KENYA REVENUE AUTHORITY

ISO 9001:2015 CERTIFIED

TERMS OF REFERENCE DOCUMENT

SUPPLY, DELIVERY, IMPLEMENTATION, COMMISSIONING AND MAINTENANCE OF A DOMESTIC TAXES ADMINISTRATION SYSTEM (DTAS) FOR KENYA REVENUE AUTHORITY

1.0 Background

The current Domestic Tax Administration System (iTax) is a comprehensive and automated solution for managing core domestic tax functions, including the collection of select agency revenues. Implemented in 2011 and rolled out in 2014, the system encompasses 13 modules that cover both front and back-office processes and are integrated with several internal and external systems. Over the past eleven years, iTax has greatly enhanced and streamlined the administration of domestic taxes and collection of agency revenues. It facilitates online registration, return filing, payments and other taxpayer services while efficiently managing large volumes of transactions. The acquisition of this system and other compliance strategies undertaken by the Kenya Revenue Authority (KRA) over the years have substantially impacted positively on the organization's performance.

Despite the significant milestones achieved by the current tax administration system, several limitations have been identified in its capacity to meet emerging business needs. These challenges arise from outdated technology that lacks the flexibility to adapt to regulatory changes; user experience (UI/UX) issues for external and internal users who struggle with a complex interface, resulting in a slower adoption rate and frequent support requests; and a rigid architecture.

The digital transformation of the KRA Domestic Tax Administration is intended to address these shortcomings and achieve the target business objectives of enhancing revenue performance, improving service delivery, reducing the cost of collection, and strengthening the robustness and agility of the tax administration core system in line with international best practice and the KRA Corporate Plans objectives.

2.0 Objectives

The KRA aims to modernize the current Digital Tax Administration System (DTAS) as part of its digital transformation programme. The modernization of the DTAS aims to enhance efficiency, transparency and compliance while improving service delivery to taxpayers through adoption of emerging technologies such as but not limited to artificial intelligence (AI), machine learning (ML), block chain, big data analytics and robotics . The key objectives include:

a) Simplifying, personalizing, and digitalizing processes and services to enhance efficiency.
b) Enhancing the overall customer experience for all taxpayer segments by providing:
    - A user-friendly interfaces for tax administration processes
    - Self-service capabilities
    - Multi-channel support for taxpayer assistance

- CRM Interopability

c) Enhance system agility, performance and service availability by providing:
   - A flexible microservices-based system architecture to accommodate future tax reforms and policy changes
   - Ensure adaptability to evolving technology and business requirements
   - A configurable tax rules engine

d) Facilitating seamless integration with other systems by:
   - Enabling interoperability with third-party systems
   - Supporting real-time transaction reporting
   - API-first, mobile-first and data-firstarchitecture

3.0 Scope of Work

The DTAS scope of work includes:

a) Undertake reengineering business processes to ensure a simplified and efficient DTAS.
b) Review the client's requirements specifications and documentation of technical functionalities.
c) Design and implementation of the DTAS functionalities listed in the specification section of the tender document.
d) Conduct system testing including functional and non-functional.
e) Providing a flexible and agile solution to implement various business processes through configuration, addressing changing legal, regulatory, and business needs.
f) Development of user procedures, training, and documentation materials.
g) Development of system requirements
h) Coordination of user training.
i) Collaborate with KRA for knowledge transfer and co-creation with the KRA team to enhance the Authority's capacity.
j) Development and implementation of an appropriate data migration strategy that will ensure smooth transition and de-commissioning of the legacy system

4.0 Expected Results (Deliverables)

The following deliverables are expected to be realized from the scope set out above:

a) Validated business and system requirements
b) DTAS design document

c) User Guides
d) Training and training materials
e) Technical documentation
f) Implement Knowledge Transfer
g) Data Migration Strategy and migration of data from legacy systems to DTAS
h) Implemented DTAS with source code handover.

Additional Deliverables

No	ARTIFACT
1	Implementation Methodology and Work Plan.
2	Implementation Blueprint covering:
	a. Configuration & Change Management Plan
	b. Prioritization Matrix
	c. Staffing Requirements – required to successfully and independently maintain the system
	d. Programming Skills/Language Requirements – complete list of skills and/or programming languages/solution platform components that will be needed to maintain the system
3	Data Conversion and Data Migration Strategy.
4	System Requirement Specification (SRS) for the Core Application.
6	Master Test Plan.
7	Test Plan & Test Procedures, including detailed test scenarios.
8	Test Reports for each phase (interim reports are expected throughout testing process of each phase).
9	Functional Design Documentation, reflecting the system as Installed
10	Enterprise & Solution Architecture Design Documents
11	Customer Journey Maps and UI/UX Prototypes
12	System Integration Documents
13	Database Design Documentation
14	Meta Data Documentation
15	Installation Procedures.
16	Operations Manual

No	ARTIFACT
17	Internal and External User Manuals
18	Training Manual and Course Materials
19	User Training
20	Technical Knowledge Transfer
21	Defect Reports
22	Progress presentations to KRA management

5.0 Time Frame

The vendor is expected to complete the assignment in a maximum period of eighteen (18) months.

The vendor is expected to provide for a warranty period of twelve (12) months and thereafter a maintenance and support period of thirty-six (36) months.

6.0 Detailed Specification/Requirements

Instructions to Bidders.

1. Bidders MUST complete the Table below in the format provided.
2. Bids MUST meet all mandatory (MUST) requirements in the Tables below in order to be considered for further evaluation.
3. Bidders MUST provide a substantial response or clear commitment to meeting the requirements for all features irrespective of any attached technical documents in the table format (bidders Response) below. Use of Yes, No, tick, compliant, blank spaces etc. will be considered non-responsive.
4. Bidders who do not comply with any of the below requirements will NOT be considered for further evaluation

7.0 Vendor Evaluation

Firm experience

The vendor is required to describe any experience and knowledge, as it pertains to the DTAS project.

a) The vendor should include a complete list of clients to demonstrate their experience in the deployment of DTAS systems leveraging on micro-services, artificial intelligence (AI) and other emerging technologies .
b) The vendor must provide the following information for projects completed in the past ten (10) years: the name of the tax administration, the types of taxes implemented, the project start date, tax demographics (tax base, number of tax transactions, number of tax obligations, etc), the date the base system was installed, and the date the first tax type was implemented.
c) The vendor's proposed solution should be implemented and operational in at least two (2) tax administrations including one in Africa.

Client References

a) The vendor must provide at least two client references from tax administrations where they have successfully implemented a similar system. Each reference should include a project summary to demonstrate the vendor's experience and expertise in the relevant areas mentioned above.
b) The project summary should include at a minimum the following:
    - Client Name
    - Project Overview
    - Contract Value
    - Start and End Dates
    - Confirmation of Project Completeion
    - Services Provided
    - Primary Deliverables
    - Technologies and platforms involved
c) The bidder must provide proof of achievement for the reference sites in the form of a Contract/Local Service Order that matches the reference letter/completion certificate.

