



DOMESTIC TAXES DEPARTMENT

A STEP BY STEP GUIDE ON HOW TO OFFSET LIABILITY USING THE REFUND ADJUSTMENT VOUCHER (RAV)

The Finance Act 2023 amended Section 47 of the Tax Procedures Act, 2015 to provide that refund on overpaid tax shall be paid within a period of six months from the date of ascertainment and, if the Commissioner fails to refund, the overpaid tax shall be applied to offset the taxpayer's outstanding tax debt or future tax liabilities.

In line with this provision, the iTax system has been enhanced to generate a refund adjustment voucher (RAV) for all cases where six months have lapsed since the date refund was ascertained. This will be sent to the taxpayer email. this step by step guide has been developed to offer guidance on how to use the RAV and offset tax liabilities in iTax.

How to offset liability using RAV

1. Log into iTax profile. Under the Payment Menu, select Setoff Advance Payment/Offset Overpayment

The screenshot displays the iTax web portal interface. At the top, there is the Kenya Revenue Authority logo on the left and the iTax logo with the tagline 'Simple, Swift, Secure' on the right. Below the logos is a navigation menu with the following items: Home, Registration, Returns, Debt and Enforcement, Payments, Assessment Disputes, Refund, Certificates, and Useful Links. Underneath the menu, there are several service tiles. The 'Payments' menu is expanded, showing options: Payment Registration, Make Payment, Apply Payment Plan, Consult Payments, Consult CGT Return, and Setoff Advance Payment/Offset Overpayment. The 'Setoff Advance Payment/Offset Overpayment' option is highlighted with a red box. Other visible tiles include 'e-Registration' (with sub-options: e-Amendment, e-Cancellation, e-D...), 'My Profile' (with sub-options: View Profile, My Ledger), 'e>Returns' (with sub-options: e-Return, Consult e>Returns), and 'e-Payments' (with sub-options: Payment Registration, Consult Payments).

2. On the window that opens, select Overpayment/Refund Adjustment Voucher(OAV/RAV), capture Offset Voucher No (i.e. RAV)., and select obligation for which you wish to offset.



Home Registration Returns Debt and Enforcement Payments Assessment Disputes Refund Certificates Useful Links
e-Communication My Ledger TIMS Logout

Section A: Advance Payment PRN Details/Offset Voucher Details

Payment Registration No(PRN) Overpayment/Refund Adjustment Voucher(OAV/RAV)

Offset Voucher No: *

Taxpayer PIN Tax Payer Name

PRN/OAV/RAV Amount (Ksh) Reconciliation/Voucher Date

Utilized Setoff Amounts (Ksh) Obligation

- Select
- Income Tax - Company
- Income Tax - PAYE
- Value Added Tax (VAT)

3. Upon selecting the tax obligation, system will populate all the periods with outstanding liability. Where there is no liability for selected obligation the system will indicate that there is No liability details found for selected Tax Obligation

Home Registration Returns Debt and Enforcement Payments Assessment Disputes Refund Certificates Useful Links
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Welcome

Section A: Advance Payment PRN Details/Offset Voucher Details

Payment Registration No(PRN) Overpayment/Refund Adjustment Voucher(OAV/RAV)

Offset Voucher No: *

Taxpayer PIN Tax Payer Name

PRN/OAV/RAV Amount (Ksh) Reconciliation/Voucher Date

Utilized Setoff Amounts (Ksh) Obligation

Section B: Details of Outstanding Liabilities

Liability Details

Total No. of Records 37 Records From 1 To 5 Page No. 1 of 8 Next Last Go To Page:

	Tax Period(s)	Principal Tax (Ksh)	Fines (Ksh)	Penalty (Ksh)	Interest (Ksh)	Amount Payable (Ksh)	Amount to be SetOff / Offset (Ksh)
<input type="radio"/>	Jun 2023	440,118.00	0.00	132,035.40	39,610.62	611,764.02	<input type="text" value="611,765"/>
<input type="radio"/>	May 2023	444,363.00	0.00	0.00	44,436.30	488,799.30	<input type="text" value="488,800"/>
<input type="radio"/>	Apr 2023	442,166.00	0.00	0.00	48,638.26	490,804.26	<input type="text" value="490,805"/>
<input type="radio"/>	Mar 2023	480,186.00	0.00	0.00	57,622.32	537,808.32	<input type="text" value="537,809"/>
<input type="radio"/>	Feb 2023	473,044.00	0.00	0.00	61,495.72	534,539.72	<input type="text" value="534,540"/>

Total Amount to be SetOff/Offset (Ksh)*

4. Select the tax period. Where the taxpayer wants to offset principal tax only or where voucher amount is lower than outstanding liability the taxpayer can modify the amount to be offset. Once done taxpayer should click the add button



