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**THE NAIROBI CITY COUNTY REVENUE ADMINISTRATION
ACT, 2021**

No. 5 of 2021

Date of Assent: 14th September, 2021

Date of Commencement: 20th September, 2021

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**THE NAIROBI CITY COUNTY REVENUE ADMINISTRATION
ACT, 2021**

AN ACT of the Nairobi City County Assembly to provide a legislative framework for the general administration of revenue raising laws, effective administration of revenue collected by the County Government; the assessment, collection, receipt and management of the revenue; establish the County Revenue Board and the County Revenue Authority and for connected purposes

ENACTED by the Nairobi City County Assembly, as follows—

PART I—PRELIMINARY

Short title and Commencement

1. This Act may be cited as the Nairobi City County Revenue Administration Act, 2021.

Interpretation

2. In this Act, unless the context otherwise requires—

“assessment” means an estimate of fees, charges, rent or rates including interest owed by a revenue payer to the County under section 13;

“authorised officer” means any person authorised to enforce the provisions of this Act;

“Authority” means the County Revenue Authority established by section 4 of this Act;

“Board” a Board of the Authority established by section 6 of this Act;

“county public officer” has the same meaning as in the County Government Act;

“County Revenue Administrator” means the person holding or acting in the office established under section 8 of this Act;

“County revenue fund” means a Fund established in accordance with Article 207 of the Constitution;

“Executive Committee Member” means the County Executive Committee Member for the time being responsible for Finance;

“premises” include—

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“premises” include—

- (a) any part of a building or structure;
- (b) any part of a vehicle or vessel; and
- (c) an area of land.

“prescribed” means prescribed by the provisions or regulations made under this Act;

“revenue” means rates, charges, levies, fees, rents, taxes and any monies payable to the County Government as revenue under any written law;

“revenue law” means any Act or other law providing for the payment to the County Government of taxes, fees or charges for services provided.

“relevant person” means—

- (a) a revenue payer;
- (b) an employee or agent of the revenue payer; or
- (c) any other person whom the County Revenue Administrator believes on reasonable grounds may assist in determining the liability (if any) of the revenue payer to pay a rate, tax, fee or charge payable under a revenue law;

“revenue payer” means a person who is obligated under any County or National law to pay to the County Government any rates, fees, tax, or levies or charges that are prescribed under any revenue law;

“revenue decision” means an assessment of revenue payable, a refund decision under section 26 of this Act or a demand for a penalty.

Objects and purpose of the Act

3. The objects and purpose of this Act is to establish a legal and institutional framework for revenue administration in order to ensure effectiveness, efficiency and transparency in revenue administration and specifically to—

- (a) ensure revenue is raised and administered in an effective and efficient manner;
- (b) ensure all revenue raised is accounted for;
- (c) ensure that all persons who should fall in the revenue payer bracket are included;
- (d) improve revenue collection in the County so as to ensure improved service delivery;

- (e) provide for a mechanism in which some revenue collected may be retained by the County Government entity which received it for purposes of defraying its expenses; and
- (f) to provide mechanisms for waiver or variation of taxes, rates, fees, charges and other revenue collected by the County Government;

PART II—REVENUE ADMINISTRATION

Establishment of the Nairobi City County Revenue Authority

4. (1) There is established an Authority to be known as Nairobi City County Revenue Authority.

(2) The Authority shall be a body corporate with perpetual succession and a common seal and shall, in its corporate name be capable of—

- (a) suing and being sued;
- (b) purchasing or otherwise acquiring, holding, charging or disposing of movable and immovable property; and
- (c) doing or performing all such other acts necessary for the proper performance of its functions under this Act, which may be lawfully done or performed by a body corporate.