Item	Requirement	Evaluation Criteria	Max Score	Bidder Response
1.	**Firm Experience** • Demonstrated experience through previous implementation and it is operational in at least two tax administrations. • Demonstrated that they have provided similar	Demonstrated experience through previous implementation and it is operational in **Two (2)** tax administrations one (1) Africa. (22Marks) In order to be awarded marks bidders MUST submit a copy of executed Contract or LSO, supported by:	**22**	

	implementation services for the proposed DTAS	a) A brief description of the project delivered b) Full contacts; address, telephone and email of customer where assignments/ projects were executed. c) Completion Certificate/Letter from the Customer confirming successful completion of the project of a modern tax collection system in a Revenue Authority. NB: Bidder will be awarded **11 marks** for each reference site with complete information as described in the evaluation criteria		
Total Score Twenty-two (22) Marks				

7.1 Team Composition-(Team lead and key experts) for each

(a) Qualifications, Professional certifications, relevant experience

- The bidder shall provide an abridged CV(s) (of no more than three pages of A4 size for each individual) in respect of key personnel who would be expected to provide the services on behalf of the bidder.
- The key personnel shall include the Project Manager, System Development Lead, Technical Lead, Quality Assurance Lead, Business Reengineering Expert (Process Optimization) Lead, Enterprise Architecture and Training Lead.
- At a minimum, the CVs of key personnel should include the following: name, education, training, certification, technical experience, functional experience, specific dates and names of employers, relevant and related experience, past and present projects with dates and responsibilities, and any relevant certifications. The key personnel proposed should:

    - Have a minimum bachelor's degree and relevant technical experience.

- Provide copies of professional certificates and valid membership to the relevant professional bodies or its equivalent.
- Possess at least Ten (10) years of relevant experience in the related field.

Item	Requirement	Evaluation Criteria	Max Score	Bidder Response
1	**Staff Qualifications**		28	
	Project Manager 1) Academic Qualifications: A minimum of Relevant University Degree (Computer Science, IT, or equivalent) **Specific Experience** • A minimum of 10 years of experience in system development, software engineering, or IT project management. • At least 5 years of experience in a leadership or managerial role overseeing software development teams. • Proven track record of leading Projects. **Certification** in relevant professional Project Management certifications e.g. Prince 2, PMP, CBAP or any other relevant certification etc	**Four (4) Marks** • Relevant University Degree **(0.5 marks)** • Relevant technical experience in the lead area as tabulated under qualifications. ***(1.5 mark)*** • Relevant Professional Certification in Relevant body or its equivalent **(2 marks)** **Note:** Bidders MUST attach CV of each staff supported by academic and professional certificates to be scored.	4	
	System Development Lead 1) Academic Qualifications: A minimum of Relevant University Degree (Computer Science, IT, or equivalent) **Specific Experience** • A minimum of 10 years of experience in system development, software engineering, or IT project management. • At least 5 years of experience in a leadership or managerial role overseeing software development teams.	**Four (4) Marks** • Relevant University Degree **(0.5 marks)** • Relevant technical experience in the lead area as tabulated under qualifications. ***(1.5 mark)*** • Relevant Professional Certification in Relevant body or its equivalent **(2 marks)**	4	

	• Proven track record of leading end-to-end software development lifecycle (SDLC) projects, including requirements gathering, system architecture, design, development, testing, deployment, and maintenance. • Certification in relevant professional key sotware developement frameworks e.g. Agile Frame work, ITIL, etc	**Note:** Bidders MUST attach CV of each staff supported by academic and professional certificates to be scored.		
	Technical Lead 1) Academic Qualifications: A minimum of Relevant University Degree (Computer Science, IT, Software Engineering or equivalent) **Specific Experience** • A minimum of 10 years of experience in enterprise system development, architecture, and integration, preferably in tax administration, government financial systems, or large-scale enterprise applications. • At least 5 years of experience in a leadership role managing technical teams in the development and deployment of enterprise solutions. • Certification: Proffessional qualification on relevant certification e.g. COBIT, ITIL, CICD, etc	**Four (4) Marks** • Relevant University Degree **(0.5 marks)** • Relevant technical experience in the lead area as tabulated under qualifications. ***(1.5 mark)*** • Relevant Professional Certification in Relevant body or its equivalent **(2 marks)** **Note:** Bidders MUST attach CV of each staff supported by academic and professional certificates to be scored.	4	
	Quality Assurance Lead 1) Academic Qualifications: A minimum of Relevant University Degree (Computer Science, IT, Software Engineering or equivalent) **Specific Experience** • A minimum of 7 years of experience in software quality assurance, testing, and compliance in large-scale enterprise solutions. • At least 4 years of experience leading QA teams in software development projects for government agencies, tax	**Four (4) Marks** • Relevant University Degree **(0.5 marks)** • Relevant technical experience in the lead area as tabulated under qualifications. ***(1.5 mark)*** • Relevant Professional Certification in Relevant body or its equivalent **(2 marks)** **Note:** Bidders MUST attach CV of each staff	4	

	administration, or financial institutions. • Experience in developing and implementing Quality Assurance (QA) strategies, including functional, performance, security, and compliance testing for tax administration solutions. • Certification on relevant fields e.g. ISTQB, CBAP etc	supported by academic and professional certificates to be scored.		
	Business Reengineering Expert (Process Optimization), 1) Academic Qualifications: A minimum of Relevant University Degree (Computer Science, IT, or equivalent) **Specific Experience** • A minimum of 5 years of experience in Business process Reingineering, or IT project management. • At least 4 years of experience in a leadership or managerial role overseeing Business Process Reengineering Certification in relevant CBAP, ITIL, etc	**Four (4) Marks** • Relevant University Degree **(0.5 marks)** • Relevant technical experience in the lead area as tabulated under qualifications. ***(1.5 mark)*** • Relevant Professional Certification in Relevant body or its equivalent **(2 marks)** **Note:** Bidders MUST attach CV of each staff supported by academic and professional certificates to be scored	4	
	Enterprise Architecture 1) Academic Qualifications: A minimum of Relevant University Degree (Computer Science, IT, or equivalent) **Specific Experience** • A minimum of 12 years of experience in Enterprise Architecture • At least 5 years of experience in a leadership or managerial role overseeing Enterprise Tech stack mapping Certification in relevant TOGAF, COBIT, ITIL,REDHAT, Kurbnetes, etc	**Four (4) Marks** • Relevant University Degree **(0.5 marks)** • Relevant technical experience in the lead area as tabulated under qualifications. ***(1.5 mark)*** • Relevant Professional Certification in Relevant body or its equivalent **(2 marks)** **Note:** Bidders MUST attach CV of each staff supported by academic and professional certificates to be scored	4	

	Training Lead 1) Academic Qualifications: A minimum of Relevant University Degree (Education, Human Resource Development, Business Administration, Information Technology or equivalent) **Specific Experience** • A minimum of 10 years of experience in designing and delivering training programs for large-scale enterprise solutions, preferably in tax administration, government agencies, or financial institutions. • At least 4 years of experience leading training teams and managing stakeholder engagement in software implementation and capacity-building projects. • Experience in leading training initiatives for digital transformation projects in public sector organizations. • Certification; Tranning of Trainers (TOT)	**Four (4) Marks** • Relevant University Degree **(0.5 marks)** • Relevant technical experience in the lead area as tabulated under qualifications. ***(1.5 mark)*** • Relevant Professional Certification in Relevant body or its equivalent **(2 marks)** **Note:** Bidders MUST attach CV of each staff supported by academic and professional certificates to be scored.	4	
Total Score Twenty-eight (28) Marks				
Cut-off Score Twenty-one (21) Marks				

(b) Evaluation Criteria:

- Relevant Curriculum Vitae ....1.5 marks
- Relevant Bachelor's Degree ....0.5 marks
- Professional Qualification............................2 marks

Relevant technical experience in the lead area as tabulated under staff qualifications (attach CV) , in the table above.................1.5 marks

The proposed experts should be able to undertake the assignment as provided in the scope of work.

8.0 Technical Requirements

Bidders **MUST** provide a substantial response or clear commitment to meeting the requirements for all features irrespective of any attached technical documents in the table format (bidders Response) below. Use of Yes, No, tick, compliant, blank spaces etc. will be considered non-responsive.

