



**KENYA REVENUE
AUTHORITY**
ISO 9001:2015 CERTIFIED

Public Notice

Fringe Benefit Tax, Deemed Interest Rate and Low Interest Benefit

Fringe Benefit Tax

For the purposes of Section 12B of the Income Tax Act, the **Market Interest Rate is 8%**. This rate will be applicable for three months i.e. **April, May and June 2018**.

Deemed Interest Rate

For purposes of section 16(5) the **prescribed rate of interest is 8%**. This is applicable for the months of **April, May and June 2018**.

Withholding tax rate of 15% on the deemed interest shall be deducted and paid to the Commissioner by 20th of the month following the month of computation.

Low Interest Benefit

For the purposes of Section 5(2A) of the Income Tax Act, the prescribed interest rate for the period of six months (**January- June 2018**) is **8%**.

Commissioner of Domestic Taxes

Disclaimer: Taxpayers are notified that KRA will not accept responsibility for payments not received, credited and validated in the relevant Kenya Revenue Authority accounts **Contact Centre:** +254 (020) 4 999 999, +254 (0711) 099 999, Email: callcentre@kra.go.ke **Complaints & Information Center:** +254 (0) 20 281 7700 (Hotline), Email: cic@kra.go.ke

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