



Kenya Revenue Authority

PUBLIC NOTICE NO. 47

ELECTRONIC TAX REGISTER OR PRINTER INFORMATION FOR MANUFACTURERS AND IMPORTERS AND SERVICING/ MAINTENANCE OF THE ELECTRONIC TAX REGISTER OR PRINTER

1. Interpretation

“*Electronic Tax Register or Printer*” is a device approved by the Government, to record and issue fiscal data of goods and services sold;

“*Printer*” is a printer with memory that is used to record and print all documents which can operate with an application software using exclusively the existing interface;

“*Memory*” is a device placed in a permanent non-transparent substance (mass) enabling the permanent single recording of data by the program for the tax register operations accepted for use without the possibility of erasing the data and enabling the multiple repeated reading of these data, which cannot be removed or erased unless the whole device is destroyed;

“*Documents*” are documents containing logo:- receipt, daily report, monthly report and annual summary report;

“*Receipt*” is a document printed for the customer by the electronic tax register and whose record is stored in the memory;

“*Daily report*” is a document with total data on the turnover and the tax amount for a given day;

“*Monthly report*” is a document with total data on the turnover and the tax amount for a given month;

“*Annual summary report*” is a document with total data on the turnover and the tax amount for a given year;

“*Module*” is a device which registers the sales turnover, calculates the tax due and controls the printing of all documents printed by the electronic tax register and printer. The module is molded into the case of the electronic tax register or printer and should keep stored data for at least five years regardless of power supply and must contain separately embedded memory.

“*Electronic tax register or printer unique number*” is a single and unique number assigned to the electronic tax register or printer memory by the Government to identify each electronic tax register or printer which number cannot be assigned to any other device;

“*Leaden seal*” is a simple lead seal placed in a visible place which has to be broken in order to open the case and gain access into the electronic tax register or printer;

“Technical approval Committee” a Committee appointed by the Government for the study on the improvement, specialization, adaptation and review of the existing technical specifications for electronic tax registers/or printer and systems, as well as for the laying down of new specifications to meet modern needs and expand the use of Electronic tax Register or Printer.

“Work memory” is a unit that contains programmes required to process required data or created during the daily operation of electronic tax register or printer.

2. Terms conditions and technical requirements for manufacturers and importers.

Manufacturers or importers of tax registers shall apply for the supply of electronic tax registers or printers upon fulfilling all terms and conditions and technical requirements.

The application shall include -

- (1) Detailed identification of the manufacturer or importer;
- (2) The electronic tax printer or printer: name, type and model and the technical specification – description of the construction, schematic diagrams and assembly diagrams, specification of the electronic components, a picture of the construction/description, operating manual and programming manual, service manual and communication protocols of all interfaces;
- (3) The list of all components of the electronic tax register or printer;
- (4) The name and the address of the manufacturer or importer of the electronic tax register or printer and the importer’s authorization issued by the manufacture;
- (5) Block diagram of the controlling software and application software of the electronic tax register or printer and the chart of the tax memory;
- (6) The operations program of the electronic tax register or printer in the original-source version and saved in the read only memory (specimen) and the application program in the source-original version and saved in the read only memory (specimen);
- (7) The list of all contingency malfunctioning of the electronic tax register or printer and the ways of their removing (repairing): automatically, by the service point, to be removed by a user or not removable, ways for protecting the tax register’s components against the unauthorized access;
- (8) Statement from a manufacturer or importer stating that each electronic tax register or printer introduced for trade will be identical with respect to technical, operational and program factors to the sample-specimen of electronic tax register or printer being subject of previous test and which has been granted the approval by the Technical approval Committee that it complies with all requirements;

- (9) A list (or Description) of all software (+Data) and hardware security features. A statement of security guarantee is necessary.
- (10) Samples of all documents printed out by the electronic tax register or printer;
- (11) Documents of the authorization for the service point issued by the manufacturer or importer, sample contract with the sellers and the service points, organizational diagram of the service points and their location in the country;
- (12) Description of the technology for recording the unique register identification number in the electronic tax register or printer and the description of its placement in the socket during the manufacturing of the tax register and the technology for the replacement of the module and the memory;
- (13) Certificate of the safety for the electronic tax register or printer and its external power supplying devices;
- (14) The application shall be withdrawn if:
 - (a) the electronic tax register or printer introduced for trading are not complaint with the sample submitted as enclosed to the application;
 - (b) there are no service points or the service is performed contrary to the specified requirements;
 - (c) the manufacturer or the importer finished their operations;
 - (d) the other technical specification of the electronic tax register or printer are not complied with.

3. Terms and conditions for the technical services of Electronic Tax Register or Printer.

- (1) The manufacturer or the importer is responsible for the organisation of the guarantee and post guarantee service and their proper operations. The performance of the service by other entities is subject to a manufacturer's or importers authorisation.
- (2) The person performing the service shall not interfere with the memory of the electronic tax or printer.
- (3) Ceasing to provide service by the manufacturer or the importer, regardless of its reason, may be only performed after prior transferring of the service for the performance by the other person accepting this service for further performance. The copy of the agreement shall be submitted to the Technical Approval Committee within 7 days from the date it was signed.