No.	Functionality/Service: General	Bidder's Response
001	The solution shall provide an integrated Taxpayer Portal and Revenue Administration staff portal, functioning as unified platform supporting all taxpayer interactions and internal processing workflows	
002	Ability to integrate with identified internal and external systems – to update registration data, determine relevant tax obligations including geospatial location.	
003	Implement the virtual station concept/stationless Tax Authority	
004	Ability to send automated tax account statements and other alerts periodically upon a taxpayer subscription	

No.	Functionality/Service: Registration Management	Bidder's Response
	The system should have the following capabilities:	
001	Register a person or business entity for tax purposes initiated by self, Authority and through a 3rd party (Integration with a Payment Service Provider, other public and private entities) through various channels (Web, USSD, Mobile App, API etc)	
002	Maintain a unique personal identification number (PIN) for all taxpayers with a check digit mechanism.	

No.	Functionality/Service: Registration Management	Bidder's Response
003	Ability of the taxpayer to submit multiple supporting document(s) for registration, exemption and licensing applications where applicable.	
005	Ability to provide One Time Password (OTP) verification via phone, email and 3rd party authenticator tools.	
006	Ability of a tax representatives, tax agents and other partners to register, file, pay and perform all tax related functions on behalf of the taxpayer	
007	Enable exempt persons and those with no taxable income to apply for a PIN with no obligation and seamless transition to PIN with obligation and vice-versa.	
008	Ability to initiate PIN and obligation amendments, cancellation, dormancy, suspension, stoppage and reactivation and subsequent approvals including administrative interventions by the commissioner.	
009	Simplified registration for non-residents to register, file returns and pay taxes on the go e.g. VAT, SEPT	
010	Provide for a PIN checker with visibility for configurable parameters e.g. compliance status, obligation status, electronic invoicing status, PIN status, etc	
011	Allow for approval of PIN registration and amendments, both auto-approval based on data sets and workflow based. It should allow for configurable workflows.	
013	Allow for bulk communication (SMS, email, social messaging apps) to taxpayers based on agreed criteria as per the defined configurable business rules, such as tax obligation, source of income, type of taxpayer, etc.	
014	Communication of updates, enhancements, and other important information through the taxpayer portal upon logging in.	
015	Data-driven system triggered registration and amendments based on available data sets, including deregistration, dormancy and reactivation, e.g. new PIN, update of additional obligations, PIN cancellation etc.	
016	Provide for segment-specific registration with unique user journeys	
017	Simple, interactive and intuitive registration process including additional guides,	

No.	Functionality/Service: Registration Management	Bidder's Response
	messages, checklists, error messages, notes, etc.	
018	Ability for taxpayer to be able to track the status of a task.	
019	Consolidated view of taxpayer information and documents from various modules and systems, e.g. taxpayer dashboard with returns, payments, invoices, tasks, etc	
020	Omni-channel capability to navigate and complete workflows through various channels.	
021	Use of emerging technologies for authentication & authorization, e.g. Digital identifier signature, Biometric (facial/fingerprint).	
022	Configurable risk-based controls during registration e.g. restrict the use of director/partner PINs in case of offences to register other entities and apply for entity PIN.	
023	Ability to generate configurable and customizable registration reports using select parameters in various data formats	
024	Allow for registration for exemptions and licences e.g. income tax exemptions, excise, etc	
025	Availability of configurable taxpayer search criteria –Identification/Registration Document Number, passport, email, phone, address, director etc	
026	Ability to send automated tax account statements and other alerts periodically upon a taxpayer subscription	
027	Allow outputs of the registration process to be consumed across other processes, modules and systems within the authority.	
028	Generate, view, send and reprint acknowledgments, notifications, certificates, notices, licences, and orders across various channels and media.	

No.	Functionality/Service: Returns Filing	Bidder's Response
	The system shall include the following capabilities:	
001	Provide options for configurable setup of obligation return filing parameters including new tax types, frequency, due dates, etc.	
002	Provide options for selection of return filing periods and dates for different types of tax	

No.	Functionality/Service: Returns Filing	Bidder's Response
	and information returns for tax filing purposes.	
003	The taxpayer can submit return processing requests through various channels (web forms, offline returns, tax filing software, mobile app, USSD, system-to-system integration (APIs)), including uploading supporting documents.	
004	The system should allow return filing as per the assigned tax obligation across various channels	
005	Capability to offer customized return forms across various platforms for taxpayers, depending on taxpayer type/category, obligation, economic sectors (non-individuals), etc.	
006	The system should provide auto-assessment by pre-populating tax returns for all tax heads/obligations based on data obtained from previously filed returns and integrations with internal or external systems.	
007	Support auto-assessment for processing declarations/returns using configurable validation rules including but not limited to: (1) checking taxpayer identity against the taxpayer registration system; (2) recording the date of lodgement; (3) acceptance of the tax liability declared by the taxpayer; (4) perform an arithmetical calculation based on the data in the return; and (6) storage of tax return data in the database.	
008	The system should display relevant information as the user navigates the online return form through the provision of guiding notes, the definition of terms, and the use of tools such as chatbots.	
009	System should be able to validate data during original return filing based on business rules and auto calculation of final taxes/refund due for all defined tax obligations	
010	The system should be able to pull and populate legacy data (credits) in the automated returns and process at a detailed level using the specified amount of previous & post-implementation years and on a summary level for years past by the use of	

No.	Functionality/Service: Returns Filing	Bidder's Response
	emerging technologies to aid in automated analysis of returns processed	
011	The system should auto-save backups after a defined period of time or interim save all changes being made continuously by taxpayers while filing all types of returns.	
012	The system should allow taxpayers to complete filing by submitting the online form, followed by a system-generated electronic receipt for all electronic tax forms (declarations/ returns).	
013	The system should apply the use of AI analytical tools/data analytics/robotic processes to aid in self-assessment return filing and the automated analysis of returns processed	
014	The system should allow performing of specific duties in relation to tax declarations in original returns by the appointed tax agent, tax representatives and other partners in their respective profiles	
015	Acknowledge receipt of the return and notify the taxpayer of any queries regarding validity and correctness	
016	Compute and post penalties, fines and interest using defined rules and configurable parameters for specific tax types	
017	Provide options for consulting and reprinting tax return information.	
018	Provide the capability to configure and maintain tax returns for different tax periods and allow changes during a given tax period.	
019	Provide the capability to process returns for different tax periods with variations in configurable parameters and business rules.	
020	Provide an option for a taxpayer to request an extension to file a return beyond the statutory timelines for approval by an authorised officer.	
021	Ability to integrate with identified internal and external systems.	
022	Maintain different versions of a tax return (as filed, amended, and corrected) and provide tracked visibility of the changes including the change details, time and author.	
023	Generate default assessments in cases where a tax return has not been submitted by the taxpayer for review by the Tax	

No.	Functionality/Service: Returns Filing	Bidder's Response
	Authority by the due date. The system should provide an auto approval option for default assessments that are pending after a defined timeline based on configurable parameters including tax obligation, taxpayer segment etc.	
024	Capability to process payments before return filing	
025	Capability to generate to initiate and process payments befor slip after filing	
026	Returns Summary Report - The system should be configurable to support customizable reports printing, exporting and viewing information regarding various aspects of return filing including but not limited to: i) the total number of taxpayers who are due to submit tax returns, ii) who submitted tax returns; iii) who submitted zero tax returns, and iv) who failed to submit tax return v) repayment returns vi) loss returns for their tax period, tax office, tax type within the time frame selected by the user	
028	Allow outputs of this process to be consumed across other processes or modules within the authority.	
029	Generate, view, send and reprint acknowledgements and notifications, across various channels and media.	
030	Ability to generate configurable and customizable reports using select parameters in various data formats	
	Return Amendment:	
031	Permit amendments by the taxpayer and allow approval processing by the Tax Authority or automatically by the system based on the availability of relevant data using configurable parameters.	
032	System should be able to pre-populate data previously filled by taxpayer for the different and applicable tax obligations per period	
033	The system should be able to perform specific duties concerning tax declarations amendment of returns etc. by the appointed tax agent, tax representatives and other partners in their respective profiles.	

