



ISO 9001:2008 CERTIFIED

TAXPAYER CHARTER

Your Rights and Obligations

TAXPAYER'S CHARTER

Your Rights and Obligations

TABLE OF CONTENTS

SECTION	TITLE	PAGE
INTRODUCTION	Preamble	
	The Taxpayer's Charter	
	Our Vision	
	Our Mission	
	Our Core Values	
	Quality Policy Statement	
	Quality Objectives	
YOUR RIGHTS	General	
	Audits Investigations and Inspections	
	Payment Arrangements and Enforcement	
	Objections	
	Processing of Returns/ Custom Entries/ Letters of Exemption/ Security Bonds	
	Processing of Refunds and Cancellation of Bonds	
	Processing of Bonds for Export/Remissions	
	Road Licenses, Log Books and Registration of Motor Vehicles	
	Processing of PIN application and VAT registrations	
	Enquiries	
YOUR OBLIGATIONS	Registration	
	Filing your returns/payments	
	Accuracy of your returns/ Customs entries	
	Payment of tax and penalties	
	Cooperation with KRA Officers	
	Disclosure and production of relevant information, records and documents	
MORE INFORMATION	Taxpayer Education	
	KRA Website	
	Services	
	Complaints	
	Contact us	

PART I

INTRODUCTION

Preamble Kenya Revenue Authority was established in July 1995 under an Act of Parliament as a central body for the assessment and collection of revenue, for the administration and enforcement of the laws relating to revenue and to provide for connected purposes. It is mandated to administer and enforce the Laws relating to revenue the main ones being the Income Tax Act, Value Added Tax Act, the Customs & Excise Act and the Traffic Act. As a taxpayer you are a stakeholder in the laws administered and enforced by KRA. You are thereby entitled to understand your rights and obligations with regard to these laws as outlined in this charter.

The Taxpayer's Charter This taxpayer charter is a short publication that describes the service standard a taxpayer can expect from us. It allows for an open and transparent approach that all parties understand and can work within. A charter itself is not intended to confer legally enforceable rights on the taxpayer although some individual commitments contained in the charter may have legislative links.

The charter is therefore an important mechanism for taxpayers because it documents the help and support they are entitled to receive from KRA. As KRA the charter is a powerful tool for departments, agencies, management and staff to continuously improve service delivery to the general public and other stakeholders. It is a framework within which we seek to improve our customer relations culture and a means by which our performance as an agency can be measured and benchmarked.

TAXPAYER'S CHARTER

Your Rights and Obligations

OUR VISION

To be the leading revenue authority in the world respected for professionalism, integrity and fairness

OUR MISSION

'To promote compliance with Kenya's tax, trade and border legislation and regulation by promoting standards set out in the Taxpayers Charter and responsible enforcement by highly motivated and professional staff thereby maximising revenue collection at the least possible cost for the socio-economic well being of all Kenyans'.

OUR CORE VALUES

Integrity

We uphold the highest standards of honesty, truthfulness, reliability and honour.

Professionalism

We ensure competency and efficiency and we focus on achieving excellence.

Fairness

We are committed to applying the law consistently, responsibly and administering our requirements reasonably.

Equity

We value differences in people and ideas and we treat others with dignity and esteem.

Commitment and Teamwork

We support the principle of teamwork and nurturing staff commitment

Corporate Social Responsibility

We value all our stakeholders and collaborate closely with them to nurture participatory social well-being.

QUALITY POLICY STATEMENT

Kenya Revenue Authority is committed to developing a dedicated professional team, embracing modern processes and technologies and delivering customer focused services that enhance compliance and revenue collection. The authority shall endeavor to continually improve revenue collection and service delivery by meeting the requirements of ISO 9001:2000 Standard on Quality Management Systems.