Functions of the Authority

5. (1) The Authority shall, under the general direction of the Executive Committee Member, be responsible for the following—

- (a) administering and enforcing revenue laws to ensure that all monies raised or collected by or on behalf of the County are paid into the County Revenue Fund;
- (b) assessing revenue payable to the County Government where applicable;
- (c) advising the Executive Committee Member on all matters relating to the imposition, administration and enforcement of revenue laws, assessment and collection of revenue and penalties thereof in line with Article 209 of the Constitution;
- (d) preparing an annual work plan for County revenue collection specifying expected work volumes, service and enforcement initiatives;
- (e) institute measures to ensure compliance with this Act;

- (f) implementing effective, efficient and secure systems of assessing, collecting and remitting revenue;
- (g) designing and implementing a plan to achieve revenue growth;
- (h) promote and encourage voluntary compliance by revenue payers;
- (i) provide public education and awareness to all revenue payers as well as members of the public on the importance of paying the revenues promptly, the criteria of assessment and tabulation of revenue due and ways of making the payments;
- (j) advising the County Executive Committee on all matters related to collection and administration of revenue;
- (k) liaising and providing linkages with National Government entities dealing with Revenue collection in both the National and County Governments; and
- (l) doing or performing all other acts or things for the proper performance of its functions under this Act.

Board of Directors

6. (1) There shall be a Board of Directors, which shall be the governing body of the Authority and shall consist of the following —

- (a) a non-executive chairperson appointed by the Governor with the approval of the County Assembly;
- (b) the chief officer for the time being responsible for finance;
- (c) one representative from the Kenya National Chamber of Commerce and Industry, one representative from the Kenya Tax Payers Association, one representative from the Kenya Association of Manufacturers and one representative from the Law Society of Kenya who shall be nominated by the respective umbrella bodies;
- (d) a member from special interest groups; and
- (e) the County Revenue Administrator who shall be an *ex officio* member.

(2) The Executive Committee Member shall, in nominating persons under subsection 1(c) and (d), take into consideration gender and ethnic balance.

(3) A Vice-chairperson of the Board shall be elected from amongst the members of the Board in their first meeting.

(4) Members of the Board shall be paid such sitting allowances as shall be determined by the Salaries and Remuneration Commission.

(5) The term of office for the chairperson or a member appointed under subsection (1) (c) and (d) shall be three years, renewable once.

(6) The Board shall regulate its own procedures.

Functions of the Board

7. The Board shall be responsible for the following—

- (a) the approval and review of the policies of the Authority;
- (b) the monitoring of the performance of the Authority in carrying out its functions;
- (c) the discipline and control of all members of staff of the Authority appointed under this Act; and
- (d) approve any alteration in the organization or establishment of the Authority;

County Revenue Administrator

8. (1) There shall be a County Revenue Administrator of the Authority who shall be appointed by the Executive Committee Member upon the recommendation of the Board on such terms and conditions as are specified in his instrument of appointment.

(2) To qualify for appointment as the County Revenue Administrator, a person shall—

- (a) possess a degree in finance, accounting, or economics from a recognized university;
- (b) have experience in management for a period of not less than five years; and
- (c) satisfy the conditions of Chapter six of the Constitution.

(3) The County Revenue Administrator shall hold office for a non-renewable term of six years during which period, he shall have tenure of office.

(4) The County Revenue Administrator may—

- (a) at any time resign from office by giving a notice in writing of at least 30 days to the chairperson of the Board;

- (b) be removed from office by the Executive Committee Member upon recommendation of the Board on grounds of —
 - (i) violation of the Constitution or any other law;
 - (ii) gross misconduct in the performance of the functions of the office;
 - (iii) physical or mental incapacity to perform the functions of the office; or
 - (iv) gross incompetence.

Role of County Revenue Administrator

No. 8 of 2012

9. (1) The County Revenue Administrator shall be the Chief Executive Officer of the Authority and, subject to the general supervision and control of the Executive Committee Member, shall be responsible for—

- (a) the day to day operations of the Authority;
- (b) collecting, receiving and accounting for all revenue received on behalf of the County in accordance with the Public Finance Management Act;
- (c) the administration, organization and control of the staff of the Authority;
- (d) the management of funds, property and affairs of the Authority;
- (e) implementation of resolutions of the Authority under this Act; and
- (f) carrying out any other function as may be provided for in this Act or as the Authority may from time to time determine.

(2) For greater certainty, the County Revenue Administrator shall also be a receiver of revenue as per the provisions of sections 157 and 158 of the Public Finance Management Act, 2012.