No.	Functionality/Service: Returns Filing	Bidder's Response
	The system should issue an amended return acknowledgement receipt electronically to the taxpayer.	
034	The system should auto-save backups after a defined period of time or interim save all changes being made continuously by taxpayers while filing returns including all versions of a document available for review.	
035	The system should retrieve and pre-populate legacy data (credits) in the previously filed returns for amendment purposes and process at a detailed level using the specified amount of previous & post-implementation years and on a summary level for years past.	
036	The system should allow taxpayers to amend previously filled returns more than once as per the defined configurable business rules based on configurable parameters. The system should have the capability to capture adjustment on the latest version of the return while maintaining records of previous versions	
037	The system should allow KRA officer to edit amended returns as per defined configurable business rules including workflow.	
041	Capability to integrate with imaging and/or electronic document management systems to display tax return images and other electronic files for review or to support data correction.	
042	Capability to generate correspondence to taxpayers which shows both originally submitted and departmental corrected amounts.	
043	Capability to perform return adjustments as a result of returns processing exceptions, audits and other business reasons (e.g., in date adjustments).	
044	Migrate legacy return data and provide the capability to amend returns that were filed in the previous legacy system.	
045	Provide a configurable tax engine that supports flexible adjustment of tax rates (parameterized) based on legislative changes.	

No.	Functionality/Service: Payments	Bidder's Response
	The system should provide the following capabilities:	
001	Uniquely identify each payment and payer. However, the solution must also facilitate payment under exception cases where the payer does not have a unique identifier. The system should enable initiating of a unique instance of payment from a taxpayer system or a third party system through system-to-system integration based on taxpayer liabilities.	
002	Facilitate collection of revenue in multiple currencies and provide currency converter capabilities.	
003	Identify the tax head or service paid with all its related information.	
004	Facilitate the payment of multiple tax heads or services against a single payment reference but maintain the ability to identify and report on the individual tax heads or services.	
005	Capabilities for configurable graduated tax payments for special categories e.g., a flat rate for the informal sector; lump sum for SMEs, etc.	
006	Facilitate the payment, collection and accounting of all tax and non-tax (agency) revenues in line with relevant policy and legal framework.	
007	Allow for automatic system validation, calculation and collection of taxes for all defined tax obligations.	
008	Allow configuration of partial payments as may be applicable.	
009	Send payment confirmation via the provided details/channels, e.g., emails, SMS, social messaging apps.	
010	Provide for various electronic payment methods/modes such as debit cards, credit cards, mobile money, internet banking, etc.	
011	Capability to offset tax dues across various tax heads using credits in the same/different tax heads generated from either the new or legacy systems.	
012	Auto calculate penalties, fines and interests on payment or return defaulters as per the defined configurable business rules	
013	Facilitate auto approvals of reversal of penalties/ interests on defaulters based on defined configurable business rules	

No.	Functionality/Service: Payments	Bidder's Response
014	Facilitate approval levels of payment reversals for defined cases	
015	Provide configuration capability for the administrator to easily create new tax types or apply changes to existing tax types.	
017	Capability to leverage the services of a payment aggregator or integrator through multiple payment channels.	
019	Provide capability to automatically debit Taxpayer bank accounts at agreed intervals through integration with financial institutions.	
020	Capability to automate reconciliation of payments (missing credits)	
021	Provide an end-to-end payment reversals capability that reflect on the Taxpayer's account i.e., from bank to the Tax Authority payment gateway (PG) to tax system	
022	Ability to create a payment wallet for the prepayment of taxes.	
022	The system should allow application the cancellation of withholding certificates as per the defined configurable business rules.	
0	The system should allow approval of cancellation of withholding certificates by an authorized officer.	
023	Capability to view all payment e-slips generated by the system for a given period of time through a specified search criterion	
024	Ability to maintain advance payment account to be utilized across various obligations.	
025	Update taxpayer accounts and the revenue account with confirmed payments	
026	Ability to integrate with identified internal and external systems including payment gateway systems	
027	Allow outputs of this process to be consumed across other processes or modules within the Tax Authority.	
028	Generate, view, send and reprint acknowledgements and notifications across various channels and media.	
029	Ability to generate configurable and customizable reports using select parameters in various data formats	
030	System should provide capability for correction of erroneous payments.	

No.	Functionality/Service: Tax Dispute Management	Bidder's Response
	The system shall include the following capabilities:	
001	Case management system for automated and configurable workflows	
002	Allow for configurable workflow processes with ability to accommodate administrative mapping of registered PINs and tasks created in the system across the organisation including performance and SLA tracking	
003	The system should allow for the application and processing of objections, Alternative Dispute Resolution Agreements, Tax Appeal Tribunal, High Court and Court of Appeal decisions, and effecting of the changes in tax returns and the ledger.	
005	The system should enable automated and configurable SLAs and escalation matrices	
006	Ability to monitor the case resolution through a customer relationship management system	
007	The system should facilitate payment of tax not in dispute before submitting the objection application in case of partial objection decisions.	
008	The system should automatically update the taxpayer accounts upon capturing the tax decision in the system and track all changes(s) including but not limited to Audit trail and case history.	
009	Facilitate the upload and visibility of all the supporting documents by the taxpayer that will support the processing of the objection/appeal decisions throughout the processing lifecycle.	
010	Provide configurable reminders and alerts to keep users well-informed of the timelines specified in the tax laws.	
011	Ability to enable users to track the progress of each case, including but not limited to case updates, comments, officers in charge and timestamps throughout the processing lifecycle.	
012	Allow processing of taxpayers' requests for configurable extension of time to submit their objections or appeals beyond the statutory timelines.	
013	Ability to automatically generate demand notices/agency notices to taxpayers within specified timelines for all due debts after	

No.	Functionality/Service: Tax Dispute Management	Bidder's Response
	objection decision (Rejection/Partial approval).	
014	Ability to send notification of objection decision to both KRA authorized officer and taxpayer across all the Tax Dispute Resolution stages	
015	Allow the tracking and monitoring progress of court cases by both KRA and the taxpayer.	
016	Be flexible to allow integrations with other systems/modules that may influence the objection decisions and set SLAs e.g Tax Appeals, Judiciary Systems, eJuris.	
017	Ability to generate customizable report(s) for Tax Dispute Resolution cases displaying configurable metrics which include but not limited to case volume, SLA, case status, comments, total of disallowed/reinstated liability, and additional information on reasons to support the decisions.	
018	System should allow flexible adjustments of assessments during tax dispute process.	
020	Allow outputs of this process to be consumed across other processes or modules within the authority.	
021	Generate, view, send and reprint acknowledgements, notifications, and notices across various channels and media.	
022	Ability to generate configurable and customizable reports using select parameters in various data formats	

No.	Functionality/Service: Taxpayer Accounting	Bidder's Response
	The system shall include the following capabilities:	
001	System should capture all taxpayer events, either debit or credit, in the tax account (ledger).	
002	System should maintain ledgers for all tax obligations and agency revenues being collected by the Tax Authority	
004	System should calculate and update fines, penalties, fines and interest as per relevant configurable trigger events.	
005	System should maintain an audit trail of all ledger updates	
006	Taxpayers should have visibility of all the tax events in the ledger, and allow viewing	