Welcome WABIA E-COMMUNICATIONS COMPANY LIMITED (P.O. BOX 12571) - Last Login: NOV 23, 2023 09:12:14

PRN/OAV/RAV Amount (Ksh) Reconciliation/Voucher Date

Utilized Setoff Amounts (Ksh) Obligation

Section B: Details of Outstanding Liabilities

Liability Details

Total No. of Records 37 Records From 1 To 5 Page No. 1 of 8 Next Last Go To Page:

	Tax Period(s)	Principal Tax (Ksh)	Fines (Ksh)	Penalty (Ksh)	Interest (Ksh)	Amount Payable (Ksh)	Amount to be SetOff / Offset (Ksh)
<input type="radio"/>	Jun 2023	440,118.00	0.00	132,035.40	39,610.62	611,764.02	611,765
<input checked="" type="radio"/>	May 2023	444,363.00	0.00	0.00	44,436.30	488,799.30	444,363
<input type="radio"/>	Apr 2023	442,166.00	0.00	0.00	48,638.26	490,804.26	490,805
<input type="radio"/>	Mar 2023	480,186.00	0.00	0.00	57,622.32	537,808.32	537,809
<input type="radio"/>	Feb 2023	473,044.00	0.00	0.00	61,495.72	534,539.72	534,540


Selected Payments Records

Payment Details


Sr. No.	Delete	Modify	Tax Obligation(s)	Tax Period(s)	Amount Payable (Ksh)	Amount to be Paid (Ksh)
1	Delete	Modify	Income Tax - PAYE	Jun 2023	611,765.00	440,118

Total Amount to be SetOff/Offset (Ksh)*

- The above step can be repeated for additional tax periods up to a maximum of the voucher amount. Taxpayer should then click submit. The iTax system will generate an acknowledgement receipt with details of the setoff and the respective credit entries will be passed in the tax periods taxpayer has selected.



KENYA REVENUE AUTHORITY



Home
Registration
Returns
Debt and Enforcement
Payments
Assessment Disputes
Refund
Certificates
Useful Links

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My Ledger
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Logout

Set-off Payment Order

✔ **Payment utilization done successfully.**

Advance payment of given Payment Registration number RAV2023000007811 is Utilized Successfully.
[Click here](#) to download set-off order.



Refund Adjustment Voucher

For General Tax Questions
Contact KRA Call Centre
Tel: +254 (020) 4999 999
Cell: +254(0711)099 999
Email: callcentre@kra.go.ke

www.kra.go.ke

Taxpayer PIN :

Transaction Date

Name and Address :

Acknowledgement Number

KRA202416440217

0000, Times Tower, NBI, Westlands District,
PO Box:0000,
Postal Code:00200



Section A : Overpayment Adjustment Voucher Details

Overpayment Adjustment Voucher	RAV2023000007811	OAV Generation Date	01/03/2024
Total Offset Amount(Ksh)			884,481.00

Section B: Details of Offset Liabilities

No	Obligation Name	Tax Period	Offset Amount
1	Income Tax - PAYE	01/06/2023 - 30/06/2023	440,118.00
2	Income Tax - PAYE	01/05/2023 - 31/05/2023	444,363.00

Welcome								448,541.94	448,542.00
	Total Records (3)								
JUN 2023									
+	4	Income Tax - PAYE	JUN 2023	04/03/2024	RAV2023000007811	Offset of Overpaid Account (PAYE)	Refund (Offset)	0.00	440,118.00
+	5	Income Tax - PAYE	JUN 2023	11/07/2023	-	Revenue General Interest Account (PAYE)	Interest	39,610.62	0.00
+	6	Income Tax - PAYE	JUN 2023	11/07/2023	-	Revenue General Penalty Account (PAYE)	Penalty	132,035.40	0.00
+	7	Income Tax - PAYE	JUN 2023	11/07/2023	KRA202314292730	Tax Deducted at Source Account (PAYE)	Self Assessment	440,118.00	0.00
	Total Records (4)							611,764.02	440,118.00
MAY 2023									
+	8	Income Tax - PAYE	MAY 2023	04/03/2024	RAV2023000007811	Offset of Overpaid Account (PAYE)	Refund (Offset)	0.00	444,363.00
+	9	Income Tax - PAYE	MAY 2023	04/03/2024	-	Revenue General Interest Account (PAYE)	Interest	44,436.30	0.00
+	10	Income Tax - PAYE	MAY 2023	09/06/2023	KRA202309702890	Tax Deducted at Source Account (PAYE)	Self Assessment	444,363.00	0.00
	Total Records (3)							488,799.30	444,363.00

Note: RAV can only be used to offset liability where a return has been filed.

END