Taxpayer records/Ledgers/Bonds. .
- viii. Linking of IFMIS, iTax and CBK systems to avoid build-up of invalid PAYE debts due to lack of uncredited payments in iTax.
- ix. Issuance of Caveats on importers and Customs clearing Agents consignment's to recover debt.

### (Vii) Statement of Outstanding Refund claims as at 30<sup>th</sup> June 2024 & 30<sup>th</sup> June 2023

Department	Tax Head	For the year ended 30th June 2024 (Kshs)	For the year ended 30th June 2023 (Kshs)
Domestic Taxes Department	VAT	45,644,617,919	41,347,510,014
	Income Tax	49,933,252,136	65,229,730,939
	Excise Domestic	537,617,218	315,512,032
	<b>Subtotal</b>	<b>96,115,487,273</b>	<b>106,892,752,985</b>
Customs and Border Control	Excise Duty	841,151,220	634,589,408
	<b>Sub-Total</b>	<b>841,151,220</b>	<b>634,589,408</b>
	<b>Grand Total</b>	<b>96,956,638,493</b>	<b>107,527,342,393</b>

### (Viii) Statement of Waivers and Tax Variations as at 30<sup>th</sup> June 2024 & 30<sup>th</sup> June 2023.

Department	Year which waiver/variation relates	For the year ended 30th June 2024	For the year ended 30th June 2023	Main Reasons for Waiver/Variation	The law in terms of which the variation/waiver was granted
		Kshs.	(Kshs)		
Domestic Taxes	July 2023 to June 2024 & July 2022 to June 2023	507,521,056,692	3,262,099,201	- Financial Hardship, Natural calamities, professional mishandling. - Being a student - Waived on Medical ground - Wrong obligation	Section 89(7) of the Tax Procedures Act 2015
Customs and Border Control	July 2023 to June 2024 & July 2022 to June 2023	9,844,025,945	180,771,487	- Court cases (ruled in favour of Taxpayer) - Economic Hardship Due To Natural Calamity. - Delays In Clearance Due To Civil Strife, processing of documents, Investigations, - KEBS processes	Regulation 85 of the East African Community Customs Management Regulations (EACCMR) 2010
<b>Total</b>		<b>517,365,082,637</b>	<b>3,442,870,688</b>		

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**(ix) Reconciliation between the KRA collections and the Treasury Figures for the year ended 30<sup>th</sup> June, 2024**

		Reconciliation item	Kshs.	Kshs.
Gross Treasury collections as per the KRA Records ( Notes 12 & 14)				<b>2,250,179,782,780</b>
<b>ADD:</b>	KRA Collections for Financial year 2022-2023 received by The National Treasury in the current Financial year 2023-2024		2,865,714,819	
	KRA Collections received in July 2024 backdated by the National Treasury to Financial year 2023-2024 & Error corrections and Net adjustments		8,168,764,365	<b>11,034,479,184</b>
<b>LESS:</b>	Transfer to Sports Fund		(14,429,955,868)	
	Provision for Refunds (Note 17.18. (A)(i)) net of the amount of Kshs. 128,705,206 of re-allocation of funds from VAT Payment Account to Customs Payment Refunds Accounts		(31,260,000,000)	
	Collections remitted to Fund Accounts(RDL , Export & Investment A/c & AU& other Sub A/c)		(37,691,944,272)	
	Closing Cash-in Transit		(8,549,903,411)	
	KRA Collections received in July 2023 backdated by the National Treasury to Financial year 2022-2023		(3,707,045,414)	
<b>Total</b>				<b>(95,638,848,965)</b>
<b>Total</b>				<b>2,165,575,413,000</b>
	<b>Items classified as Non Tax by The National Treasury</b>			
	Traffic Revenue		4,384,430,329	
	Land Rent		110,946,427	(4,495,376,756)
	National Treasury adjustment			39
<b>Treasury figure</b>				<b>2,161,080,036,282</b>

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(x) Progress on follow up of prior year Audit Recommendations

Audit Ref	Audit title	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Time
1	Non-Collection of Capital Gains Tax	<p>The statement of Revenue Collections and Transfers and as disclosed in Note 17.1 reflects taxes on income, profits and capital gains of Kshs.944,413,247,665 out of which Kshs.5,606,957,074 was in respect of capital gains tax. Analysis of stamp duty collection reports revealed that 10,528 properties valued at Kshs.198,625,539,869 were transferred during the financial year.</p> <p>Based on the sample of 3,296 properties transferred, the Authority did not collect Capital gain tax amounting to Kshs. 5,146,578,129 from 2,188 properties valued at Kshs. 34,310,520,865.</p>	<p>The Audit computation of Capital gains tax of Kshs 5,146,578,129 on the 2,188 properties was erroneously based on a standard rate of 15% on all the properties, yet the applicable rate on some properties was 5% while others were exempted from capital gains tax. In addition, allowable expenses were also not considered in the Audit computation of the payable capital gains tax.</p> <p>In view of the above and as a result of the ongoing review, the collectible amounts have since reduced to Kshs. 3,593,754,117.38, as at 8th August, 2024, out of which Kshs. 137,118,030.00 has been collected.</p>	Not Resolved	Ongoing
2	Under declaration of Income Tax Revenue	<p>The statement of revenue collections and transfers reflects total treasury collections of Kshs.2,050,495,849,046. Included in the treasury collections are receipts of Kshs.944,413,247,665 from income, profits and capital gains and Kshs.844,930,443,291, from taxes on goods and services as disclosed in Notes 17.1 and 17.3 to the financial statements. However, review of taxpayers' declarations in i-Tax system from the Large and Medium Taxpayers Offices for the 2022/2023 financial year revealed that 1,486 taxpayers declared a gross turnover of Kshs. 2,539,360,229,377 under the VAT obligation while the same taxpayers declared gross turnover of Kshs.2,049,318,070,324 under the income tax obligation resulting to an under-declaration of Kshs.490,041,822,592 turnover under the income tax obligation. The underdeclared turnover of Kshs.490,041,822,592 under the income tax</p>	<p>The under collection of income of Kshs. 147,012,647,716 has been reviewed by Domestic Taxes Department, explanations supporting the variances identified by the auditor has reduced the amount to Kshs. 37,222,195,156.00 (LTO - Kshs. 19,803,007,831, MTO - Kshs. 17,419,187,325).</p> <p>The explained variances are attributed to:</p> <ul style="list-style-type: none"> <li>•Cases where the taxpayer due date was non December and taxpayers were yet to file returns.</li> <li>•Cases where the taxpayers had not filed income tax returns for the year 2022 that was due in June 2023. By the time the audit was carried, the taxpayers were yet to file the returns .The taxpayers had varied reasons for not having filed the returns including systems challenges, resignation of auditors or other disruptions in the Company and as per the tax procedures Act had requested for more time to file their returns .The taxpayers had however paid instalment taxes where it was due and subsequently filed their returns. The report however had considered the income declared for income tax as zero thus all the income declared for VAT was considered as undeclared for income tax.</li> </ul>	Not Resolved	Ongoing