No.	Functionality/Service: Taxpayer Accounting	Bidder's Response
	and downloading of ledger using different parameters.	
007	System should maintain a simple ledger which can be drilled down to granular level	
010	System should display correct tax payable positions	
013	System should display configurable narrations to guide taxpayers on the ledger events or transactions.	
015	Legacy system data should be migrated to ensure that the system is able to display and consolidate taxpayer events from the legacy system and ensure seamless transition, filing, payments, refunds, assessments, objections etc	
016	Ability to integrate with identified internal and external systems	
017	Allow outputs of this process to be consumed across other processes or modules within the authority.	
019	Ability to generate configurable and customizable reports using select parameters in various data formats	

No.	Functionality/Service: Audit and Investigations	Bidder's Response
	The system shall include the following capabilities:	
001	The system should integrate with the risk profiling engine to support profiling cases and case rating assigning score based on the risk levels including generating an annual audit plan	
002	Case management with automated and configurable workflows to generate cases for audit, investigations and compliance checks and enable approvals across various modules..	
003	Implement a maker-checker function to streamline approvals.	
004	360° view of all cases for all players in audit, compliance and investigation including customs processes.	
005	The system should allow the identification and capture of audit cases and map them to the case management tool.	
006	Allow for configurable workflow processes with ability to accommodate administrative mapping of registered PINs and tasks created in the system across the	

No.	Functionality/Service: Audit and Investigations	Bidder's Response
	organisation including performance and SLA tracking	
007	The system to have an audit trail of all activities done	
008	The system should allow re-allocation of cases to other team members across all stages.	
009	The system should allow send back and termination of audit cases at all stages with relevant approvals	
010	System should allow flexible adjustments of assessments during audit process.	
011	System should allow for audit plan, working papers and case notes, communication with taxpayer, adjustment of returns, audit report and issuance of assessments.	
012	The system should facilitate the execution of forensic investigations and allow for privacy of investigation cases.	
013	Ability to generate configurable and customizable reports using select parameters in various data formatse.g audit case portfolio, aging, yield, cases per officer/team/unit, opening and closing cases per period, assessments objected to, assessments paid already, cases under debt enforcement and payment plans, numbers, timeliness and results of audits, the success rate of audit cases selected, changes to selection criteria, and maintain an audit trail of any excesses or adjustments made etc	
014	The system should provide for the various categories of audit based on the severity of risk or audit by prioritizing selected audit cases based on predetermined risk management criteria.	
015	The system should support various forms of documents in different formats upload, archive and retrieval through the document management system (DMS)	
016	The system should facilitate SLA adherence in the case management tool.	
019	Ability to integrate with identified internal and external systems.	
020	Allow outputs of this process to be consumed across other processes or modules within the authority.	
021	Generate, view, send and reprint acknowledgements, notifications, notices	

No.	Functionality/Service: Audit and Investigations	Bidder's Response
	and orders across various channels and media.	
022	Ability to generate configurable and customizable reports using select parameters in various data formats	

No.	Functionality/Service: Debt, Enforcement and Payment Planning	Bidder's Response
	The system shall include the following capabilities:	
001	System should generate all demand notices, payment plans, enforcement activities and send them through various media (email, SMS, social messaging apps), including pop ups messages upon logging into the taxpayer profile.	
002	System should have a case management workflow for debt collection, enforcement and payment planning processes.	
003	Flexibility in applying and approval of payment plans instalments per taxpayer's ability and taxpayer AI-based propensity-to-pay d including specific due dates.	
004	The payment plan process should have automated monitoring through standing orders with financial institutions (e.g. Banks, Mobile Money Providers).	
005	System should allow upload of any required supporting document across all processes both in front and back end processes and visibility throughout the process lifecycle.	
006	System to provide a 360°view of the debt status from dashboards including all pending actions – pending returns, next instalment under payment plan, pending liabilities etc.	
007	Ability to pause any enforcement action upon certain taxpayer events happening e.g. approval of a payment plan, initiating a tax dispute process etc.	
008	Ability to automatically reactivate an enforcement process upon certain taxpayer events e.g. losing a tax dispute at any level, default of a payment plan instalment within certain timelines etc.	
009	Ability to escalate/graduate enforcement action based on certain parameters – repeat offences, taxpayer planning to leave the country (Departure Prohibition Order), risk etc.	

No.	Functionality/Service: Debt, Enforcement and Payment Planning	Bidder's Response
011	Ability to implement a risk management system in in debt and payment plan management against configurable parameterse.g. entity, industry, auditor, past offences etc	
012	Visibility of all enforcement actions taken in the past and communications between the Tax Authority and taxpayer to determine the best approach.	
013	Ability to effect administrative actions relating to reversal of erroneous liabilities, write-off of taxes, waiver ,amnesty, etc.	
014	Ability for enforcement actions relating to agency notices, auction/bailiff, and caveat processes.	
	The system should have the ability to initiate and maintain payment arrangements as per defined business rules.	
015	Automatic and configurable calculation and update of penalties, fines and interest relating to offences.	
016	Ability to integrate with identified internal and external systems.	
017	Allow outputs of this process to be consumed across other processes or modules within the authority.	
018	Generate, view, send and reprint acknowledgements, notifications, notices, and orders across various channels and media.	
019	Ability to generate configurable and customizable reports using select parameters in various data formats	

No.	Functionality/Service: Refunds	Bidder's Response
	The system should provide the following capabilities:	
001	The system should allow refund application for all configurable tax obligations, agency revenues and special obligations under the tax laws.	
002	Facilitate timely processing of refund claims and posting of relevant ledger entry records on refunds paid out in the manner prescribed under the tax laws.	
003	Ability to automatically validate all Refund events and determine taxpayer credit position.	
004	Allow for automated debt validation throughout refund workflow.	

No.	Functionality/Service: Refunds	Bidder's Response
005	The system should maintain an automated and configurable refund checklist .	
006	Allow users to securely upload and manage supporting documents for refund applications, such as scanned receipts, invoices and other relevant paperwork.	
007	Allow for configurable workflow processes with ability to accommodate administrative mapping of registered PINs and tasks created in the system across the organisation including performance and SLA tracking	
008	Facilitate the taxpayer to track the status of their refund applications for all stages. The tool may provide real-time updates on the progress through multiple channels.	
009	System should generate reports and analytics related to tax refund applications, including but not limited to refund amounts, refund status reasons for rejection, refund events, etc.	
010	System should generate, view and reprint approval notices, set-off orders, rejection notices, disbursement orders, other credits, etc.	
011	System should validate the application data to ensure accuracy and compliance with tax regulations.	
012	Ability to automatically profile the taxpayer's compliance risks to detect and deter fraudulent claims using the risk engine.	
013	Facilitate auto approval and payment for low-risk taxpayers using the risk engine.	
014	Ability to send reminders and alerts to keep KRA authorized users well-informed of the refund processing timelines specified in the tax laws through but not limited to emails, SMS and social messaging apps.	
017	The system should allow offset using available credit and to apportion approved refunds that have not been paid to set off of any tax liability across all tax obligations and automatically update the taxpayer's ledgers.	
018	Ability to integrate with identified internal and external systems.	
019	Automation of an audit notice to the taxpayer once the refund has been recommended for audit.	

No.	Functionality/Service: Refunds	Bidder's Response
020	The system should display the different requisite documentation to accompany a refund application.	
021	Taxpayer should be able to receive notifications/alerts (email, mobile, social messaging apps and other channels)	
022	Allow outputs of this the process to be consumed across other processes, or modules and systems within the authority.	
023	Generate, view, send and reprint acknowledgements, notifications, notices, and orders across various channels and media.	
024	Ability to generate configurable and customizable reports using select parameters in various data formats	

No.	Functionality/Service: Compliance and Monitoring	Bidder's Response
	The system should have the following capabilities:-	
001	The system should be able to cross-verify and validate all existing data to deter or detect non-compliance using the risk engine. For example, the system should counter-check the returns to flag out fraudulent transactions such as high turnover and low VAT payable.	
	The system should create and maintain a dynamic risk profile for individual taxpayers throughout their lifecycle based on their filling and payment patterns.	
	The system should have the ability to create, amend, update, add and parameterize new compliance rules by tax type as per the defined configurable business rules.	
	The system should be able to identify cases of non-compliance and map them to the case management tool based on configurable parameters.	
002	A system that is AI enabled to detect taxpayer's compliance behaviour based on configurable parameters and generate appropriate communication and alerts/notifications to taxpayers and KRA authorized users.	
005	The system should support tax amendments by preserving the taxpayer's return during assessments and incorporating additional information.	