Reports on operations of the Authority

10. (1) The County Revenue Administrator shall prepare and submit to the Board, the County Treasury and the Executive Committee Member—

- (a) quarterly reports on the operations of the Authority and the implementation of this Act;

- (b) quarterly statements with copies to the National treasury and the Commission for Revenue Allocation;
- (c) an annual report for each financial year which shall cover among others—
 - (i) all matters related to the Authority and the implementation of this Act;
 - (ii) the operation and administration of all revenue laws;
 - (iii) the collection of revenue;
 - (iv) the challenges faced in the implementation of this Act and proposed measures and interventions;
 - (v) proposed policy and legislative measures to be adopted in order to enhance county revenue and revenue administration; and
 - (vi) any other information as may be required by the Board.

(2) The Executive Committee Member shall submit the report received under subsection (1) to the County Executive Committee within fourteen days after receipt of the report.

(3) The County Executive Committee shall consider the report submitted under subsection (2) and shall transmit it to the County Assembly for consideration not later than thirty days after its consideration.

Executive Committee Member to prescribe the revenue laws

11. (1) The Executive Committee Member shall identify and prescribe the county laws applicable for the purposes of determining the revenue receivable or collectable under this Act.

(2) All revenue received or collected under this Act or under any law prescribed under subsection (1) shall be paid into the County Revenue Fund.

Staff of the Authority

12. (1) The Authority may appoint such number of revenue collectors, officers and staff as it may deem necessary for the performance of its functions under this Act.

(2) The Executive Committee Member shall, upon request by the Authority, facilitate secondment to the Authority of such officers from the

County Public Service as may be appropriate and necessary for the proper management of the functions of the Authority.

Revenue Officers

13. The Executive Committee Member may, in accordance with section 158(1) of the Public Finance Management Act, 2012 and in consultation with the Board, designate such persons to be revenue officers and to work as staff of the Authority, for the purposes of collecting revenue on behalf of the County Government, provided that such officers shall be County public officers appointed by the County Public Service Board.

PART III—RECORDS AND INFORMATION OF REVENUE PAYERS

Registration of revenue payers

14. (1) The Authority shall register all revenue payers in the prescribed manner.

(2) A revenue payer registered under this section shall be assigned a revenue identification number.

(3) The Authority shall maintain a register of County revenue payers.

(4) The register prepared under subsection (3) shall be in the prescribed form.

Maintenance of records by revenue payer

15. (1) A revenue payer may keep such records as may be reasonably necessary to determine the revenue payer's liability to revenue payable to the County for a period of not less than five years after the completion of the transactions to which they relate.

(2) The Authority shall, by way of a seven-day notice in writing, issued to the revenue payer, direct the revenue payer as to the records that the revenue payer may be required to make and keep.

(3) The Executive Committee Member may make guidelines on the various categories of revenue payers and their respective obligations.

Information technology

16. (1) The Authority shall adopt an integrated revenue collection system for the purposes of ensuring effective and efficient revenue administration.

(2) The Executive Committee Member shall ensure that the Authority and any authorized officer adopts appropriate information technology measures to improve efficiency.

(3) The Authority shall institute mechanisms of audit that the revenue collection system may undergo to prevent and detect various forms of fraud and other accounting irregularities.

Providing information and evidence

17. (1) For the purposes of determining the liability, if any, of a revenue payer to pay revenue, the Authority, shall, by way of a seven-day notice in writing, require the relevant person to do either or both of the following—

- (a) provide the Authority with such information as the Authority requires; and
- (b) attend and give evidence before the Authority, including on oath.

(2) A person who fails to comply with a notice under this section commits an offence and is liable on conviction to a fine not exceeding one hundred thousand shillings or imprisonment for a term not exceeding three months, or to both.

Publication and service of documents

18. (1) Any document required to be published under a revenue law may be published in the County Gazette and County website and may where necessary, be published in one or more newspapers circulating in the County.

(2) Any document required or authorized to be sent or served under or for purposes of a revenue law may be sent or served by any method prescribed below—

- (a) by delivering it to the person to or on whom it is to be sent or served;
- (b) by leaving it at the usual or last known place of abode or business of that person, or, in the case of a company, at its registered office;
- (c) by ordinary or registered post;
- (d) by emailing it to the person; or
- (e) by any method which may be prescribed.