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		<p>obligation would have attracted a corporation tax of Kshs.147,012,647,716 which the Authority did not collect.</p> <p>Although Management indicated that action has been taken through the issuance of additional assessments, amendment of returns and compliance audit of the clients, no explanation was provided why action was not taken as required by Sections 6.02(ii) and 6.03(v) and (vi) of the Domestic Tax Department Compliance Management Manual which requires Management to establish the inconsistencies and underlying causes and further prepare a report recommending action by each of the taxpayers account managers.</p> <p>In the circumstances, the Authority under collected revenue by Kshs.147,012,647,716 in respect of income taxes.</p>	<ul style="list-style-type: none"> <li>• Non inclusion of income declared as other income in the income tax returns in some cases.</li> <li>• Failure to remove excise duty element for income tax on taxpayers whose products are subject to excise duty. While VAT is charged after loading excise duty, for income tax purposes excise duty is not added while arriving at the taxable income as per provisions of the income tax Act.</li> <li>• Other income tax adjustments including bad debts adjustments not considered while arriving at taxable income.</li> <li>• 30% was applied to the variances even where taxpayers were yet to file income tax returns without considering costs incurred in earning the income.</li> </ul>		
3	<p><b>Outstanding Refund claims</b></p>	<p>Note 17.18 (B) to the revenue statements discloses outstanding refund claims balance of Kshs.107,527,342,393 as at 30 June, 2023 compared to Kshs.122,507,810,213 reported as at 30 June, 2022. Analysis of the outstanding refund schedule indicated that the outstanding refund comprised of 183,262 claims. However, verification of the claims indicated that 19,978 refund claims totalling Kshs.46, 512,205,778 were outstanding for over two (2) years. Management indicated that the claims were under verification and had not been approved for payment. Were the claims to be approved, contingent penalties of Kshs.16,093,166,465 payable at 1% per month as prescribed under Section 47(5) of Tax Procedures Act, 2015 would have to be incurred by the Authority.</p> <p>Further, included in the 19,978 claims are 488 claims amounting to Kshs.5,960,590,084 which have been outstanding between 5 and 15 years. Management did not provide an explanation why the claims had not been reviewed and settled. It was also noted that the Authority's Tax Manual does not provide guidance on payments</p>	<p>Refund claims processing is affected by several factors which include incomplete documentation by taxpayers affecting most manual claims and the delay in providing documentation affects ledger reconciliation process and completion of the required audit process. Therefore, the indicated penalties in the audit observation may not necessarily obtain. These delays are also occasioned by taxpayer amendments to the related returns. During the processing and audits, there also arises need for amendments and adjustments, which may require that taxpayers are allowed timelines specified in the law to file their objections. Others are also delayed due to the court processes, wrong bank accounts provided, among other factors.</p> <p>It is worth noting that determination of whether a refund claim is payable or not is by the departmental Technical tax officers. The payable cases are forwarded to Finance to effect remittances. Therefore, in comprehensive consideration to factors relating to each refund case, the amounts in the Revenue Accountability Statement are tabulated.</p> <p>The Refunds Procedures Manual guidance on Refund claims prioritization.</p> <p>Chapter 7 Paragraph 7.2.6 clearly articulates refund claims queue Management by specifying that refund claims be processed on a First-In-First-Out basis. In refund claims processing, several factors and considerations exist which may result to rejection of cases and may also cause other claims to fall off the processing queue. These factors are necessity for audit, ledger reconciliation requirements, incomplete documentation requiring taxpayer to provide the</p>	Not Resolved	Ongoing