No.	Functionality/Service: Compliance and Monitoring	Bidder's Response
006	The system should categorize taxpayers based on their level of compliance to enable specialised workflows for various services e.g. auto approval of refunds and auto-approval for downward amendment of tax self-assessments.	
008	The system should enable taxpayers to file objections and appeals if they disagree with the assessment within relevant modules.	
009	The system should enable taxpayers to proceed to the payment process (checkout) if they agree with the assessment.	
010	System should update the taxpayer ledger with the appropriate entries for all changes done.	
011	The system should have the ability to detect non-filers, nil-filers, and stop-filers for a specific period.	
012	The system should automatically flag taxpayers to a defined status if they are non-compliant as per defined configurable business rules.	
013	The system should facilitate the tracking and monitoring of the compliance treatment strategies and report on their progress.	
015	The system should have the ability to initiate and maintain payment arrangements as per defined configurable business rules.	
016	The system should be able to generate tax compliance certificates and tax residence certificates.	
018	The system should allow the initiation of default assessments for all tax obligations, special obligations and agency revenue.	
019	The system should allow the cancellation of erroneous default assessments for all tax obligations and special obligations as per the defined configurable business rules.	
020	The system should allow the initiation of additional assessments based on information declared in a self-assessed return for all tax obligations ,special obligations and agency revenue.	
021	The system should allow the cancellation of erroneous additional assessments for all tax obligations ,special obligations and agency revenue as per the defined configurable business rules.	

No.	Functionality/Service: Compliance and Monitoring	Bidder's Response
023	The system should allow the imposition of penalties, fines and interest on approved assessments based on the relevant provisions of the law.	
024	The system should allow multiple additional assessments to be initiated as per the defined configurable business rules.	
025	The system should allow the uploading of supporting documentation for initiated and cancelled assessments and visibility throughout the process lifecycle.	
026	The system should allow the initiation of faceless assessments based on available taxpayer data.	
027	The system should allow for approval of assessments through a configurable workflow based approach.	
028	The system should allow the cancellation of withholding certificates as per the defined configurable business rules.	
029	The system should allow approval of cancellation of withholding certificates by an authorized officer.	
030	System should allow flexible adjustments of assessments during compliance, audit and investigation processes without having to download and upload the return.	
031	Ability to integrate with identified internal and external systems	
032	Allow outputs of this process to be consumed across other processes or modules within the authority.	
033	Generate, view, send and reprint acknowledgements, notifications, certificates, notices, licences and orders across various channels and media.	
034	Ability to generate configurable and customizable reports using select parameters in various data formats	

No.	Functionality/Service: Exemption, Remissions and Preferential Tax Regimes	Bidder's Response
	The system should have the following capabilities:-	
001	Facilitate the registration, renewal and cancellation of exemptions, remission and preferential tax regime across all tax obligations and subsequent approvals as provided in the tax laws.	

No.	Functionality/Service: Exemption, Remissions and Preferential Tax Regimes	Bidder's Response
002	Ability to integrate with identified internal and external systems.	
003	Upload of additional documents at all approval stages through various channels without terminating the case and visibility throughout the process lifecycle.	
004	Prefill relevant returns using exemptions, remission and preferential tax regime data.	
005	Implement a workflow management system to manage exemptions, remission and preferential tax regime tasks.	
006	Ability to create, amend, update, and add parameters as per legal changes.	
007	Allow outputs of this process to be consumed across other systems, processes or modules within the authority.	
008	Generate, view, send and reprint acknowledgements, notifications, certificates, notices, licences and orders across various channels and media.	
009	Ability to generate configurable and customizable reports using select parameters in various data formats	

No.	Functionality/Service: Excise License, Stamp Management and Enforcement	Bidder's Response
	The system should have the following capabilities:-	
001	The system should facilitate registration, transfer, suspension, destruction, reactivation and cancellation of excise license for both configurable classes of goods and services and import certificates.	
004	The system should impose configurable penalties and fines on taxpayers for various types of offences, including those that have been compounded.	
005	The system to auto populate excise return using information from the track and trace system on production, activation and delivery for ease of filing.	
006	The system should facilitate the processing of excise declarations for purposes of ascertainment of accurate excise duties payable on the declaration.	
010	Ability to integrate with identified internal and external systems	
011	The system should have an excise licence and import certificate checker	

No.	Functionality/Service: Excise License, Stamp Management and Enforcement	Bidder's Response
012	The system should allow upload of supporting documentation, which should be visible throughout the process lifecycle.	
013	Allow outputs of this process to be consumed across other processes or modules within the authority.	
014	Generate, view, send and reprint acknowledgements, notifications, certificates, notices, licences and orders across various channels and media.	
015	Ability to generate configurable and customizable reports using select parameters in various data formats	

6.2 Non Functional Requirements (Scored)

No.	Non Functionality/Service: General	Bidder
001	Maintain high throughput for the expected number of transactions or requests the system can handle per unit time. The system shall support processing 1,000 transactions per second during peak hours.	
002	Implement monitoring and, observability tools using metrics.	
003	The system should operate continuously for 99.99% of the time and recover gracefully (Auto healing) from unexpected failures.	
004	For web-based or mobile applications, the system should support multiple web browsers and devices.	
005	The system must integrate effectively with external systems, services, or third-party applications using standard protocols.	
006	The system should adhere to relevant industry standards for data formats, security, including Data protection act 2019, and communication protocols.	
007	The system must be operational and accessible when needed. The system shall have an uptime of at least 99.99% during each calendar month.	
008	Continuous monitoring of system health is essential to detect and address issues promptly. The system shall include real-time performance monitoring , observability and alerting, with thresholds defined for all critical metrics.	

009	System should maintain Data Integrity, Data accuracy, consistency, and security.	
010	Planned maintenance shall be scheduled during off-peak hours, with the system designed to sustain operations during maintenance where possible. Zero down time deployment using blue , green or related technology	
011	Implement the system as micro services to allow for flexibility when it comes to change management, including allowing modification and deployment of one module without affecting other micro services	
012	The solution should be implemented with an end to end CI/CD pipeline including automated testing	
013	Critical system settings and behavior should be adjustable without altering the underlying code. All configuration parameters shall be externalized in configuration files or management consoles to allow dynamic adjustments. No hardcoded system settings and parameters.	
014	The system should adopt the best industry standards for communication protocols.	
015	The system architecture shall be modular to support the addition or modification of integration interfaces with minimal impact on existing components.	
016	The system should support automated deployment, rolling upgrades, and rollbacks to minimize downtime and ensure smooth transitions during maintenance.	
017	Comprehensive operational documentation and support procedures should be available to facilitate troubleshooting and maintenance	
018	Provide data backup and data auto recovery procedures for the system.	
019	The Bidder should provide the licensing model for the solution and specify any related 3rd party components and the licensing models/ cost where applicable.	
020	The system should enable secure self-registration and if need be administrator-assisted enrolment to ensure proper authentication of new users. The system should therefore allow administrators to create, modify and deactivate users securely.	
021	The system should allow primary users (e.g., business owners) to delegate specific roles or access rights to employees or tax consultants and third party agencies. (Portal)	