(3) Despite the provisions of subsection (2), where the County Revenue Administrator having attempted to send or serve a document by any prescribed method is satisfied that such notice has not been received by the person to whom it was addressed, the County Revenue Administrator may advertise, in the manner provided in subsection (1), the general purport of such document, and upon such advertising, the document shall be deemed to have been received by that person.

(4) An advertisement referred to in subsection (3) may refer to one or more documents and to one or more ratable owners.

(5) Any document under a revenue law required or authorized to be served on the owner or occupier of any premises may be addressed by the description "owner" or "occupier" of the premises (naming them), without further name or description.

PART IV—ENFORCEMENT

Authorised officers

19. (1) The Authority shall, with the concurrence of the Executive Committee Member appoint or designate such public officers as authorised officers in the prescribed manner for the purposes of implementing and enforcing this Act.

(2) The County Revenue Administrator shall issue a certificate of appointment to an enforcement officer appointed under this Act.

Powers of Authorised officers

20. (1) An authorised officer appointed under this Act shall have powers under the general direction of the County Revenue Administrator to—

- (a) assess any revenue payable to the County by any person in accordance with the county laws or any other written law;
- (b) enforce the provisions of this Act;
- (c) at any reasonable time, enter and inspect any premises which the revenue officer believes on any reasonable grounds, that any person or persons is in any way contravening the provisions of this Act; and
- (d) do such other things as may be directed by the County Revenue Administrator for purposes of implementing this Act.

Identification

21. In performing any function or exercising any power under this Act, an authorized officer or any officer of the Authority shall produce

written identification establishing his or her position if requested by any relevant person.

Assessment of revenue payable

22. (1) The Authority may make an assessment of revenue owed by a revenue payer on its own motion or upon request by the revenue payer.

(2) An assessment under subsection (1) shall not alter the due date of payment of the revenue as determined under the relevant law.

(3) The Authority shall cause the notice of the assessment under sub section (1) to be served on the person so assessed and it shall state the amount of revenue payable and the date the revenue payer is expected to pay.

Power of access and inspection

23. (1) For the purpose of determining the liability of a revenue payer to pay revenue, the County Revenue Administrator or any authorised officer of the Authority shall during reasonable hours, have full and free access to any premises of, or in the custody or control of, a relevant person and may at all reasonable times exercise any of the following powers—

- (a) enter and inspect those premises and any goods in or on those premises, including opening any packaging or containers that may contain goods;
- (b) obtain, copy and print information or data from any computer system in or on those premises and retain all information and data that is obtained, copied or printed; and
- (c) take extracts from or copies of any books, accounts, records and other documents in or on those premises and retain all extracts or copies taken.

(2) Despite the provisions of subsection (1), an authorised officer shall exercise the power of access and inspection in terms of a warrant issued by a court of competent jurisdiction.

(3) If the County Revenue Administrator is of the view that it is impractical to exercise any of the powers under sub-section (1), the County Revenue Administrator may remove all or any of the things referred to in that paragraph to offices of the Authority for such time as is reasonably necessary to determine a revenue payer's liability to pay, but not for a period of more than 60 days.

(4) A relevant person must give all reasonable assistance to the County Revenue Administrator or an authorized officer of the Authority, so as to allow him or her to exercise all or any of his or her powers under this section.

(5) A person commits an offence and is liable on conviction to a fine not less than one hundred thousand shillings if he—

- (a) fails or refuses to provide access to premises required by the county revenue collector or officer of the Authority; or
- (b) obstructs or hinders the county revenue collector or an authorized officer in the discharge of his or her duties under paragraph (1)(a), (b) or (c).

Power to Collect Revenue through Agency Notice

24. (1) The County Revenue Administrator may, in respect of the revenue payer and by notice in writing, require a person who—

- (a) owes, or may subsequently owe, money to the revenue payer;
- (b) holds, or may subsequently hold money, for or on account of, the revenue payer;
- (c) holds, or may subsequently hold money on account of another person for payment to the revenue payer; or
- (d) has authority from another person to pay money to the revenue payer, to pay the amount specified in the notice to the County, being an amount that shall not exceed the amount of the unpaid revenue or any other monies owed to the County by the revenue payer.

