



NITA Levy Compliance by Employers

Update/Clarifications on Industrial Training/NITA Levy

Filing and Payment of NITA Levy

a) Self-Assessment

Filing and Payment of NITA Levy in KRA's iTax system was a reform initiative under the GoK Ease of Doing Business initiative rolled out in December 2020. Despite the implementation, some employers still filed manually and paid the levy directly to NITA until April 2023. The following bullets define the payment methods for NITA levy across various periods:

1. For periods before May 2023, the levy could be paid manually to NITA KCB account or online through the PAYE return in iTax.
2. For periods from May 2023, NITA has been accounted for under the PAYE return i.e.
 - a) for those with PAYE Obligation when filing the PAYE return, NITA Levy is auto-calculated on the basis of employees declared in sheets B and C (applicable to Primary, Secondary, Resident and Non-Resident employees including casuals etc.) and respective NITA Levy liability paid for in iTax under agency revenue.
 - b) For the employers with no PAYE obligation, NITA Levy is paid by generating a payment as there is no PAYE return to file.
 - c) For employers with branches, once the PAYE returns have been filed by either head office or branch, each should log in with their respective log in IDs to generate payment for NITA Levy (same will apply to AHL)

b) Amendment of NITA Levy Due Date from 5th to 9th

Statute Law (Miscellaneous Amendments) Act, 2024 has amended the NITA Levy due date from the 5th to the 9th day of every month following the month in which the levy is due. This aligns the NITA Levy due date to other statutory payroll deductions and contributions like PAYE, NSSF, NHIF/SHIF etc. hence enhancing the ease of compliance by employers.

c) NITA Levy Arrears

Note that employers who started filing and paying for NITA Levy either manually or through iTax after the PAYE effective dates (EDR) are still required to comply with NITA Levy arrears for the past periods e.g. Employers whose EDR is 01/01/2020 but started filing NITA Levy in May 2023 are still liable to pay NITA Levy for the employees for periods between January 2020 and April 2023. This should be paid through NITA levy payment type option for arrears where they will capture the total NITA Levy for the period when generating the PRN without having to amend the respective PAYE returns.



d) Amendments, Data Corrections and Additional Assessment of PAYE returns with NITA Levy

During filing of PAYE amendment returns which had NITA levy or Affordable Housing Levy (AHL) which was declared and paid, kindly do not claim the NITA Levy or AHL PRNs as they are agency revenues. The incremental liability in the PAYE return will be inclusive of PAYE, NITA Levy and AHL Liability where applicable but system will be able to ascertain that NITA and AHL are fully paid unless the amendment has increased their respective liabilities hence employer should pay the variance.

For AHL, always remember to round upwards the AHL liability in sheet M so as it matches with the actual payment to avoid getting the error that AHL liability is being reduced e.g. AHL liability as per sheet M is 353,939.67, on payment PRN will pick 353,940 hence upon amendment kindly ensure the AHL liability is not less than the payment.

Validation of NITA Levy Payments

NITA levy being an agency revenue does not appear in the ledger hence the respective PRNs can be confirmed to have been paid to KRA under the iTax back office reports where authorised officers can confirm that they have the status is received. Alternatively, the same can be verified through the respective email communications sent from iTax upon receipt of the payment by KRA.

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