	The system should also support time-based or transaction-based access delegation as well as enable businesses to assign sub-users with limited privileges.	
022	The system should ensure that all user management processes comply with applicable data protection regulations and internal privacy policies.	
023	The system should enable a self-service functionality for password resets and unlocking of locked accounts	

No.	**Usability / Training Requirements**	**Bidder's Response**
001	System should be easy to use	
002	System should have an intuitive, easy to navigate interface with a modern UI/UX design with clear instructions where necessary.	
003	System should minimize user interaction with predictive autocomplete inputs.	
004	It should offer contextual help and tooltips for all major functions through adoption of chat-bots, or virtual assistance integration for user assistance.	
005	System should maintain a common look and feel across modules, interfaces and comply to usability standards.	
006	The system shall provide **clear error / warning messages** with actionable guidance.	
007	The system shall support screen readers and speech-based interaction tools to ensure accessibility for visually impaired users and those who rely on voice input, in compliance with WCAG 2.1 or equivalent standards	
008	System should have adequate documentation for training purposes.	
009	The system should prevent invalid data entry	
010	The system shall maintain **fluid animations** and avoid lag during UI transitions.	
011	The system shall provide **real-time feedback** for user actions (e.g., button clicks, form submissions).	

No.	Usability / Training Requirements	Bidder's Response
012	The system shall request **confirmation** for irreversible actions (e.g., deactivating an account).	
013	System should support modern browsers and support responsive layout on desktops, tablet or mobiles devices across several multichannel	
014	System should support internationalization and localization	

No.	Performance Requirements	Bidder's Response
001	Allow for acceptable response time for different operations with low latencies. The system shall return results within 200 milliseconds of all user requests.	
002	Maintain high throughput for the expected number of transactions or requests the system can handle per unit time. The system shall support processing 1,000 transactions per second during peak hours.	
003	System should provide for efficient use of system resources such as CPU, memory, disk, and network bandwidth, monitors and auto-scale in response to load provided	
004	The system should have the ability to perform under both normal and extreme load conditions, including handling unexpected spikes.	
005	Implement monitoring and, observability tools using metrics.	
006	System should have the capacity to support multiple users or processes simultaneously.	
007	The system should operate continuously for 99.99% of the time and recover gracefully (Auto healing) from unexpected failures.	
008	The system Should handle increased loads by scaling up (vertical scaling) or out (horizontal scaling) without performance degradation. The system shall scale to support a 10x increase in concurrent users with no more than a 20% degradation in performance.	

No.	Performance Requirements	Bidder's Response
009	In the event of a performance degradation, the system shall recover to normal operational levels within 60 seconds.	
010	The system should include real-time performance monitoring and logging, with alerts for any performance metrics that deviate from defined thresholds.	

No.	Compatibility Requirements	Bidder's Response
001	The system must be platform independent, running consistently across multiple operating systems and hardware configurations. The system must operate correctly across a range of operating systems (e.g., Windows, macOS, Linux) and hardware configurations.	
002	The system must adhere to industry standards to ensure full interoperability with various technologies.	
003	For web-based or mobile applications, the system should support multiple web browsers and devices.	
004	It should support both backward and forward compatibility, allowing integration with legacy systems and future upgrades without major changes.	
005	The system must integrate effectively with external systems, services, or third-party applications using standard protocols.	
006	The system should work with common middleware, databases, and network environments.	
008	The system should adhere to relevant industry standards for data formats, security, including Data protection act 2019, and communication protocols.	

No.	Reliability Requirements	Bidder's Response
001	The system must be operational and accessible when needed. The system shall have an uptime of at least 99.99% during each calendar month.	
002	The system must have good fault tolerance capabilities. It should continue to operate, possibly at a reduced level, even if one or more software or hardware component fails.	

No.	Reliability Requirements	Bidder's Response
003	System should have standard data recovery capability. The system must be capable of recovering quickly and completely from failures.	
004	The system must ensure that data remains accurate and uncorrupted throughout its lifecycle. Data shall be protected from corruption or loss during storage and transmission, with mechanisms for periodic integrity checks.	
005	The system must detect, manage, and report errors to facilitate timely resolution. The system shall log all errors with detailed diagnostics and notify administrators of critical issues within 30 seconds.	
006	System should follow an archiving policy defined by KRA and the vendor.	
007	Allow fault tolerance ability to recover from failures. The application should support active active deployment across data center. Automated processes should seamlessly switch operations to backup systems when failures occur. The system shall automatically redirect operations to a backup server within 5 seconds in the event of a primary server failure.	
008	Continuous monitoring of system health is essential to detect and address issues promptly. The system shall include real-time performance monitoring , observability and alerting, with thresholds defined for all critical metrics.	
009	System should maintain Data Integrity, Data accuracy, consistency, and security.	

No.	High Availability Requirements	Bidder's Response
001	The system should run 24x7 and be available and fully operational 99.99% of the time per month.	
002	Ensure average response times for transactions are under 200 milliseconds	
003	All critical components shall be deployed in a redundant configuration, ensuring continued operation in the event of a component failure.	
005	The system shall ensure no data loss of transactional data in the event of a failure.	
006	The system shall implement real-time availability monitoring with alerts for any deviation from the defined thresholds.	

No.	High Availability Requirements	Bidder's Response
007	Planned maintenance shall be scheduled during off-peak hours, with the system designed to sustain operations during maintenance where possible. Zero down time deployment using blue , green or related technology	
008	The system shall have a fully documented and regularly tested disaster recovery plan to restore critical services within the defined RTO.	

No.	Maintainability Requirements	Bidder's Response
001	Implement the system as micro services to allow for flexibility when it comes to change management, including allowing modification and deployment of one module without affecting other micro services	
002	Have the system customizable to allow for the ability to add new features or functionalities	
003	The solution should be implemented with an end to end CI/CD pipeline including automated testing	
004	All source code shall adhere to established coding standards and include inline comments as well as comprehensive external documentation. High-quality, well-documented code is essential for future maintenance and knowledge transfer.	
005	The architecture should accommodate future enhancements and upgrades without major rework.	
006	Critical system settings and behavior should be adjustable without altering the underlying code. All configuration parameters shall be externalized in configuration files or management consoles to allow dynamic adjustments. No hardcoded system settings and parameters.	
007	The system shall log all errors with detailed contextual information and support robust debugging capabilities for maintenance personnel.	
008	All external libraries, APIs, and interfaces shall be documented and version-controlled to support timely upgrades or replacements.	
009	The system should have regular tracking of maintenance-related metrics that will help identify and reduce the technical debt to drive continuous improvement.	

No.	Interoperability Requirements	Bidder's Response
001	The system should adopt the best industry standards for communication protocols.	
002	The system must support widely accepted data formats.	
003	Deliver platform compatibility with different hardware and software environments.	
004	The systems' APIs should be versioned to allow for evolution without breaking existing integrations.	
005	The system should have secure mechanisms in place to authenticate and authorize external interactions.	
006	The system should be compatible with standard middleware solutions	
007	The system shall log all integration errors with detailed diagnostics and automatically alert administrators upon detection of a failure.	
008	The system must maintain acceptable performance levels during interactions with multiple external systems. The system shall maintain response times within 200 milliseconds for API calls, even under concurrent integration loads.	
009	The system architecture shall be modular to support the addition or modification of integration interfaces with minimal impact on existing components.	