(2) The person shall pay the amount specified in the notice under subsection (1) by the date specified therein, being a date that is not before the date that the amount owed by that person to the revenue payer becomes due to the revenue payer or held on the revenue payer's behalf

(3) When a person with a notice under subsection (1) claims to be, or to has become, unable to comply with the notice by reason of lack of monies held by him on behalf of, or due to the revenue payer from another person, the person shall notify the County Revenue Administrator in writing within seven days after receipt of the notice, setting out the reasons for his inability to comply.

(4) When a notice is served on the County Revenue Administrator under sub-section (3), the County Revenue Administrator shall, by notice in writing—

(a) accept the notification and cancel or amend the notice issued under sub-section (2); or

(b) reject the notification and set out the reasons thereof.

(5) The County Revenue Administrator shall, by notice in writing to the revenue payer, revoke or amend a notice served under subsection (2) when the revenue payer has paid the whole or part of the revenue or has made an arrangement satisfactory to the County Revenue Administrator for payment of the revenue.

(6) The County Revenue Administrator shall serve the revenue payer with a copy of a notice served on the agent under this section.

(7) A payment made by an agent to the Authority in accordance with a notice issued under this section is treated as having been made on behalf of the revenue payer and shall constitute a good and sufficient discharge of the liability of the revenue payer or any other person.

(8) The Authority shall credit any amount paid by an agent under this section against the revenue owing by the revenue payer.

(9) An agent who, without reasonable cause, fails to comply with a notice under this section shall be personally liable for the amount specified in the notice.

Seizure of goods

25. (1) Unless as provided in any relevant written law, an enforcement officer shall not seize any goods, equipment or property unless where it is necessary for the officer to produce such goods, equipment or property as evidence in Court.

(2) Where an enforcement officer deems it appropriate to seize any goods for the purposes of this section, the officer shall only seize a sample of the goods which shall be appropriate as an exhibit.

(3) Where any goods, equipment or property are seized under subsection (1), the authorized officer shall take inventory of the goods, equipment or property seized which shall be recorded in the prescribed seizure form.

(4) The goods, equipment or property seized under this section shall be stored in safe custody in accordance with the prescribed procedure.

(5) Any person from whom goods have been seized under this section may, within thirty days after the date of seizure, apply to the Court for an order of restoration.

(6) The Court may order the goods so seized to be restored to the applicant if, on hearing the application, the Court is satisfied that the applicant is entitled to possession of the goods seized and that the goods are not and will not be required as evidence in any proceedings related to enforcement of this Act.

Forfeiture of seized goods

No. 3 of 1987

26. (1) Where goods seized under this Act become collectable by the owner, they shall be collected from the Authority's premises, the address of which shall be indicated in the twenty-one-day notice that shall be issued by the authorized officer.

(2) Where the goods become collectable under subsection (1), and the owner does not collect them within the stipulated period, the goods shall be forfeited to the county government and dealt with in accordance with the Disposal of Uncollected Goods Act.

Refund of revenue

27. (1) Where a person pays more revenue than the amount required, or pays a revenue erroneously, the Authority may, with the approval of the Executive Committee Member refund the amount paid in excess or erroneously paid or offset against future payments.

(2) A person who has paid the revenue as described under subsection (1) may apply for refund or offsetting of the revenue giving sufficient reasons for making such a payment.

(3) The Authority shall, where it is satisfied that the application meets the requirements of this section refund the amount due or offset the amount claimed against future payments.

Power to repossess properties and eviction

28. (1) If a land owner or occupier of county premises fails to pay revenue due on such property that they are occupying for a period of more than three (3) consecutive months, the Authority shall have such powers to—

- (a) serve a notice of legal action undertaking to the land owner or occupier of the county premises; and
- (b) evict the person occupying such County premises or the land owner setting out conditions for restoration and the time limit within which the person occupying the county premises should comply.