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	<p>prioritizing of claims leaving the decision at the discretion of the staff processing the claims. This has resulted in accumulation of long outstanding claims while more recent claims are promptly settled.</p> <p>In addition, review of the 183,262 refund claims revealed that 3,165 refund claims amounting to Kshs.18,363,174,737 were confirmed as verified and payable by the Finance Department. Included in the 3,165 claims are 313 claims amounting to Kshs.1,156,783,981 which were over two (2) years from the date of lodgement and had accrued interests amounting to Kshs.222,661,383. However, the accrued interest on the outstanding claims has not been disclosed in the revenue accountability statements. Review of refunds also indicates that claims totalling Kshs.195,553,859 by nine (9) tea factories were disallowed but had not been expunged from the Authority's core tax collection system.</p> <p>In the circumstances, the accuracy of the outstanding refund claims of Kshs.107,527,342,393 could not be confirmed</p>	<p>missing documentations and time taken in compliance by taxpayer, export validation requirement, system use challenge by taxpayer, among others. Such refund claims queuing fallouts are managed/mitigated through preparation of payment listing that ranks approved claims by date of application. In addition and given the self-assessment regime of taxation in Kenya, many refund claims are made by taxpayers from undeserving credits, which require elaborate audits in liaison with the taxpayer, a process that has resulted to huge reduction rate on Income Tax claims.</p> <p>The current status of the 2022/23 outstanding refund claims is as follows;</p> <p><b>1. Domestic Taxes Refunds</b></p> <table border="1"> <thead> <tr> <th colspan="3">SUMMARY OF REFUND OUTSTANDING STOCK AS AT 30<sup>TH</sup> JUNE, 2023</th> <th colspan="4">STATUS OF JUNE 2023 STOCK AS AT 30.6. 2024</th> </tr> <tr> <th colspan="3"></th> <th colspan="2">PENDING</th> <th colspan="2">PROCESSED (Fully paid &amp; invalidate)</th> </tr> <tr> <th>Type</th> <th>No of Claims</th> <th>Amount Claimed(Kshs.)</th> <th>No of Claims</th> <th>Amount Claimed(Kshs.)</th> <th>No of Claims</th> <th>Amount Claimed(Kshs.)</th> </tr> </thead> <tbody> <tr> <td>iTax Refund Cases</td> <td>29,312</td> <td>81,751,229,154</td> <td>18377</td> <td>55596453508</td> <td>10935</td> <td>26154775646</td> </tr> <tr> <td>Manual Refund Cases</td> <td>150,455</td> <td>6,471,985,362</td> <td>8,929</td> <td>1,352,498,433</td> <td>141,458</td> <td>5,255,241,112</td> </tr> <tr> <td>Refund Outstanding Stock in Refunds Unit as at 30th June</td> <td>179,767</td> <td>88,223,214,516</td> <td>27,306</td> <td>56,948,951,941</td> <td>152,393</td> <td>31,410,016,758</td> </tr> <tr> <td>VAT Refund Outstanding Stock in Finance Division as at 30th June</td> <td>2,319</td> <td>16,135,620,875</td> <td>7</td> <td>65493939</td> <td>2312</td> <td>16070126936</td> </tr> <tr> <td>IT Refund Outstanding Stock in Finance Division as at 30th June</td> <td>846</td> <td>2,227,553,861</td> <td>87</td> <td>195,849,563</td> <td>759</td> <td>2,031,704,299</td> </tr> <tr> <td>Excise Refund Outstanding Stock in Finance Division as at 30th June</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>Refund Outstanding Stock in Finance Division as at 30th June</td> <td>3,165</td> <td>18,363,174,737</td> <td>94</td> <td>261343501.6</td> <td>3071</td> <td>18101831235</td> </tr> <tr> <td>Refunds claims paid on 30th June, 2024 but reflected in July, 2024</td> <td></td> <td>210</td> <td></td> <td></td> <td></td> <td>306,363,733</td> </tr> <tr> <td><b>Total</b></td> <td><b>183,142</b></td> <td><b>106,892,752,985</b></td> <td><b>27,400</b></td> <td><b>57,210,295,443</b></td> <td><b>155,464</b></td> <td><b>49,818,211,726</b></td> </tr> </tbody> </table>	SUMMARY OF REFUND OUTSTANDING STOCK AS AT 30 <sup>TH</sup> JUNE, 2023			STATUS OF JUNE 2023 STOCK AS AT 30.6. 2024							PENDING		PROCESSED (Fully paid & invalidate)		Type	No of Claims	Amount Claimed(Kshs.)	No of Claims	Amount Claimed(Kshs.)	No of Claims	Amount Claimed(Kshs.)	iTax Refund Cases	29,312	81,751,229,154	18377	55596453508	10935	26154775646	Manual Refund Cases	150,455	6,471,985,362	8,929	1,352,498,433	141,458	5,255,241,112	Refund Outstanding Stock in Refunds Unit as at 30th June	179,767	88,223,214,516	27,306	56,948,951,941	152,393	31,410,016,758	VAT Refund Outstanding Stock in Finance Division as at 30th June	2,319	16,135,620,875	7	65493939	2312	16070126936	IT Refund Outstanding Stock in Finance Division as at 30th June	846	2,227,553,861	87	195,849,563	759	2,031,704,299	Excise Refund Outstanding Stock in Finance Division as at 30th June	-	-	-	-	-	-	Refund Outstanding Stock in Finance Division as at 30th June	3,165	18,363,174,737	94	261343501.6	3071	18101831235	Refunds claims paid on 30th June, 2024 but reflected in July, 2024		210				306,363,733	<b>Total</b>	<b>183,142</b>	<b>106,892,752,985</b>	<b>27,400</b>	<b>57,210,295,443</b>	<b>155,464</b>	<b>49,818,211,726</b>	
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			<p style="text-align: center;"><b>2. Customs Refunds</b></p> <p>The Customs refunds were all paid during the Financial year 2023-24 except 10 cases pending as a result of Inadequate funding, payment is done based on available funds and priority listing of the claims as per unit's procedure manual. See attached schedule.</p> <div style="text-align: center;">  <p>outstanding customs claims as at</p> </div> <p><b>Impact of Tax Laws</b></p> <p>The past years have occasioned a sharp rise in refund claims following the enactment of Tax Procedures Act, 2015 that abolished transfer of tax overpayments (Income Tax) from one period to another, leaving refund as the only avenue for accessing/utilizing the overpayment. This led to huge applications from corporate entities that would have otherwise utilized overpayments against subsequent periods' liabilities. The other driver for refund growth (VAT) is the enactment of Finance Act 2023 that introduced 11 new items in the Second schedule of VAT Act, 2023 leading to increased VAT refund applications. It is imperative to note that prompt payment of approved claims is dependent on funding allocation from the National Treasury, which has been constrained over time.</p> <p>Out of the cited observation on 9 tea factories, two (2) disallowed cases have been concluded and assessment raised in iTax to reflect amounts disallowed. The remaining 7 are under resolution.</p> <p>Management has put the following measures in place to mitigate refunds growth and alleviate associated challenges, including interest risk exposure:</p> <ol style="list-style-type: none"> <li>1) Full implementation of changes to Tax Procedures Act through Finance Act, 2022 to provide option of refund application or offset of tax overpayment. This has led to decline in Income Tax refund applications as corporate entities prefer set-off (which is the equivalent of prior practice of overpayment transfer prior to the enactment of TPA 2015).</li> <li>2) Full implementation of Finance Act 2023 in utilizing approved claims not paid within 6 months against liabilities. As at 30.6.2024, approved unpaid claims worth Kshs. 10.5B were allowed to taxpayers for utilization against liabilities thus reducing the amount of claims awaiting payment at year-end.</li> <li>3) Formation of dedicated teams for refund audits to address the large number of applications requiring audit before processing to payment level.</li> </ol>		
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			<p>4) Formation of dedicated team to prioritize ledger reconciliation for refund applicants to facilitate prompt debt recovery from approved claims in line with the law.</p> <p>5) Enhancement of staff capacity for refunds processing.</p>																														
4	Long Outstanding Revenue Debt	<p>The statement of revenue debt in Note 17.18(A)(i) to the financial statements reflects an outstanding revenue debt balance of Kshs.999,599,467,329 as at 30 June, 2023 which was Kshs.558,659,105,393 lower than Kshs.1,558,258,572,722 reported as at 30 June, 2022. Management indicated that out of the debt balance of Kshs.999,599,467,329, only an amount of Kshs.95,004,762,592 or approximately 5% is estimated to be collectible while the balance of Kshs.904,594,704,737 or approximately 95% is classified as uncollectible, doubtful or under validation as detailed below.</p> <table border="1"> <thead> <tr> <th>Classification</th> <th>Customs (Kshs.)</th> <th>Domestic Taxes Department (Kshs.)</th> <th>Total (Kshs.)</th> </tr> </thead> <tbody> <tr> <td>Collectible</td> <td>9,498,589,177</td> <td>85,506,173,415</td> <td>95,004,762,592</td> </tr> <tr> <td>Doubtful</td> <td>2,784,113,932</td> <td>534,076,393,093</td> <td>536,860,507,025</td> </tr> <tr> <td>Uncollectible</td> <td>906,156,082</td> <td>-</td> <td>906,156,082</td> </tr> <tr> <td>Under Validation</td> <td>-</td> <td>366,828,041,630</td> <td>366,828,041,630</td> </tr> <tr> <td>Sub-total</td> <td>3,690,270,014</td> <td>900,904,434,723</td> <td>904,594,704,737</td> </tr> <tr> <td>Grand-total</td> <td>13,188,859,191</td> <td>986,410,608,138</td> <td>999,599,467,329</td> </tr> </tbody> </table> <p>Review of the supporting schedules indicated that there was a revenue debt of Kshs.542,192,103,181 as at 30 June, 2022 in respect of debt contained in the legacy system which was under ledger reconciliation process, waiver applications and debt under tax appeal processes. However, the Authority did not provide evidence on the outcome of each of the reconciliation processes that resulted in nil balances casting doubt on the accuracy of the legacy system debts. Management did not explain why some doubtful and uncollectible long outstanding balances of Kshs.537,766,663,107 continue to be retained in the books of account.</p>	Classification	Customs (Kshs.)	Domestic Taxes Department (Kshs.)	Total (Kshs.)	