No.	Operational Requirements	Bidder's Response
001	The system should generate detailed logs and expose key performance metrics via a centralized monitoring dashboard, with alerts configured for abnormal conditions.	
002	The system should be manageable via intuitive interfaces that allow administrators to control and configure system operations easily.	
003	The system should support automated deployment, rolling upgrades, and rollbacks to minimize downtime and ensure smooth transitions during maintenance.	
004	All operational settings, such as logging levels and performance thresholds, should be configurable via external configuration files or a management interface, with changes applied dynamically.	
005	The system's operational tools and interfaces should be accessible to	

No.	Operational Requirements	Bidder's Response
	authorized personnel from various devices and locations, desktops and mobile devices, ensuring 24/7 operability.	
006	All administrative actions should be logged with timestamps and user details, and management interfaces shall enforce role-based access control and multi-factor authentication.	
007	Comprehensive operational documentation and support procedures should be available to facilitate troubleshooting and maintenance	
008	Permit ease of installation and configuration of the system components.	
009	Provide data backup and data auto recovery procedures for the system.	

No.	Licensing, Source Code and Hand-over Requirements	Bidder's Response
001	The Bidder should provide the licensing model for the solution and specify any related 3rd party components and the licensing models/ cost where applicable.	
002	The successful Bidder shall agree to provide KRA a current and complete copy of source code for all application software after the expiry of the contract period.	
003	The source code should be updated to match the latest release, and KRA may audit periodically to ensure compliance.	
004	The bidder must provide a source code handover plan as part of transfer of ownership of the project products.	

No.	Functionality / Service: User Management	Bidder's Response
001	The system should enable secure self-registration and if need be administrator-assisted enrolment to ensure proper authentication of new users. The system should therefore allow administrators to create, modify and deactivate users securely.	
002	The system should implement robust authentication mechanisms, including OTP verification via phone, email and 3rd party authenticator tools for seamless access.	

No.	Functionality / Service: User Management	Bidder's Response
003	The system should define granular role-based access controls to manage user roles and permissions for access	
004	The system should provide secure interfaces for users to manage and update their personal information, preferences, and contact details.	
005	The system should enforce configurable strong password policies with complexity rules, periodic expiration, and secure reset procedures.	
006	The system should implement automatic session timeouts and secure session handling to minimize unauthorized access risks. It should also enforce automatic session timeout and re-authentication after a period of inactivity. It should prevent multiple concurrent active sessions for the same user unless explicitly permitted as well as provide secure session handling mechanisms to prevent session hijacking and unauthorized access.	
007	The system should maintain comprehensive audit logs of user activities and access patterns for compliance and monitoring purposes.	
008	The system should allow primary users (e.g., business owners) to delegate specific roles or access rights to employees or tax consultants and third party agencies. (Portal) The system should also support time-based or transaction-based access delegation as well as enable businesses to assign sub-users with limited privileges.	
009	The system should support integration with external systems such as ERP, for leave management purposes etc	
010	The system should ensure that all user management processes comply with applicable data protection regulations and internal privacy policies.	
011	The system should provide real-time monitoring of user activities and generate alerts for suspicious behaviour, such as multiple failed login attempts or unauthorized access attempts.	
012	The system should also be able to send email or SMS notifications for configurable	

No.	Functionality / Service: User Management	Bidder's Response
	critical actions like role changes, password resets, and account lockouts. It should integrate with security information and event management (SIEM) tools for advanced monitoring.	
013	The system should enable a self-service functionality for password resets and unlocking of locked accounts	

9.0 Methodology (Demonstrate in-depth understanding of the TOR /Requirement)

Item	Requirement	Evaluation Criteria	Max Score	Bidder Response (Narrative answers)
1	**Technical Approach/ Methodology.** Bidder should demonstrate a good and clear understanding of KRA's Requirements in this tender. Bidder should propose an approach/ methodology, a work plan and service level agreement (SLA) to capture the requirements and ensure they are comprehensively addressed in their proposed solution.	The bidders are required to demonstrate in-depth understanding of this project, their capability to undertake it, and how they propose to do so by giving detailed clause-by-clause responses to these service requirements, and how they propose to deliver the respective service components as stipulated under the scope of work. (7 Marks) The bidders are also required to explain any business and/or technical benefits and implications of their proposed approach. (3 Marks)	10 Marks	

NB **(cut off of 7.5/10 Marks)**

9.0 Work plan /Implementation Schedule/SLA

Item	Requirement	Evaluation Criteria	Max Score	Bidder Response (Narrative answers)
1	The bidders are required to provide a comprehensive project work plan	The work plan should include: • A log frame illustrating project stages and a high-level work plan. • A detailed project implementation plan indicating expected project component activities to accomplish the assignment, the party responsible for each, indicative duration for each activity, milestones, and expected deliverables.	5 Marks	

The bidders are notified that this work plan, after necessary review with KRA, will form part of the contract with the successful bidder. **(5 Marks) Cut off of 3/5 Marks**

Presentation/Demo

Key Areas of focus to be Demonstrated		
No.	**Item**	**Scores**
1	**Core system functionalities: Registration, Filing, Payment, Administration assessments, Dispute management, refunds, debt management and reports**	**2**
2	**Ease of use UI/UX**	**2**
3	**Use of modern technologies e.g. AI, ML etc**	**2**
4	**Configurability of the system i.e Tax rules engine**	**2**
5	**Enhanced security features**	**1**
6	**User Management**	**1**
7	**Work plan /Implementation Schedule/SLA**	**5**

The Demo scenarios shall be sent by email to the bidders who qualify in the technical evaluation and will be set against the product deliverables as listed in this document. (10 Marks with a cut off of 8 Marks)

SCORES SUMMARY

Evaluation stages	**Maximum score**	**Minimum Score**
Vendor Evaluation	**50**	**37.5**
Technical	**Pass/Fail**	**Pass/Fail**
Demo/Presentation	**30**	**22.5**
TOTAL	**80**	**60**

10.0 Price Schedule

Implementation service costs must be shown for each major milestone or project task associated with each phase of the project, and must be inclusive of all taxes and levies.

A structured milestone-based pricing model for development, deployment and support of the solution is highlighted below:

Total Price Contract Value (KES)
Note: Provide a detailed cost breakdown for each of the scope items below.

Milestone	**Description**	**Total cost Inclusive of Tax**
1	Business Process Reengineering documentation	
2	Business Requirement Specifications signed off	
3	Detailed Design including Architectural design blue print	
4	Tax Solution Development & Implementation	
5	Data Migration	
6	Testing and QA	
7	Training & Change Management	
8	Deployment and Go-Live	
9	Licensing (Specify)	
	a)Capex license cost	

	b) Opex license cost	
10	Any other services (Specify)	
	a)	
	b)etc	
11	Support and Maintenance: Year 1,	
	Year 2	
	Year 3	
	Grand Total	

FINANCIAL REQUIREMENT

• N/B: Bidders to provide a detailed breakdown of how they have arrived at the total cost
• Grand Total Cost –To be carried Forward to the FORM FIN 2 Summary of Costs

NB: Payments will be made based on the delivery of the above milestones

12.0 Post-Qualification/Due Diligence

The procuring entity reserves the right and may conduct post-qualification/due diligence on the lowest evaluated bidder before the award of the contract. This process may include, but is not limited to:

a. Verification of documentation - Confirming the authenticity of certifications, reference letters, and any other supporting documents submitted with the bid.
b. Reference checks - Engaging with past and current clients to verify performance, service delivery, and adherence to contractual obligations.
c. Financial capability assessment - Evaluating the financial strength of the bidder to ensure their ability to sustain the project, including a review of audited financial statements.
d. Technical evaluation - Reconfirming the ability of the bidder to provide the required licenses and support, in accordance with the stated service levels.

Failure to satisfactorily pass the post-qualification and due diligence process may result in the disqualification of the bidder, and the Procuring Entity reserves the right to consider the next lowest evaluated bidder or take any other appropriate action in accordance with procurement laws and regulations.