Monitoring and Evaluation

29. (1) The Board shall establish a unit within the Authority to be known as the Monitoring and Evaluation Unit.

(2) The Monitoring and Evaluation unit shall be composed of officers with technical knowledge on monitoring and evaluation systems.

(3) The Monitoring and Evaluation Unit shall perform the following functions on a quarterly basis—

- (a) monitor and review the performance of the Authority in achieving targets set under section 30(1) of this Act;
- (b) adopt procedures for reporting on performance of the Authority and the staff members of the Authority;
- (c) monitor, investigate and report to the County Revenue Administrator on the commission of any offences under this Act by any relevant person;
- (d) evaluate the performance of any ongoing projects, programmes or policies of the Authority;
- (e) disseminate monitoring and evaluation results to the Board and the County Revenue Administrator; and
- (f) perform any other duties any other act for the proper performance of its functions under this Act.

PART V—FINANCIAL PROVISIONS**Revenue Fund**

30. All revenue collected by the Authority shall be paid into the County Revenue Fund.

Funds of the Authority

31. (1) The funds and assets of the Authority shall consist of—

- (a) such monies not exceeding two per centum of the revenue estimated in the previous year actual collection by the Authority;
- (b) such moneys as may be appropriated by the County Assembly for the purposes of the Authority;
- (c) such gifts, grants, loans or monies received from any lawful source by the Authority with the approval of the Executive Committee Member; and

- (d) all monies as may be made available by the Executive Committee Member for the better performance of its functions.

(2) The Authority shall apply the moneys provided under this section for the furtherance of the object and performance of the functions prescribed under this Act.

Financial year

32. The Financial Year of the Authority shall be the period of twelve months ending on the thirtieth June in each year.

Annual budget estimates

33. (1) At least three months before the commencement of each financial year, the Authority shall cause to be prepared budget estimates of the Authority for that year which shall be approved by the County Assembly.

(2) The Authority shall approve the annual estimates at least ninety days before the commencement of the financial year to which they relate and, once approved, the sum provided in the estimates shall be submitted to the Executive Committee Member for inclusion in the County Fiscal Strategy Paper.

(3) No expenditure shall be incurred for the purposes of the Authority except in accordance with the annual estimates approved under subsection (3), or in exceptional circumstances, in accordance with an authorization of the Authority given with prior written approval of the County Executive Committee Member.

Books of accounts and audit

34. (1) The Authority shall cause to be kept proper books of accounts and records of the Authority.

(2) Within a period of three months after the end of each financial year, the Authority shall submit to the Auditor-General, the accounts and financial statements of the Authority together with—

- (a) a statement of the financial position as at the thirtieth day of June;
- (b) a statement of comprehensive revenue collected;
- (c) a statement of cash flows for the year ended; and
- (d) a summary of significant accounting policies and other explanatory information; and

(e) other financial statements applicable to similar institutions.

(3) The accounts and financial statements and records of the Authority shall be audited and reported upon in accordance with provisions of the Public Audit Act.

Due date for submission and payment

35. If the date for—

- (a) submitting or lodging a county revenue return, application, notice, or other document;
- (b) the payment of County revenue; or
- (c) taking any other action under a revenue law, falls on a Saturday, Sunday, or public holiday in Kenya, the due date shall be the following working day:

Provided that a person who submits a county revenue return in electronic form and pays the revenue electronically, the due date remains the date specified in the relevant revenue law.

Waivers and variations

36. (1) The Executive Committee Member may waive or vary a rate, fee or charge that is imposed or payable to the County Government under a revenue law in accordance with the provisions of the Nairobi City County Tax Waivers Administration Act, 2013.

(2) A person may apply to the Executive Committee Member for a waiver or variation of a rate, fee or charge payable to the County Government in accordance with the provisions of the Nairobi City County Tax Waivers Administration Act, 2013

PART VI—APPEALS

Appeals

37. (1) A revenue payer who wishes to dispute a County revenue decision shall first lodge an objection against that revenue decision under this section before proceeding under any other written law.

(2) A revenue payer who disputes a revenue decision may lodge a notice of objection to the decision, in writing, to the Board within thirty days of being notified of the decision.