Collectible	9,498,589,177	85,506,173,415	95,004,762,592	Doubtful	2,784,113,932	534,076,393,093	536,860,507,025	Uncollectible	906,156,082	-	906,156,082	Under Validation	-	366,828,041,630	366,828,041,630	Sub-total	3,690,270,014	900,904,434,723	904,594,704,737	Grand-total	13,188,859,191	986,410,608,138	999,599,467,329	<p>The outstanding debt for tax and custom duties as at 30th June 2023 is Kshs. 999,599,467,329 .This debts excludes the following;</p> <p>(i) Kshs. 541,763,028,833, which is erroneous, uncollectible and doubtful due to various factors (see detailed explanation on Note 2 below). These debt category was excluded because they not valid debts hence no collection recovery measures can be instituted pending resolution of the issues causing the invalidity.</p> <p>(ii) Tax debt in Legacy System. KRA was unable to extract the tax debt data in the Legacy system due to system limitations in technology as at 30th June 2023. However, Legacy System debit balances amounting to Kshs. 765,312M that were validated using available information to KRA were migrated to iTax in June 2024. The corresponding penalties and interest is pending computation and migration to iTax due to system limitations that are being addressed. The migrated debit balances will be revalidated jointly with the taxpayers from July 2024 to 31st December 2024.</p> <p>The amount of Kshs. 542,192,103,181 is composed of Kshs. 177,787,778,906 old Legacy debt See note (ii) above), Kshs. 24,658,599,680 debt under waiver application (resolved through the tax amnesty program - Section 37(E) of the Tax Procedures Act) and Kshs. 339,745,724,596 debt under Tax Appeal Processes (Court, TAT,ADR, objections).</p> <p>(iii) The Kshs. 537,766,663,107 debt includes Kshs.193,784,699,971 on Penalties and Fines, Kshs. 340,291,693,119 Interest debt, Kshs. 2,784,113,935 Customs doubtful debt and Kshs. 906,156,082 on customs uncollectible debts. The reason this amounts are still in the books as debt recovery and enforcement measures are still ongoing. As at 30th June 2024, penalties accrued upto 3st December 2022 were waived as per the tax amnesty provisions (Section 37E of the Tax procedures Act 2023).</p> <p>The tax and customs debt as at June 2023 of Kshs. 999,599,467,329 is explained as follows;</p> <p>(i) Kshs. 95,004,762,592 is estimated to be collectible and is being pursued for recovery.</p> <p>(ii) The balance of Kshs. 904,594,704,737 is considered uncollectible and doubtful and is summarised as follows;</p>	Not Resolved	Ongoing
Classification	Customs (Kshs.)	Domestic Taxes Department (Kshs.)	Total (Kshs.)																														
Collectible	9,498,589,177	85,506,173,415	95,004,762,592																														
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	Further, Management indicated that the exercise of validating the debt, as a pre-requisite for updating taxpayers ledgers, is ongoing and various measures have been put in place with a view of reducing the debts. However, the strategies implemented have not yielded much results over the years and it is not clear why the Authority continues to employ the same interventions that are not yielding adequate results.	In the circumstances, the accuracy and recoverability of the outstanding revenue debt of Kshs.999,599,467,329 as at 30 June, 2023 could not be confirmed	<table border="1"> <thead> <tr> <th></th> <th><b>Debt Category</b></th> <th><b>Amount (Kshs.)</b></th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Doubtful Debts including:</td> <td></td> </tr> <tr> <td></td> <td>a) Penalties</td> <td>193,784,699,971</td> </tr> <tr> <td></td> <td>b) Interest</td> <td>340,291,693,119</td> </tr> <tr> <td>2</td> <td>Uncollectible (Erroneous tax return declarations, missing credits/payments, estimated taxes etc) debts</td> <td>66,447,632,920</td> </tr> <tr> <td>3</td> <td>Public Institutions Debts Under Reconciliation</td> <td>245,553,868,397</td> </tr> <tr> <td>4</td> <td>Debts Under Validation Process</td> <td>58,516,810,331</td> </tr> <tr> <td></td> <td><b>Total</b></td> <td><b>904,594,704,738</b></td> </tr> </tbody> </table>		<b>Debt Category</b>	<b>Amount (Kshs.)</b>	1	Doubtful Debts including:			a) Penalties	193,784,699,971		b) Interest	340,291,693,119	2	Uncollectible (Erroneous tax return declarations, missing credits/payments, estimated taxes etc) debts	66,447,632,920	3	Public Institutions Debts Under Reconciliation	245,553,868,397	4	Debts Under Validation Process	58,516,810,331		<b>Total</b>	<b>904,594,704,738</b>	
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<p>1. The Measures in Place to Address Tax and Customs Debt Portfolio To reduce the outstanding debt of Kshs. Kshs. 999,599,467,329 as at 30th June 2023, KRA has put in place various measures. During the period July 2023 to June 2024, KRA has reduced the debt portfolio by Kshs. 964,046M through implementation of the following specific measures;</p> <table border="1"> <thead> <tr> <th></th> <th><b>Debt Reduction Initiatives</b></th> <th><b>FY 2023/24 (July 2023 to June 2024) (Kshs.M)</b></th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Debt Recovery</td> <td>148,125</td> </tr> <tr> <td>2.</td> <td>Taxpayers' Ledger Reconciliations/Corrections</td> <td>174,541</td> </tr> <tr> <td>3.</td> <td>Reversal of Erroneous Debts (Penalties &amp; Interest)</td> <td>5,228</td> </tr> <tr> <td>4.</td> <td>Tax Disputes Resolved (Vacated)</td> <td>128,370</td> </tr> <tr> <td>5.</td> <td>Tax Amnesty Waivers</td> <td>507,782</td> </tr> <tr> <td></td> <td><b>Total Debt Reduction</b></td> <td><b>964,046</b></td> </tr> </tbody> </table> <p>The reason why the overall debt seems not to reduce is that while there is substantial debt reduction, new debt keeps accruing mainly due to the challenge of missing credits, pending dispute cases and uncaptured objection decisions among others.</p> <p>2. Invalid Debt (Erroneous, Uncollectible and Doubtful) The Invalid Debt (Erroneous, Uncollectible and Doubtful) amounting to Kshs. 541,763,028,833 include;</p> <p>(i) Tax and customs duties pending in dispute resolution (at Independent Review of Objections - IRO, Courts, Tax Appeals Tribunal - TAT, Alternative Dispute Resolution - ADR) amounting to Kshs. 510,499,876,895. Taxpayers' ledgers are being updated after</p>		<b>Debt Reduction Initiatives</b>	<b>FY 2023/24 (July 2023 to June 2024) (Kshs.M)</b>	1.	Debt Recovery	148,125	2.	Taxpayers' Ledger Reconciliations/Corrections	174,541	3.	Reversal of Erroneous Debts (Penalties & Interest)	5,228	4.	Tax Disputes Resolved (Vacated)	128,370	5.	Tax Amnesty Waivers	507,782		<b>Total Debt Reduction</b>	<b>964,046</b>							
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			<p>decisions are made and debt recovery enforced immediately decisions are made in favour of KRA.</p> <p>(ii) Erroneous VAT Auto Assessments (VAA) amounting to Kshs. 10,313,211,906. KRA is currently working on a system-based solution to address the January 2019 VAA which were raised on 8th January 2023 by mistake.</p> <p>(iii) Tax waivers of penalties and interest under processing amounting to Kshs. 20,950,949,032. With enactment of Finance Act 2023, this category of debts was automatically waived under the tax amnesty provided for in the Tax Procedures Act 2015 Section 37(E).</p> <p>KRA is continuously resolving the existing tax disputes, updating taxpayers' ledgers with decisions for resolved disputes.</p> <p>Closure of the Audit query within Financial year 2023/2024</p> <p>Debt recovery is a continuous process where some agreed payment plans go beyond one year because of cash flow challenges experienced by the taxpayers. The same taxpayers accumulate new debts in the course of recovery process. Further, debt validation/ledger cleaning is a tedious, continuous and time-consuming process given that some of the debts are old and that many taxpayers/debtors are involved.</p>		
5	<p><b>Public Sector Revenue Debt</b></p>	<p>Note 17.18(A)(i) reflects an outstanding revenue debt of Kshs.999,599,467,329 as at 30 June, 2023 out of which Kshs.245,553,868,392 related to public sector revenue debt. However, the public sector revenue debt amount of Kshs.245,553,868,392 varied by Kshs.140,631,653,392 with outstanding revenue debt extracted from i-Tax system of Kshs.386,185,521,784. The variance was attributed to errors in taxpayers ledgers casting doubt on the accuracy of the debt amount disclosed in revenue accountability statements.</p> <p>Further, eighty-nine (89) public sector entities that responded to circularization of public sector debts, indicated an amount of Kshs.21,071,361,935 as taxes owed to the Authority. However, the i-Tax system reflected an amount of Kshs.65,525,185,389 as due from the eighty-nine (89) public sector entities resulting to a variance of Kshs.44,453,823,454. Management explained that the variance was as a result of payment of taxes</p>	<p>The total KRA debt as at 30th June 2023 was Kshs. 999,599,467,329 while the reported amount from Public Sector Division (PSD) entities was Kshs. 245,553,868,397 as reflected in the Revenue Accountability Statement. The variance of 140,631,653,392 is attributable to six excluded cases whose debt exists in the system however is invalid because of missing payments. The said six cases are undergoing manual reconciliation to have the missing payments captured in iTax System. As at 30th June 2024, the debt has reduced by Kshs. 118,106,515,739 as per the attached reconciliation report. The outstanding amounts will be updated upon submission of requisite supporting documents by the affected taxpayers.</p> <p> PSD Erroneous Debt as at 30.06.23.)</p> <p>Similarly, the variance of Kshs 44,453,823,454 identified from eighty-nine (89) public sector entities arising from missing payments (direct credits) is continuously being addressed. As at 30th June 2024, the outstanding debt of these entities has been reduced from Kshs. 65,525,185,389 to Kshs. 42,675,935,425 as per the attached reconciliation report.</p>	Not Resolved	Ongoing

