



iTax Enhancements and Resolution of Defects for April 2025

1. ITAX ENHANCEMENTS

(a) Legacy Adjustment Workflow

Following the migration of legacy balances in June 2024, the iTax system has been enhanced to allow for corrections of migrated ledger balances and the generation of Legacy vouchers where applicable. Taxpayers who need assistance can get in touch with their TSOs for further guidance.

(b) Web-based Excise Return for Excisable Services

To simplify services and enhance taxpayer experience, the iTax system has been enhanced by the development of a Web-based return for taxpayers undertaking excisable services (e.g., money transfer services by banks, money transfer agencies, and other financial service providers, telephone and internet data services, betting, gaming, etc.). The option to file the web-based excise returns is available under a new sub-menu 'Simplified Returns' introduced under the returns menu, available only on the taxpayer portal. Taxpayers dealing in excisable goods are required to use The auto-populated Excel excise return.



(c) Web-based Turnover Tax Return (TOT)



As part of the efforts to simplify processes for Micro and Small (MST) taxpayers, a web-based return has been designed and is available under a new sub-menu 'Simplified Returns' introduced under the returns menu, available only on the taxpayer portal. TOT taxpayers can also file their returns using the M-service app that can be downloaded from the google play-store. TOT return is also available on KRA USSD platform.



(d) CSV for Advance Tax:

The iTax system has been enhanced to offer a CSV (upload functionality) for taxpayers generating payment slips for advance tax on commercial vehicles. This is a useful tool for taxpayers who have many commercial vehicles to declare advance tax.

(e) Utilisation of Refund adjustment Voucher/Overpayment adjustment Voucher to settle WHVAT/WHIT /WHRENT liability:

The iTax system has been enhanced to allow taxpayers to utilize Refund Account Vouchers (RAV) and Overpayment Account Vouchers (OAV) for the payment of Withholding Income Tax (WHIT), Withholding VAT (WHVAT), and Withholding Rent (WHRENT). As part of this enhancement, a new field has been added to the Excel template to capture the OAV/RAV amount. The system will process payments as follows:

- If the amount due exceeds the voucher amount, iTax will generate a Payment Registration Number (PRN) for the balance. The certificate will be generated upon full payment of the liability due.



- If the amount due is less than or equal to the voucher amount, the system will generate an acknowledgment receipt for the transaction.
- Ledger entries will be posted accordingly, and vouchers will be utilized on a first-in, first-out (FIFO) basis.

2. RESOLUTION OF BUGS/DEFECTS

(a) Tax Returns Processing

- **Inability to claim input VAT from certain PINs:** Some taxpayers have been unable to claim input tax from certain customers due to an error that the supplier's PIN was not registered for VAT on the invoice date (i.e. *The PIN xxxxx for Invoice xxxxx was not active for Value Added Tax on the invoice Date*). This issue has been resolved, and affected taxpayers can try to file or amend their VAT returns.
- Taxpayers with credit brought forward were also unable to file excise returns as the section was greyed out (i.e. using the Auto-populated Return). This has been resolved, and the affected Taxpayers can now file the returns.
- **Resolution of Overstated eTIMS invoices for Branches:** The issue of overstated eTIMS invoices for taxpayers with branches has been resolved. The affected taxpayers to confirm on their end and file returns/amend where applicable.
- **Ledger Entries for PRNs for Betting Companies:** Taxpayers remitting the daily Excise and withholding tax on winnings have some Payments/remittances appearing in future tax periods. The issue has been resolved moving forward.

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