(4) The documentation related to the performance of service is maintained by persons appointed by the Technical Approval Committee and a manufacturer or importer, or the entity conducting an authorised service of electronic tax register or printer.

(5) The person performing the service (a service man) must be entered on a special list of persons authorised for its performance by the manufacturer or importer or the entity conducting the service or reported to the persons appointed by the Technical Approval Committee.

(6) The service of electronic tax register or printer shall not be conducted and performed by the taxpayer or performed by a person contracted by the taxpayer.

(7) The list specified under paragraph 5 must comply with the records maintained by Technical Approval Committee and promptly updated in the event of its modification at the same time with a notification of this fact by a manufacturer or importer to the Technical Approval Committee.

(8) The entity performing the service shall promptly and free of charge act upon the request (an order) of the Technical Approval Committee.

(9) The entity performing the service, upon the taxpayer's request, performs the electronic tax register or printer technical inspection specified under paragraph (3).

(10) The entity performing the electronic tax register or printer service is under the obligation to train, at his own cost, the clerks indicated by the Technical Approval Committee in the methods of operation procedures used by the manufacturer, in particular with respect to their verification.

(11) The inspection should include-

- (a) the condition of all seals and their compliance with their entry in the tax register ledger and the service documentation;
- (b) the condition of the electronic tax register or printer casing;
- (c) legibility of the documents printed by the electronic tax register or printer;
- (d) the tax register program, its release, the compliance with the entries in the electronic tax register or printer
- (e) correctness of the electronic tax register or printer operations, in particular with respect to the issuing of documents;
- (f) accuracy of the customer's display operations;

- (g) the condition of the motherboard, the memory and the module with respect to the construction documentation of the electronic tax register and the result of the review (inspection) together with the recommendations are to be recorded in the tax register ledger;

(12) The service operations shall be undertaken not later than within 48 hours from the moment the electronic tax register or printer failure or break down is reported by the user.

(13) The person performing the service of the electronic tax register or printer shall identify himself with an identification badge granted by the manufacture or importer. The identification badge is valid for one year since the date of its issuance and after this period it is subject to extension.

(14) The service person identification details and the identification details of a person authorised for a substitute performance of the service of a given electronic tax register or printer are entered into the tax register ledger. The service person performing the service as a substitute shall upon each occasion hold an authorisation to perform the electronic tax registers or printers service, which authorisation is entered and attached to the electronic tax register or printer.

(15) Information on the content of the entries performed by the service is specified under the specimen electronic tax register or printer ledger.

(16) All record entries in the electronic tax register or printer ledger shall be performed in a legible way and the entries on performed service operations shall be legibly signed by the service person and stamped with his stamp.

(17) The entity performing service of the electronic tax register or printer who and/or which violates the terms and conditions for the performance of this service or while performing this service enables the taxpayer to perform false, untrue, unreliable recording of transactions performed with the use of the electronic tax register shall loose his authorisation to perform the service of the electronic tax register or printer to maintain such a service without possibility of subsequent performance of the service in the future.

4. Functions and powers of the Technical Approval Committee

(1) There shall be appointed a Technical Approval Committee by the Commissioner of Domestic Taxes Department, as may be necessary, for Carrying out the purposes of these Regulations.

(2) The Technical Approval Committee shall consist of officers from:-

- (1) Ministry of Finance;
- (2) Kenya Revenue Authority;
- (3) Kenya Bureau of Standards;
- (4) University of Nairobi-MIS Division
- (5) Any other organization as may be deemed necessary

(3) The Technical Approval Committee shall be responsible for the control, approval, improvement, inspection, specialization, adaptation and review of the existing technical specifications for Electronic Tax Register or Printer and systems, as well as laying down of new specifications to meet modern needs and expand the use of electronic tax Register or Printer.

(4) The Technical Approval Committee shall from time to time (as may be necessary) inspect the electronic tax register or printer for which the certificate is issued as well as the authorized repair shop operations.

(5)

(a) Where it has been found out, after inspection, that a certain type of the electronic tax register or printer does not satisfy required technical and functional characteristics, the Technical Approval Committee shall request the manufacturer or importer to eliminate defects within three months.

(b) Where the defects are not repaired within the stated period, the Technical Approval Committee shall, reject the usage of the electronic tax register or printer.

(c) Where it has been found out after inspection, that a certain type of electronic tax register or printer satisfies the required technical and functional characteristics, the Technical Approval Committee will issue a certificate of usage of the electronic tax register or printer.

(6)(1) Where it has been found out that the authorized repair shop does not act in accordance with these regulations, the Technical approval Committee will cancel the authorization for the electronic tax register or printer of the repair shop.

(2) A taxpayer who is in contract for the repair of electronic tax register or printer with the repair shop whom the repair authorization has been cancelled, is required to conclude the contract with another authorized repair shop.

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