# ACTIVATION OF THE TAX AMNESTY FUNCTIONALITY IN iTAX

Following the enactment of the Finance Act 2026, the tax amnesty functionality has been activated in the iTax system to facilitate the implementation of the tax amnesty provisions under section 37E of the Tax Procedures Act.

The tax amnesty applies to penalties, interest and fines relating to tax liabilities for tax periods up to 31st December 2025 (self-assessment, amendments, additional assessment, objection and appeal decisions effected in iTax). It is effective from 1st July 2026 and will lapse on 31st December 2026. The amnesty is also available in the ecitizen web portal.

Taxpayers who need to set up payment arrangements should continue to use the existing payment plan feature in iTax. To do this, navigate to the payments menu and select "Apply Payment Plan (new)." Make sure to choose the relevant amnesty period(s) when creating your payment plan.

Afterwards, you can generate the payments by navigating to the payments menu, selecting "Payments Registration," and then choosing the appropriate tax head and sub-head, along with the tax period. If necessary, you can also adjust the payment amount for partial payments or when removing penalties, fines, and interest related to the principal tax owed.

The payment plan for the amnesty periods should only apply up to 31st December 2026, with a maximum of 6 instalments if applied in July 2026 to qualify for the amnesty.

**The following will trigger the amnesty process;**

1. **Automatic System Trigger Upon Payment** - Upon the full payment of the outstanding principal tax for a period on or before 31st December 2025, the system will automatically waive the eligible penalties, interest and fines and generate an amnesty certificate.
2. **Amnesty Batch Process For Those with No Principal Tax** - Eligible taxpayers with no outstanding principal tax will be processed through the amnesty batch, which will automatically grant the applicable amnesty and generate the amnesty certificate. The 1st batch of all qualifying taxpayers with no principal tax (those who filed nil returns or cleared their principal tax before 14th July 2026) will be processed by 24th July 2026. After that, the amnesty batch will be executed weekly for all qualifying taxpayers with no principal tax.
3. **Amnesty Triggered by Logging into the iTax Profile** for the eligible periods. This will continuously trigger the amnesty batch for all relevant periods as and when the liabilities accrue.
4. **Manual Trigger by a KRA Officer** - Officers with the respective amnesty role in the iTax back office may initiate the amnesty for eligible taxpayers using the initiate amnesty menu for cases not automatically reversed as per

the above triggers. This could include cases requiring urgent TCCs, application for refunds, PIN/Obligation Cancellation, etc., where the outstanding liability relates to penalties, interest and fines for the amnesty periods.

**The following issues have been identified and are currently under resolution by the end of August 2026.**

1. Amnesty processing for select Withholding Obligation transactions is still under resolution.
2. Amnesty for fines is currently under resolution. This includes manually imposed fines for offences across various obligations.
3. The system does not currently restrict payment registration for amnesty periods to the principal tax only. Consequently, when generating a Payment Registration Number (PRN), taxpayers are advised to modify the payable amount to reflect the principal tax only and once paid, the system will reverse the penalties and interest.
4. For select taxpayers, the penalties and interest may still appear under the payment registration page despite the ledger being updated with the reversed amounts.
5. Amnesty for individual taxpayers with employment income during the iTax transition periods from 2013 to 2015, where the respective employers started filing PAYE from various tax periods, leading to missing PAYE credits and ledgers showing liabilities.
6. For other periods with missing PAYE Credits, a generic solution is in progress to update respective employee ledgers and enable them to apply for amnesty. Affected employers can also engage their respective account managers or the KRA contact centre for case by case resolution from the back office of the specific tax periods the employers filed correctly, but PAYE credits were not posted to the employee’s ledger e.g. November and December 2025.

The amnesty certificate, once generated, will be sent to the iTax registered email and can also be downloaded under the consult and reprint functionality under the taxpayer profile, useful links menu, consult and reprint acknowledgement receipts and certificates, select the business process as debt and enforcement and the sub process as amnesty certificate.

Taxpayers are encouraged to engage their respective tax service offices to fast track approval of their return amendments, raising of assessments and implementing tax decisions for the amnesty period assessments. This includes addressing objections, appeals, alternative dispute resolutions (ADRs) in iTax, reconciling missing payments, and following up on the resolution of any other processes that may result in incorrect principal tax liabilities. Taking these steps will help taxpayers benefit from the amnesty before 31st December, 2026.

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