QUALITY OBJECTIVES

- Develop a dedicated and professional team
- Reengineer business processes and modernize technology
 - Improve and expand taxpayer services
- Enhance revenue collection and strengthen enforcement

PART II

YOUR RIGHTS

General

As a taxpayer you have certain RIGHTS in your dealings with KRA on matters related to Income Tax, Customs and Excise, Value Added Tax, Motor Vehicle Registration and other relevant issues relating to agency revenues including Road Maintenance Levy Fund, Air Passenger Service charge, Widows and Children's Pension, Stamp Duty, Betting, Lotteries and Gaming Acts, among others. These include:

Information You are entitled to complete and accurate information on your rights and obligations under the various Acts administered by Kenya Revenue Authority.

Impartiality You are entitled to demand impartial application of the law. It is the responsibility of KRA to collect only the correct amount of tax, duties and fees, no more no less.

Courtesy and Consideration You are entitled to courteous and considerate treatment in all your dealings with KRA officers whether when requesting information, arranging for an interview or an audit.

Presumption of honesty You are presumed honest unless there is evidence to the contrary.

Privacy and Confidentiality You are assured that the personal and financial information which you provide to KRA shall only be used only for purposes of carrying out our lawful duties.

Consistency and equity We will apply the law consistently so everyone gets their entitlement and pays the right amount. We will take your particular circumstances into account as far as the law allows.

Your right to question us You can question the information, advice and service we give you. We will inform you about options available for resolving disagreements and we will work with you to reach an outcome quickly and simply.

Identification You have a right to demand a departmental and a KRA official identification card from any of our staff visiting you on official duties. You may also call your nearest KRA office to confirm the identity of the officer visiting you if still in doubt of the identification provided. The contacts for various KRA offices are given in the appendix of this charter document.

TAXPAYER'S CHARTER

Your Rights and Obligations

Audits, Investigations, Inspections and Compliance Checks

You may be selected for audit on Income Tax, Pay As You Earn (PAYE), Value Added Tax (VAT), Excise or Customs duty or any other tax administered by the Authority. Sometimes you may be selected for audit in respect of multiple taxes. In most cases the audits will be field audits i.e. they will be carried out in your premises. In the majority of cases you will be notified in advance of the intention to carry out an audit before the commencement of the audit. However under certain circumstances depending on the factors surrounding the case, it may be necessary to conduct a surprise audit. In order not to inconvenience you, and subject to your cooperation with our officers, we shall endeavor to complete your audit within: -

- 10 days from the date of commencement of single issue audits.
- 30 days from the date of commencement of comprehensive audits.
- One day for a general inspection of an Excise factory.
- 7 days for any other tax administered by the authority.

If you have been selected for audit by the Large Taxpayer Office or the Investigations Department all the multiple taxes will invariably be audited. It is expected that the audit by the Large Taxpayer Office will take no more than two months to complete. Cases under investigation will be completed within a period of between two to six months. Complex cases may take a longer period to complete.

Customs Post Clearance Audits

You may be selected for Post Clearance Audit on all Customs related transactions. The scope of audits may include visits to the taxpayer's premises. You will be notified in advance of the intention to carry out an audit before its commencement. However under certain circumstances depending on the factors surrounding the case, it may be necessary to conduct a surprise audit. Subject to your cooperation, we shall endeavor to complete the audit within 14 days from the date of commencement of audit.

Note You may also be subjected to a compliance check to verify certain information. A visit by A KRA official to check on your compliance does not amount to a comprehensive audit.

An audit is considered complete when the findings have been fully explained in writing to you giving specific details on how additional tax liability if any, has been arrived at. You will also be informed in writing if the audit results in no additional tax.

The commissioner general, a departmental commissioner or headquarters tax programs will require that you be re-audited if it is discovered that your case was settled irregularly, or is dissatisfied with the manner in which the case was completed.