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		<p>manually outside the i-Tax system by some of the taxpayers.</p> <p>In the circumstances, the accuracy and recoverability of the public sector revenue debt of Kshs.245,553,868,392 could not be confirmed.</p>	 <p>89 OAG Cases.xlsx</p> <p>The accuracy and recoverability of Public Sector Revenue debt will be enhanced upon conclusion of the ongoing PAYE system integration between KRA (iTax System), the National Treasury (IPPD/GHRIS, IFMIS), and CBK systems to facilitate seamless/real-time update of PAYE payments by these Public entities to iTax system.</p> <p>As at 30th June 2024, the debt amount for public sector entities has been reduced to Kshs.206,511M through reconciliation and update of the respective taxpayers' ledgers including waiver of penalties and interest accrued up to 31st December 2022 through the tax amnesty programme (See attached schedule).</p>  <p>PSD June 2023 debt as at 30.06.24.xlsx</p>		
6	<p><b>Unallocated Domestic Taxes Collections</b></p>	<p>The statement of revenue collections and transfers reflects total treasury collections of Kshs.2,050,495,849,046. Review of domestic tax collections supporting schedules indicated that the Authority collected domestic taxes totalling Kshs.167,293,035,361 through CBK direct credits/payments which had not been reconciled and updated in the respective taxpayers i-Tax ledgers as at 30 June, 2023. Management indicated that continuous reconciliation is ongoing to allocate the received taxes to the specific taxpayers ledger accounts. However, at the time of audit in December, 2023, an amount of Kshs.55,317,924,175 was yet to be updated and allocated in the taxpayer's ledgers. Further, although an amount of Kshs.111,975,111,186 was indicated as updated in taxpayer ledgers accounts, details of the taxpayer, tax period and evidence of update were not provided for audit confirmation. In addition, the unreconciled amounts are manually tallied and aggregated outside i-Tax system exposing the Authority to the possibility of misapplication of direct credits to the wrong taxpayer.</p>	<p>Out of the direct credits worth Kshs.167.293,035,361, reconciled and updated payments amount to the taxpayers Ledgers total to Kshs. 120,515,652,840 leaving a balance of Kshs. 46,777,382,521. Complete details of the updated transactions are provided in the attached schedule. The specific and comprehensive taxpayer details updated in the Ledgers containing the details of the taxpayer, tax period and evidence of update are available in iTax system for Audit review.</p>  <p>Schedule showing Direct Credit balance</p> <p>The Direct credits are obtained from the KRA Central Bank Account statements and therefore via the reconciliation process are contained and derived from the Bank Reconciliation Statements, which are not part of the iTax system. It is the process of updating that makes them available in iTax. Hence the Audit expectation for direct credits to be in iTax is erroneous. The update in the Ledgers is done in a control environment based on documentation received from the specific taxpayers, thereby eliminating the possibility of updating the wrong payer.</p> <p>All the bank statements from where the Direct Credits are obtained together with the schedules were provided to the Auditors for independent examination and in confirmation of accuracy of the Direct credits as provided in the Schedules.</p>	Not Resolved	Ongoing