(3) Where a notice of objection has been validly lodged within time, the Board shall consider the objection and decide either to allow the

objection in whole or in part, or disallow it, and Board's decision shall be referred to as an "objection decision".

(4) The Board shall notify the revenue payer in writing of the objection decision and shall take all necessary steps to give effect to the decision, including, in the case of an objection to an assessment, making an amended assessment.

(5) Where the Board has not made an objection decision within sixty days from the date that the revenue payer lodged a notice of the objection, the objection shall be allowed.

PART VII—OFFENCES AND PENALTIES

Penalties and Offences

38. (1) A relevant person commits an offence—

(a) if he fails to pay revenue by the due date.

(b) If he deliberately—

(i) makes a statement to an authorised officer that is false or misleading in a material particular; or

(ii) omits from a statement made to an authorised officer any matter or thing without which the statement would be false or misleading in a material particular;

(c) in relation to a revenue period, if he knowingly—

(i) omits from his or her return any amount which should have been included; or

(ii) claims any relief or refund to which he or she is not entitled; or

(iii) makes any incorrect statement which affects his or her liability to pay revenue; or

(iv) prepares false books of account or other records relating to that other person or falsifies any such books of account or other records; or deliberately defaults on any obligation imposed under a revenue law.

(2) If he hinders or obstructs the County Revenue Administrator or an authorised officer in the performance of the officer's duties under a revenue law.

Offences by an Authorised officer

39. (1) An authorised officer commits an offence when that officer—

- (a) makes an entry that he or she knows or has reasonable cause to believe to be false or does not believe to be true in any record, return, or other document that he or she is required to keep or make;
- (b) willfully refuses to do anything that he or she knows or has reasonable cause to believe is required to be done by he or she under a revenue law;
- (c) interferes with any other person or process under a revenue law in order to defeat the provisions or requirements of that law;
- (d) fails to do anything that the authorised officer is required to do to give effect to the provisions of a tax law;
- (e) without reasonable cause, acts or omits to act in breach of his or her duty under a revenue law;
- (f) wilfully contravenes the provision of a revenue law in order to give undue advantage or favour to another person; or
- (g) fails to prevent or report to the Authority or any other relevant authority, the commission of an offence in contravention of a provision of a revenue law.

(2) A person convicted of an offence under this section shall be liable to a fine not exceeding one million shillings and to imprisonment for a term not exceeding three years, or to both.

General penalty

40. Any person who contravenes or fails to comply with any provisions of this Act, commits an offence is liable on conviction where no penalty is prescribed to a fine not exceeding five hundred thousand shillings or to imprisonment for a term not exceeding five years, or to both.

PART VII—GENERAL PROVISIONS**Transitional**

41. Within one hundred and twenty days of coming into force of this Act, the Executive Committee Member shall, by order published in the *Gazette*—

- (a) transfer to the Authority any property belonging to the County Government, which appears to him to be necessary or useful to the Authority for the performance of its functions under this Act, which property shall vest in the Authority by virtue of the order without further assurance; and
- (b) wind up the Department in the County Executive known as the Revenue Department and all its functions, operations and powers shall be vested in the Authority.

Compliance and public education

42. The Executive Committee Member shall provide and facilitate public education and participation on the provisions of this Act to ensure public awareness and compliance of this Act.

Practice directions

43. (1) In order to ensure consistency in revenue administration and to provide guidance to persons affected by the revenue laws, the County Revenue Administrator may issue the public practice directions setting out his interpretation of the law.

(2) A practice Direction is binding on the County Revenue Administrator and all authorized officers until revoked.

Regulations

44. (1) The Executive Committee Member may make rules and regulations generally for the better carrying out of provisions of this Act.

(2) Without prejudice to the generality of subsection (1), the Regulations may—

- (a) prescribe the manner of registration of county revenue payers;
- (b) prescribe the forms applicable under this Act;
- (c) prescribe the records related to revenue administration to be maintained;
- (d) prescribe the records to be maintained by a revenue payer;
- (e) prescribe the guidelines on various categories of revenue payers and their respective obligations; and
- (f) personnel access control to the integrated revenue collection system.