TAXPAYER'S CHARTER

Your Rights and Obligations

Payment of Taxes and Enforcement on completion of Audit

Upon completion, if you are in agreement with the findings or part findings of the audit or investigation, you will be expected to make immediate payment of the agreed or partly agreed and established liability, together with the penalties thereon to avoid further interest or additional tax accruing on the unpaid tax from the due date. For the main taxes this is imposed at the rate of:

- ❖ 2% per month compounded for the income tax owing.
- ❖ 3% per month compounded for the value added tax owing.
- ❖ 3% per month compounded for the Customs and Excise duties owing.
- ❖ 3% per month compounded for revenue collected on agency basis

plus 20% penalty on the amount outstanding or as may be amended from time to time.

Objections

You are entitled to object to an assessment (Income Tax, VAT, Customs and Excise Duty, or other assessment issued under KRA) if you believe you have been assessed wrongly or unfairly. You must exercise your right to object within a specific period and comply with the requirements, which include submission of returns together with all supporting documents for the objection to be valid. You may also attach your own workings accompanied by new evidence, which can be taken into consideration in reviewing the objection. Once you have filed a valid notice of objection we shall conduct an impartial review of your case. We shall acknowledge your objection within 7 days and endeavor to resolve the objection within:

- a) 30 consecutive days for Customs duty objections subject to payment of the duties in dispute.
- b) 30 consecutive days for disputes involving the Registrar of Motor Vehicles.
- c) 30 consecutive days for Income Tax objections
- d) 30 consecutive days for VAT objections

Customs Tribunal

For Customs assessments, if a matter is still not resolved to your satisfaction, you may appeal to the Customs Tribunal for the determination of your Duty provided you will have paid all the amount of duty assessed;

- You will be expected to notify the Commissioner of Customs Services of your intention to appeal in writing.
- You will be required to present a Memorandum of Appeal, together with 7 copies thereof, to the Secretary to the Tribunal within 14 days after the notice.
- Where the Tribunal is satisfied that owing to absence from his normal place of residence, sickness or any reasonable cause, the appellant was prevented from presenting a memorandum within that period and that there is no unreasonable delay on his part, the Tribunal may extend that period, notwithstanding the period has already expired.

TAXPAYER'S CHARTER

Your Rights and Obligations

- You are entitled to not less than 7 days notice of time, date and place fixed for hearing of the appeal., unless the parties to the appeal otherwise agree.
- No fees shall be payable and a Tribunal shall not make any order as to costs of appeals unless where the grounds of appeal are held by the tribunal to be frivolous, in which case the Tribunal may order the appellant to pay costs to Commissioner of sum not exceeding Five Thousand Shillings (Kshs 5,000).

Road Transport Appeals For disputes relating to the Registrar of Motor Vehicles and the matter is not resolved to your satisfaction, you may appeal directly to Court.

Income Tax and VAT Tribunals

For resolutions relating to Income Tax and VAT with which you are not satisfied, you can appeal to the Local Committee or Tribunal for the determination of your Income Tax or Value Added Tax disputes respectively provided you will have paid all the amount of Income Tax not in dispute; and/or 50% of the assessed Value Added Tax. If you will have complied with the Income Tax and VAT appeal procedures, we shall list your case for hearing by the Local Committee or Tribunal within a period of:

- 6 calendar months to clear the backlog initially and thereafter
- 2 calendar months from the date you lodge your Income Tax or VAT appeal, subject to availability of enough cases for listing; otherwise within 4 months.

If the matter is still not resolved to your satisfaction, you can appeal to the High Court. However the law provides that before you appeal to the High Court you should pay the assessed or balance of tax in full although you may be disputing it.

Processing of Returns/ Customs /Letters of Exemption / Security Bonds

Upon receipt of your Income Tax or VAT returns and Customs entries, KRA will endeavor to ensure that your returns and entries are processed timely specifically:

Income Tax

- Within 90 days after the due date (i.e. within 90 days after 30th June or the 6th Month for accounting dates other than 31st December) if the Income Tax return is for the immediate past year of income.
- Within 30 days of receipt of the return if the Income Tax return is for the years of income other than the immediate past year of income.

