



Frequently Asked Questions (FAQs)

**TAX AMNESTY ON INTEREST &
PENALTIES FOR PERIODS UP TO
31ST DECEMBER, 2022**

What is tax amnesty?

The Finance Act, 2023 introduced Section 37E to the Tax Procedures Act, 2015 which has granted a tax amnesty on penalties and interest on tax debt for periods up to 31st December, 2022.

Do I qualify for the tax amnesty?

A person qualifies for the tax amnesty on penalties and interest where the person -

- Has no principal taxes owed but there are penalties and interest for periods up to 31st December, 2022.
- Fully pays any outstanding principal taxes accrued up to 31st December, 2022, by 30th June, 2024.

How long will Tax Amnesty run?

The Tax amnesty commenced on the 1st September, 2023 and shall run up to 30th June, 2024.

Am I required to apply for the tax amnesty?

If you have paid all the principal taxes that were due by 31st December, 2022, you will be entitled to automatic waiver of the penalties and interest related to that period and will not be required to make an amnesty application.

If you have not paid all the principal taxes accrued up to 31st December, 2022, you will be required to apply for the amnesty and propose a payment plan for any outstanding principal taxes which should be paid not later than 30th June, 2024.

How can I apply for Tax Amnesty?

- By logging into your iTax page and going to Amnesty application tab under Debt and Enforcement and making the application.
- Clicking on the link shared through your Email/SMS which will re-direct you to your iTax page to make the application
- Visiting the nearest Tax Service Office (TSO) or KRA help desk at Huduma Centre for assistance on the application process

Can I apply for a payment plan?

- Yes. The amnesty application form will also enable you to make the payment

plan request.

- Amnesty will however be granted only for principal taxes paid in full before 30th June, 2024. Amounts that remain unpaid by 30th June, 2024 will be subject to enforcement measures.

What are the terms and conditions for amnesty?

“Guidelines on the Tax Amnesty” providing further details on the conditions for amnesty are available on the KRA website and can be accessed through this link (www.kra.go.ke/popular-links/guidelines-on-tax-amnesty-2023-2024)

What happens to Interest, and Penalties accrued for periods from 1st January, 2023?

- The provision on waiver of penalties and interest was deleted, effective 1st July, 2023. Therefore;
- For taxpayers who had lodged their applications for waiver of penalties and interests accrued for the aforementioned periods before 30th June 2023, the mitigating factors provided will be evaluated and the applications processed accordingly.
- For those who had not lodged their applications for the waiver of penalties and interest after 30th June, 2023, they will be required to pay all the interest and penalties.

Do all tax obligations qualify for amnesty?

- The amnesty only covers tax laws covered under the Tax Procedures Act, 2015. Customs duties administered under the East Africa Community Customs Management Act (EACCMA) do not qualify for amnesty.
- The amnesty covers penalties and interest on tax debt for periods up to 31st December 2022 with the exception of interest and penalties imposed under Section 85 of the Tax Procedures Act, 2015 (Tax Avoidance penalty).

Is there any evidence to be attached when applying for amnesty?

- No attachments are needed.
- Once the taxpayer accepts our terms and conditions in the online application form, they will be committing to pay the outstanding debt by 30th June, 2024 in order to enjoy the amnesty.

How do we deal with debts that we don't agree with for periods before 31st December, 2022?

- When making the amnesty application, only select the periods with debt you agree with and leave out the debts in dispute.
- Upon submitting the online application, follow up with your respective Tax Service Office to have the debts in dispute fully resolved. After reconciliation, you may proceed and apply for amnesty for the reconciled and agreed amounts within the amnesty period.
- To hasten the reconciliation process, submit to the debt officer all necessary documents required to validate the debt as soon as possible to avoid missing out on the amnesty.

How will I know that amnesty has been given?

- For periods which have no outstanding principal taxes, your ledger will be credited with an amount equal to the penalties and interest owed, by 30th June, 2024.
- With regard to periods that have outstanding principal taxes, your ledger will be credited with an amount equal to the penalties and interest owed, upon payment of outstanding principal taxes in full.

What will happen if I don't sign up for the amnesty or if I fail to honour the terms and conditions of the tax amnesty?

- Penalties and interest relating to principal taxes that are not paid in full by 30th June, 2024 will be subject to enforcement measures as provided in law.

I have not been filing returns if I file now, can I benefit from Amnesty?

- Yes, you will qualify for the amnesty for penalties and interest relating to tax debts for periods up to 31st December, 2022. Any penalties and interest accruing from 1st January, 2023 shall however be payable.

Will I qualify for amnesty if I have objected to an assessment or I am undergoing other dispute resolution process?

- Yes, as long as the matter is resolved and principal tax is paid in full within the amnesty period i.e. before 30th June, 2024.

If I want more information about the tax amnesty how do I get it?

You can get additional information through visiting www.kra.go.ke/popular-links/guidelines-on-tax-amnesty-2023-2024



Call us on : +254 20 4 999 999 or +254 711 099 999;

Email us on callcentre@kra.go.ke or

You can also visit any of our physical locations countrywide. Use the map to locate our stations and support offices.



