



**DOMESTIC TAXES DEPARTMENT  
BUSINESS TRANSFORMATION OFFICE**

**iTax Enhancements and Resolution of Defects for Oct 2023  
Volume 1**

**1.0 Finance Act 2023 Enhancements**

**1.1 Tax Amnesty**

**a) Taxpayer's with Principal Taxes for Periods Prior to 31<sup>st</sup>  
December 2022.**

The Finance Act 2023 introduced Tax Amnesty for Fines, Penalties, and Interest through introduction of Section 37E to the Tax Procedures Act 2015. The Amnesty is applicable to periods up to 31<sup>st</sup> December 2022 for all tax obligations.

In line with the legal changes specified above, the iTax system was enhanced and deployed to production on 1<sup>st</sup> October 2023. Taxpayers who had outstanding principal tax due as at the legislative effective date shall be required to apply to the Commissioner for an amnesty of interest or penalties on the unpaid tax and propose a payment plan for the outstanding principal amount. Key highlights of the functionality are explained below.

1. The Taxpayers will log into their iTax profiles and access the '**Amnesty Application**' form available under the '***Debt and Enforcement***' menu in iTax.
2. The system will allow taxpayers to select and add all obligations for which they are seeking amnesty for and propose a payment plan.
3. The iTax payment registration platform has also been enhanced such that the system will not allow taxpayers to pay more than the principal tax (+1) for periods up to 31<sup>st</sup> December 2022.
4. Upon paying all principal taxes, respective Penalties and interest will be vacated and the same will be confirmed through communication to the taxpayer's iTax registered email address.

*NB: Refer to the User- Guide on Amnesty Application*

**b) For Taxpayer's who had no Principal Taxes for Periods Prior  
to 31<sup>st</sup> December 2022.**



A system enhancement for amnesty on Fines, Penalties, and Interest for taxpayers who had no principal taxes for tax periods prior to 31<sup>st</sup> December 2022 as of 1<sup>st</sup> January 2023 is currently still in progress.

## 2.0 Other iTax Enhancements and Resolved System Defects

### a) Tax Credit and Refunds Module

- i. **Reprint of Approval Order for Refund:** Taxpayers had reported that the reprint option for Approval Orders for Refunds under the 'Consult and Reprint Acknowledgement Receipt and Certificate' functionality in iTax has not been operational. This issue has been resolved and taxpayers can make use of this service.

### b) Payments Module

- i. **Withholding Rent Payment Challenges:** Following recent enhancements emanating from the Finance Act 2023 changes, appointed withholding rent agents had reported that they were facing challenges in paying WHTRENT through the iTax portal. This issue has been resolved.
- ii. **Housing Levy Payment for Tax Representatives and Branches:** Employers who file PAYE returns through Tax Representatives and as Branches could not make payments for housing levy even though the return allowed them to declare employees in the return. This issue has been resolved and affected employers who filed PAYE Returns and declared Housing Levy can now generate a payment slip and effect payment.
- iii. **NITA Levy Payment by Branches:** Employers who file PAYE as a branch and declare NITA levy have been having challenges making payments. This issue has been resolved.

**NOTE:** We advise that when branches file the PAYE return and declare NITA and Housing Levy, all the three PRNS (for PAYE, NITA and Housing Levy) are generated through the branch account and not the headquarter account.

- iv. **Housing and NITA Levy Computation On Multiple Files:** Employers who upload several zipped files for PAYE return have been having challenges when generating payment slip for NITA and Housing Levy as system picks liability from only one of the zipped files. This issue has been resolved.



**c) Excise**

- i. **Excise Returns for ‘Mobile Money’:** Taxpayers registered for Excise under ‘Mobile Money transfer by cellular phone service providers or licensed payment service providers’ had a challenge in filing returns as when they declare their excise license, the system erroneously displays the message ‘taxpayer needs to declare the approval notice number(s) KRA..... for mobile money for the period’. This issue has been resolved.
- ii. **Additions to Import Certificate:** The following class of goods have been added into the import certificate application functionality in iTax and taxpayers can apply certificates for the same where applicable;

1	Imported non- virgin test liner (4805.24.00)
2	Imported non-virgin fluting (4805.24.00)
3	Imported cartons, boxes and cases of corrugated paper (4819.10.00, 4819.20.10 and 4819.20.90)
4	Imported plates of plastic (3919.90.90, 3920.10.90, 3920.43.90, 3920.62.90 and 3921.19.90)
5	Imported paper or paper board, labels of all kinds whether or not printed (4821.10.00 and 4821.90.00)
6	Imported cement
8	Imported articles of plastic

- iii. **Consult and Reprint Acknowledgement Receipts - Additional Services:** The following additional registration documents can be Reprinted from the ‘Consult and Reprint Acknowledgement Receipts’ under ‘Useful Links’ in iTax:
- a. Acknowledgement receipt on application for excise license by users illuminating Kerosene
  - b. Approved excise license for users of illuminating Kerosene
- iv. **Import Certificate for the same class of goods:** The system has not been allowing taxpayers to apply for import certificate for additional brands under the same class of goods due to the error ‘The import certificate for the selected class of goods already exists’. The additional brands can be configured in iTax by KRA staff for deserving taxpayers who wish to apply for import certificates. For this service, kindly visit your nearest KRA office.

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