VAT

- Within 30 days for VAT returns, in stations that are computerized, otherwise within 60 days.

Customs

- Within 2 days for Customs entries, provided the entry has not been rejected.

TAXPAYER'S CHARTER

Your Rights and Obligations

- Within 2 days for all types of security bonds.
- Within 2 days for any other type of return.
- Exemption letters from Treasury in respect of Customs duty etc will be processed and dispatched to the respective regions within two days.

Processing of Refunds and Cancellation of Bonds

Where you have submitted returns which result in repayment or refund, we shall process and pay:

Your Income Tax refund

- Within 120 days from the date of processing the return if the return is for the immediate past year of income **and the refund amount is less than Ksh 30,000 or within 150days for amounts greater than Ksh 30,000 as it has to be subjected to an audit.**
- Within 60 days from the date of processing the return if the return is for a year of income other than the immediate past year of income.
- Provided your Income Tax return is accompanied by relevant accounts, vouchers, appropriate schedules, P9As, interest certificates etc, as appropriate.

Your VAT refund

- within 45 days where the claim is accompanied by an audit Certificate together with the relevant supporting documents or
- Within 60 days for claims that will require verification.

Your Customs refund

Refund claims for Customs or Excise duty overpaid or paid in error and which are received within 12 months from the date of payment of the same within 30 days of lodging the claim provided the claim is valid and all relevant supporting documents are submitted together with the refund vouchers. Claims lodged after 12 months from date of payment are invalid and shall not be considered.

Note

If you are owing one type of tax e.g. VAT and are due for refund for another type of tax e.g. Income Tax we can offset your debt against what is due to you through an agency notice issued to the refunding department and pay you the balance if any.

Processing Of Bonds For Export/Remissions

Provided that you have supplied all the required information with the relevant documentation, the domestic taxes department shall process:

- your application for bond for export within 2 days
- your application for remission within 2 days

TAXPAYER'S CHARTER

Your Rights and Obligations

Road Licenses, Log Books, & Registration of Motor Vehicles etc	
Process	Timeline
<i>processing number plates</i>	Upon application for number plates, driving license, log book or vehicle registration etc the Department of the Registrar of Motor Vehicles will endeavor to ensure that services are provided in the shortest period as outlined below: 5 days from day of receipt of application
<i>processing road license</i>	immediately on payment of the required fees
<i>processing of driving licenses</i>	Within 14 days upon payment of required fees and receipt of your documents at the Registrar of Motor Vehicles Department.
<i>renewal of driving license</i>	On the spot.
<i>processing of log books</i>	within 14 days upon payment of required fees and receipt of documents days from date of lodgment
<i>dispatch of log books</i>	Immediately after processing the log books. Can also be collected at our counters after 14 and required fee is paid.
<i>registration of motor vehicle</i>	within 30 days if all documents are in order
<i>duplicate log books</i>	10 days from the day of receipt of application
<i>duplicate drivers licenses</i>	10 days from the day of receipt of application
<i>copy of records</i>	3 days upon payments of the required fees
<i>transfer of ownership</i>	10 days with proper Documentation and payment of the required fees
<i>processing of PSV (for Drivers and conductors)</i>	2 days upon payments of the required fees
<i>processing of exemptions</i>	2 days on application and payment of required fees
<i>processing of TLB licenses</i>	immediately after payment of the required fees
<i>application for Kenya</i>	On the spot with all the supporting documents Garage (KG) plates appended.

TAXPAYER'S CHARTER

Your Rights and Obligations

Processing of PIN Application And Vat Registrations

We shall process your PIN application within 2 days of your applying for a P.I.N. certificate. You can then use the P.I.N. certificate to apply for a VAT registration number which will be processed within 2 days.