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		<p>In the circumstances, the accuracy of the unallocated domestic taxes totalling Kshs.167,293,035,361 could not be confirmed.</p> <p>The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kenya Revenue Authority Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.</p>			
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(xi) Cash and Cash Equivalent

Bank Balances as at 30<sup>th</sup> June, 2024

	Bank Name	Bank Account No.	Exc. rate	Total Closing balance as at 30th June 2024.	Total Closing balance as at 30th June 2023.
				Kshs.	Kshs.
1	Standard Chartered Bank Kenya Limited	0108023908300		1,519,324,093	176,104,330
2	I&M Bank Limited	100816369910		452,594,874	41,312,215
3	ABC Bank	1200001000724		10,533,606	-
4	Consolidated Bank of Kenya Limited	10021209000002		11,590,945	-
5	Ecobank Kenya Limited	6580000121		40,951,733	6,402,963
6	Guaranty Trust Bank Kenya(K)Ltd	2110059658		24,198,493	-
7	Victoria Commercial Bank Limited	001012150001		37,001,774	652,660
8	Prime bank	3000068834		60,063,257	-
9	Habib bank	9-1-1-20311-546-280931		3,856,108	-
10	Oriental Commercial Bank Limited	0010011205		4,392,873	-
11	Premier Bank	115768		-	-
12	United Bank for Africa	5510030000857		-	-
13	Sidian Bank	010011000038		9,677,990	-
14	Citibank N.A.	0300093093		10,000	24,703,468
15	Absa Bank Kenya PLC	2031960749		735,362,964	73,842,178
16	Bank of Africa Kenya Limited	01075870000		31,527,518	-
17	NCBA Bank Kenya PLC	7135210017		555,185,850	50,863,582
18	Diamond Trust Bank Kenya Limited	0008527001		167,629,137	6,793,021
19	Guardian Bank Limited	5501000001		56,956,786	-
20	Paramount Bank of kenya	010006161191		1,955,602	-
21	Co-operative Bank of Kenya Limited	01136001340300		367,125,860	286,122,452
22	Co-operative Bank of Kenya Limited	01136006150700		-	3,479,825
23	Co-operative Bank of Kenya Limited	01136006150701		140,104	1,263,505
24	Coop bank -Mpesa Account	01136010635000		-	12,944,997
25	Co-operative Bank of Kenya Limited	01141709410000		22,042,110	34,104,710
26	KCB Kenya Limited	1108976298		991,547,958	2,270,903,723
27	Equity Bank (Kenya)Limited	240299657063		1,318,133,601	259,147,388
28	Equity Bank (Kenya)Limited	1770279910476		1,459,744	2,906,946
29	Stanbic Bank Kenya Limited	100002716307		1,491,995,516	161,715,893
30	Gulf African Bank Ltd	0004-001-210810-05200000-000		110,721,101	23,517,659
31	Family Bank Limited	068000011053		61,126,662	2,000
32	Bank of Baroda	95900200001113		33,822,024	-
33	Imperial Bank	ITAX-L121422/7224000607		62,356,841	62,856,841
34	Chase Bank Ltd	0082078700001		40,087,346	40,587,346
35	Credit Bank PLC	21015000002		9,751,329	19,000

