

GUIDELINES TO TAXPAYERS

LICENSING OF USERS OF SPIRIT OR ILLUMINATING KEROSENE TO MANUFACTURE UNEXCISABLE GOODS IN KENYA

Section 15(1)(d) of the Excise Duty Act, 2015 requires that persons who use spirit or illuminating kerosene to manufacture goods in Kenya that are not excisable goods to be registered to undertake such activities.

The following Guidelines will govern the licensing of users of spirit or illuminating kerosene to manufacture unexcisable goods in Kenya: -

1. The manual application shall be submitted at the respective Tax Service Office and shall be in the form (**Annex I**) together with supporting documentation enlisted as items 1 to 10 on the Requirements Checklist for Licensing of Users of Spirit or Illuminating Kerosene to Manufacture Unexcisable goods (**Annex II**).

Note: For existing manufacturers, the effective date of Registration shall be when the Legislation came into effect i.e. **6th November, 2015 for users of spirit or 3rd April, 2017 for users of illuminating kerosene**, or a subsequent date when the manufacturer became a user of spirit or illuminating kerosene to manufacture unexcisable goods.

2. The Commissioner shall review the application and the submitted documents and if satisfied, carry out an inspection of the factory.
3. Where the Commissioner is satisfied that the taxpayer has met all the prescribed requirements, the application shall be approved and a manual licence issued. Where the Commissioner is not satisfied, the application shall be rejected and a notification for rejection issued to the taxpayer indicating reasons for the rejection.
4. Once the licensing module is rolled out on iTax, the licensed manufacturer shall be required to lodge their application on iTax within 30 days of notification of such rollout by the Commissioner and attach the manual licence that was issued to them for online processing. Upon processing, the licensed taxpayer will receive an iTax-generated licence which will replace the manual one. Any new applicant will be required to lodge their application on iTax upon rollout of the licensing module.
5. In the event the licensed manufacturer ceases to carry on the operations for which they are licensed or for reasons specified under Section 20 or 21 of the Excise Duty Act, 2015, the Licence shall be suspended or cancelled as applicable and a Notice issued by the Commissioner.

COMMISSIONER FOR DOMESTIC TAXES

Annex I

**Application for Licensing of Manufacturers of Unexcisable Goods
using Spirit or Illuminating Kerosene**

Date of Application

Name of Manufacturer

PIN of Manufacturer

Name and PIN of Director(s)/Partner(s) (where applicable)

1. Name..... PIN

2. Name..... PIN

3. Name..... PIN

Certificate of incorporation /Business Registration No.

Prescribed fees paid (Kshs.) & evidence of payment (where applicable)

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Description of Unexcisable good(s) manufactured

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Product to be used:

- Spirit ☐
- Illuminating Kerosene ☐

Effective Date of Registration (applicable to existing manufacturers)

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Signature and Stamp of Applicant



Annex II

**Requirements for Licensing of Users of Spirit or Illuminating
Kerosene to Manufacture Unexcisable Goods**

Name of Applicant..... PIN.....

Requirements

1. Duly filled application form..... ☐
2. Certificate of incorporation (and valid CR12) / Business Registration..... ☐
3. Copy of valid Tax Compliance Certificate for (i) Company (ii) Director(s)/
Owner(s)..... ☐
4. Copy of Valid public safety certificates a) KEBS Certificate of Compliance with
Standards for all brands b) Any other appropriate certificates..... ☐
5. Copy of Valid Single Business Permit ☐
6. Copy of Lease and/or Deed evidencing possession or right to possess the physical
premises or real property for the proposed location of the factory ... ☐
7. Brand Details (i.) Detailed Manufacturing process flow chart (ii.) Package quantity
and barcodes (iii.) Statement on production formulas (input-output ratios)
..... ☐
8. Detailed sketch / route map showing physical location of the
factory..... ☐
9. Proof of existence of controls for accounting of Raw Materials, Finished Products,
Wastage, Purchases, Sales and Deliveries ☐
10. Copy of valid certificate of registration with relevant regulatory body
(Where applicable)..... ☐
11. Inspection report of premises by KRA..... ☐

Acknowledgement of Manufacturer:

I confirm that I have submitted all the ticked documents above.

Name: **Rank/Position:**

Sign and stamp: **Date:**