Enquiries

We shall respond to your general enquiries on the spot. However if your enquiry is of a technical nature we shall acknowledge it within 14 days and refer the enquiry to the relevant technical officers who will deal with the same within a period of 30 days but no more than 60 days from the date of receipt of the technical enquiry.

TAXPAYER'S CHARTER

Your Rights and Obligations

PART III

Your obligations as a Taxpayer	All persons who are taxpayers or are eligible taxpayers have obligations to comply with tax laws under the various tax Acts:
<i>Registration</i>	If you are eligible to pay Income Tax, VAT, PAYE, Customs and Excise duty or any other tax that requires you to be registered and you are not registered by any of the respective departments, you have an obligation to come forward and register yourself, failure to which KRA has the right to issue you with compulsory registration or recruitment. For Income Tax, you will be allocated a Personal Identification Number (P.I.N.) upon application which you will then use to apply for a VAT registration number.
<i>Filing your returns/payments</i>	If you are registered for Income Tax, PAYE, VAT, or you are a Manufacturer of excisable goods or appointed as an agent for the purpose of collection of taxes e.g. air passenger service charge, P.I.T., etc, you have an obligation to file your return within the period stipulated under the respective Acts and accompany the returns with payments. In the event that you do not receive the forms and stationery from us, you have an obligation to ask us to send you the forms. Alternatively you can collect them from our offices which are located countrywide - see overleaf for a list of some of our major offices.
<i>Accuracy of your returns/Customs entries</i>	When you are completing returns or making a declaration for any goods or remittance of revenue collected on behalf of the departments, you have an obligation to ensure that the return and declarations represent full and true disclosure of the transactions for the period covered. KRA may cross check the information you provide. The Law provides for penalty for an incorrect return and or prosecution in case of gross negligence or fraud.
<i>Payment of tax and penalties</i>	You have an obligation to make payment of tax on the date the tax becomes due. The Income Tax, Value Added Tax, Customs and Excise duties, etc., that remain unpaid on the due dates attract initial late payment penalties (e.g. income tax - 20%) in addition to attracting compound interest at the rate of 2%, 3% and 3% per month or part thereof respectively, while the Registrar of Motor Vehicles will impose back licenses and late registration penalty. Under the Law, your property may be attached or distrained for failure to pay your taxes.
<i>Cooperation with KRA Officers</i>	You have an obligation to accord KRA officials cooperation, due respect and freedom to carry out their lawful duties. You should not intimidate, abuse, threaten or influence them in any manner whatsoever, whether financial or otherwise.
<i>Disclosure and production of relevant information, records and documents</i>	You have an obligation to disclose and produce all relevant information, records and documents required by KRA officials when carrying out their lawful duties. It is an offence to refuse to give or to withhold information, records or documents. Penalties for this offence have been prescribed under the various revenue Acts.

PART IV

**GENERAL
INFORMATION**

Taxpayer Education

In our bid to educate both existing and potential taxpayers we have a dedicated unit known as Taxpayer Services. The unit shall endeavor to:

- Conduct education programs for individuals and businesses that will cover basic information with respect to all taxes.
- Issue simplified publications that contain information on all taxes administered by KRA.
- Issue media releases and compliance publications that explain new procedures and requirements in a simplified manner.
- Increase interaction with stakeholders, business and professional associations in order to obtain their opinion, regarding the quality of our services with a view to further improvement.

Services

In order to serve you better, we shall on a continuous basis retrain and update our staff on customer relations, taxation, accounting and audit procedures who in turn will be expected to be courteous while serving you and who will give you quality service in the shortest possible time when attending to you.

Complaints

You are entitled to complain against our officers, if while dealing with you, you feel aggrieved. If you are not attended to within the time set in this document or within a reasonable time you can also make a complaint. Such complaints will be investigated and responded to immediately. Your complaints should be made to the Public Relations Officers who are stationed in the Head offices of all our departments or to the officers in charge of our respective stations.