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36	Middle East Bank Kenya Ltd	250609019		3,889,782	-
37	Bank of India	002027000023049		-	-
38	Spire bank	1038332001		-	-
39	Access bank	0010100001268		6,435,022	1,226,385
40	National Bank of Kenya Limited	01002305340900		3,072,755	1,704,935
41	National Bank of Kenya Limited	01001005109600		268,169,061	27,222,868
42	National Bank of Kenya Limited	7700596476		-	-
43	Mpesa paybill	572572		-	138,563,603
44	E-citizen			65,192,525	14,072,020
45	E-citizen(National Treasury)			1,028,295,223	
46	HFC Ltd	7040000604-0		21,912,612	-
47	Commercial International Bank(CIB) Kenya Limited	0101360003		2,720,579	-
48	SBM Bank	0082078700001		12,984,738	172,279
49	Kenya Post Office Savings Bank	0744130010262		-	2
50	Kingdom Bank	1151768501002		-	-
	<b>SUBTOTAL</b>			<b>9,645,796,095</b>	<b>3,723,208,794</b>
	<b>CBK COLLECTION A/Cs</b>				
51	Central Bank of Kenya	1000007354		3,364,518,423	1,051,610,160
52	Central Bank of Kenya	1000007338		10,102,514,107	6,316,466,331
53	Central Bank of Kenya	1000007408		1,481,051,385	1,562,342,098
54	Central Bank of Kenya	1000007435		471,470,831	120,118,840
55	Central Bank of Kenya	1000007443		624,745,653	683,908,627
56	Central Bank of Kenya	1000007478		69,035,701	66,792,119
58	Central Bank of Kenya	1000411562		6,535,442,885	1,512,106
59	Central Bank of Kenya	1000741694		127,564,631	-
	<b>SUBTOTAL</b>			<b>22,776,343,617</b>	<b>9,802,750,281</b>
	<b>PAYMENT ACCOUNT</b>	<b>Account Number</b>			
61	Central Bank of Kenya	1000007389		4,649,658,765	4,457,436,148
60	Central Bank of Kenya	1000741716		97,046,087	-
62	Central Bank of Kenya	1000007346		32,106,036	101,231,431
63	Central Bank of Kenya	1000007486		34,739,842	39,092,933
64	Central Bank of Kenya	1000007718		110,802,151	111,302,737
65	Central Bank of Kenya	1000007737		292,780	67,796,381
66	Central Bank of Kenya	1000007362		17,470,662	322,586,640
67	Central Bank of Kenya	1000008512		5,982,411	6,858,097
68	Central Bank of Kenya	1000741732		128,391,995	-
	<b>TOTAL</b>			<b>5,076,490,727</b>	<b>5,106,304,367</b>
	<b>USD \$ ACCOUNTS</b>				
69	National Bank of Kenya Limited	02023015100100	USD/KSHS.128.5537	419,594,910	172,934,466
70	National Bank of Kenya Limited	02023015100200	USD/KSHS.128.5537	4,919,313	474,194,410
	<b>SUBTOTAL</b>			<b>424,514,223</b>	<b>647,128,876</b>
	<b>TOTAL</b>			<b>37,923,144,662</b>	<b>19,279,392,318</b>

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### (xii) Operations Offices & Branches

The operations of the Authority are carried out at the following branches;