At any stage, if you're not satisfied with the way your complaint has been dealt with we have a Complaints and Information Centre that can take a fresh look at your complaint. Call us on 310900 between 8 am and 5 pm weekdays. If you'd prefer, you can put your complaint in writing. Including the following information will help us to fully investigate your complaint: Your contact details, your PIN number, a brief description of your complaint and any steps you've taken to try to resolve it, and copies of any documents you think are relevant.

KRA Website

You may also visit the KRA website: <http://www.kra.go.ke> for more details and for enquiries you may reach us using the contacts provided overleaf.

TAXPAYER'S CHARTER

Your Rights and Obligations

CONTACT US

Domestic Taxes

	Telephone	
Head Office	02-310900	02-711743
Large Taxpayers office	02-310900	
Nairobi East	02-722070	
Wilson Airport/NBI West	02-503673-6	
Thika	0151-21701	
Mombasa	011-312927-31	011-313639/313753
Nakuru	037-213883/91	037-42523/4
Eldoret	0321-62300/1	0321 - 62300
Kisumu	035-41205-7	035 - 40473/
Meru	0164-30713	
Machakos	14520232	
Bungoma	0337-30543	0337-30368/7

Custom Services

1. HEADQUARTERS'

Times Tower
Box 40160
Fax: 316872
Tel: (020) 310900,
2810000

2. CUSTOMS SERVICES

J.K.I.A
Box 19070
Fax: 822063
Tel: (020) 822854

3. INLAND CONTAINER DEPOT EMBAKASI

Box 54497
Fax 823806
Tel:
(020)352341/2/3,
821801

4. WILSON AIRPORT

Box 54497
Fax: 604051
Tel: (020) 606952

5. CITY SQUARE POST PARCELS

Box 53289
Tel: (020) 249252

6. GARISSA

Tel (046) 2289

7. KISUMU

Box 94
Fax: 40904
Tel: (057) 2021471,
2020647
0733 522220, 0722
465065

8. KISUMU Airport

Box 94
Tel: (057) 2024330

9. KISUMU Container Depot

Box 94
Tel: (057) 2021722

10. ISEBANIA

Tel: 7
Box 22 Isebania

11. ELDORET

Tel: (053) 2063377,
2062300
D.L. (053) 2062839

12. NAMANGA

Box 9
Tel: (045) 5132021,
5132025

13. MOMBASA Customs House, Customs Rd

Box 90603
Fax: 2311040
Tel: (041) 2314044,
2314045
2314070, 2314071

14. MOMBASA Airport

Box 90603
Tel: (041) 3433211

15. MOYALE

Box 6
Tel: (069) 52051

16. TAVETA

Box 197
Fax: 2475
Tel: (043) 5352154,
5352018

TAXPAYER'S CHARTER

Your Rights and Obligations

17. SHIMONI

Box 50
Tel: (040) 52260/ 5220

18. SIO PORT

Box 26
Tel: 18

19. MOMBASA

Container Depot
Box 95300
Tel: (041) 2312211

20. KILINDINI

Box 95300
Fax: 313222
Tel: (041) 2225811

21. KIUNGA/ LAMU

Box 30 Kiunga via lamu
Tel: (042) 33039

22. LUNGA LUNGA

Box 7
Tel: 14

23. KILIFI

Box 44
Tel: (041) 22159

24. MALINDI

Box 10
Tel: (042) 20165

25. LOKICHOGIO

Box 121
Tel: (054) 32004

26. LIBOI

Box 3
Tel: 3

27. LOITOKTOK

Box 44
Tel: (045) 622006

28. MANDERA

GPO
Box 25
Tel: (046) 52045

29. MALABA

235 Kamurai via Kakamega
Tel: (055) 54030

30. NAKURU GPO

Tel: (051) 2214491,
2213883

31. THIKA

Box 1437
Tel: (067) 21711,
21701

Road Transport services are also available within KRA offices in Mombasa, Nakuru, Eldoret, Kisumu, Nyeri, Thika and Garissa.