Name of Station	Address	Telephone Number
<b>Nairobi Region</b>		
Sameer Business Park	P.O. Box 46285-00100 Nairobi	0202396006/8
KESRA Centre, Nairobi	P.O. Box 30332-00100, Nairobi	0715877539
Ushuru Pensions Tower (CBC)	P. O. Box 48240 -00100 Nairobi	0709011501/2/3
Ushuru Pension Plaza	P. O. Box 48240 -00100 Nairobi	0709011501/2/3
Nairobi Railway Club	P. O. Box 48240 -00100 Nairobi	0202398470/8534, 0771628105
JKIA, Forodha House	19070 - 00501 Embakasi	0206822854-8
Namanga OSBP	9-00207, Namanga	0722602465, 0722787396
Loitokitok	P.O.Box 44 - 00209, Loitokitok	723450186
Inland Container Depot Embakasi	P.O.Box 19070 - 40100 Embakasi	0712863504, 0203546092
Wilson Airport	P. O. Box 48240 -00100 Nairobi	0206005635-6
<b>Western Region</b>		
Kisumu	P. O. Box 3636 - 40100 Kisumu	057-2020509/10
Forodha, Kisumu	P. O. Box 94 - 40100 Kisumu	0572022832/5
Kisumu Pier	P. O. Box 94 - 40100 Kisumu	0572024009
Kisumu KPC	P. O. Box 94 - 40100 Kisumu	0572024998
Kisumu Airport	P. O. Box 94 - 40100 Kisumu	0776016121
Kisumu PPO	P. O. Box 94 - 40100 Kisumu	057202488
Bungoma	P. O. Box 2576 - 50200 Bungoma	0552030840
Kakamega	P. O. Box 1776 - 50100 Kakamega	0562030358
Kisii	P. O. Box 2 - 058 Kisii	0582030908/925
Kopanga	P. O. Box 67 - 40400 Suna, Migori	0733770010
Nyamtiro	P. O. Box 94 - Kehancha	0733770008
Muhuru Bay	P. O. Box 24 - 40409 Muhuru Bay	0711635560
Usenge	P. O. Box 15532 - 00100 Usenge	0700930622
Sio Port	P.O.Box 6-50401, Sio Port	0733770606
Lwakhakha	P. O. Box 16 Lwakhakha	0725358018
Mbita	P.O BOX 262-40305, Mbita	0737729688
Isebania	P. O. Box 22 - 40414, Isebania	059-7252507, 0733770008
Malaba	P.O.Box 235, Kamuriae	055-54026, 055-54174, 0713141513
Busia	P. O. Box 54-50400	055-22040, 055-22218, 0202442296
<b>SOUTHERN REGION</b>		
Mombasa	P. O. Box 90601- 80100	0412314044/5
Ngomeni	P. O. Box 90601-80100 Mombasa	0746133685
Lamu	P. O. Box 30 - 80500 Lamu	0792973791
Voi	P. O. Box 644 - 80300 Voi	043203119
Malindi	P. O. Box 10- 80200	0422130955/0422130256
Diani	P. O. Box 90601 - 80100 Mombasa	0740131070/0742986134
KESRA Mombasa	P. O. 95705 - 80106 Mombasa	0736424200
Kilifi	P. O. Box 95707 - 30315 Kilifi	0709747429
Shimoni	P. O. Box 50 Shimoni	0791480247
Vanga	P. O. Box 7 - 80402 Lungalunga	0732255571/0724479067
Taveta OSBP	P. O. Box 197-80302, Taveta	0741443164/0741443176
Mazeras	P. O. Box 90601- 80100	0746133673
Kiunga	P. O. Box 30, Kiunga	0712250558
Port Operations	P. O. Box 95300- 80107, Kilindini	041225811/0412225812

# KENYA REVENUE AUTHORITY

## ANNUAL REPORT AND REVENUE ACCOUNTABILITY STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2024

Mombasa Airport	P. O. Box 90603- 80100	0791480247/0775232705
<b>NORTH RIFT REGION</b>		
Eldoret	P. O. Box 402 - 30100 Eldoret	053-2062300/2062607
Eldoret KPC	P. O. Box 402 - 30100 Eldoret	0202003797/0202003799
Eldoret EIA (Eldoret Airport Warehouse)	P. O. Box 402 - 30100 Eldoret	053-2061299
Eldoret EIA (Eldoret Airport Bargage Hall)	P. O. Box 402 - 30100 Eldoret	053-2062839
Eldoret EIA (Scanner)	P. O. Box 402 - 30100 Eldoret	053-2061299
Eldoret Postal Corporation	P. O. Box 402 - 30100 Eldoret	0774914443
Kitale	P. O. Box 2673 - 30200 Kitale	0202398707/0207859501
Lodwar	P. O. Box 438 - 30500 Lodwar	0202398852/0778016179
Suam River	P. O. Box 524 - 30200 Suam	0202001070
Lokichoggio	P. O. Box 121 - 30503 Lokichoggio	0774914485
Lokichoggio Airport	P. O. Box 121 - 30503 Lokichoggio	0774914485
Nadapal	P. O. Box 121 - 30503 Lokichoggio	0774914490
<b>SOUTH RIFT REGION</b>		
Nakuru	P. O. Box 270 Nakuru	0512213926, 0512213927, 512213883, 0512213891
Maralal	P. O. Box 114 Maralal	0202397073, 0776746515
Kericho	P. O. Box 796 Kericho	052220104, 0711590909
Kericho-DC'S Office	P. O. Box 796 Kericho	0798482065, 0798482065
Nyahururu	P. O. Box 446 Nyahururu	0522021122
Narok	P. O. Box 1161 Narok	0798482066
Naivasha	P. O. Box 1645 Naivasha	0770972346, 0770591459, 0709678601
Nakuru-PPO	P. O. Box 270 Nakuru	0502030085, 0502030086
Nakuru-KPC	P. O. Box 270 Nakuru	0774502982
		0778010929
<b>NORTHERN REGION</b>		
Embu	P. O. Box 495 - 60100 Embu	0730716071
Elwak	P. O. Box 218-70200 Elwak	0774356219
Mandera	P. O. Box 96 - 70301 Mandera	0774356219
Garissa	P. O. Box 1145 - 70100 Garissa	0709016403
Wajir	P. O. Box 218-70200 Wajir	0776018838
Machakos	P. O. Box 756-90100 Machakos	0773394344
Kitui	P. O. Box 195 - 90200 Kitui	0771095882
Meru	P. O. Box 256-60200, Meru	202000237, 0773394344
Isiolo	P. O. Box 722-60300, Isiolo	0773394344
Moyale	P. O. Box 6-60700 Moyale	020200249
Diffu	P. O. Box 218 - 70200 Wajir	C/o Wajir office
Kajiado	P. O. Box 720 - 01100 Kajiado	770495367
Liboi	P. O. Box 218-70200	
<b>CENTRAL REGION</b>		
Nyeri	P. O. Box 677 - 10100 Nyeri	061-2030726-9, 0732697130, 0702697805
Nanyuki	P. O. Box 1787-10400, Nanyuki	062 - 2030000, 062 - 2031874
Kerugoya	P. O. Box 142 - 10300, Kerugoya	060 - 2021003, 709 - 752 722
Murang'a	P. O. Box 426-10200, Murang'a	060-2030700-4
Thika	P. O. Box 893-01000, Thika	067 - 2221701-5, 741 - 852
Kiambu	P. O. Box 2007-00900, Kiambu	0709752723, 0770804037, 0774779403, 0770806787