



**STEP-BY-STEP GUIDE FOR INCOME AND EXPENSE
VALIDATIONS FOR INCOME TAX RETURNS**

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1.0 Introduction

The Income Tax Return filing process on iTax has been modified by prefilling certain fields and introducing additional system validations to improve accuracy, compliance, and ease of filing.

These changes apply to Income Tax Returns filed using the Excel template for all specified sources of income other than Employment Income only returns by both individuals and non individual taxpayers.

Note

Taxpayers are required to download the latest version of the Income Tax Return Excel file from the iTax Portal using the option “*Download Autopopulated ITR/ITNR/IT2C/IT2P Return*”.

2.0 Autopopulation Process.

Certain sections of the Income Tax Return template will be automatically populated using data available in iTax and other integrated systems. This reduces manual data entry, minimizes errors, and simplifies the filing process

NB: *Income and expenses will not be prefilled in the downloaded file, but will be validated on upload of the return.* Taxpayers can access these transactions for the tax period using the integrated iTax Dashboard.

3.0 Autopopulated/Prefilled Sections

3.1. Basic Information Section

The following details are automatically populated in the auto-populated return template:

- Taxpayer PIN
- Return Period from and to dates
- Business Type & Sub Type for IT2C return

For Partnership Firms:

- Partner names and PIN
- Profit and loss sharing ratios as captured in the iTax profile, which can be modified as per updated ratios during filing.



Section A Part 1 : Return Information	
Personal Identification Number *	P051 I
Type of Return *	Original
Return Period From *	01/01/2025
Return Period To *	31/12/2025
Do you have Exemption Certificate for Charitable Organization? *	No
Exemption Certificate Number *	
Business Type *	Company
Business Sub Type *	Private Company
EPZ Effective Date *	

Partners Details (For Partnerships).

Section A Part 5 : Details Of Partners		
PIN of Partner	Name of Partner	Profit / Surplus / Loss Sharing Ratio (%)
A07 7X	AN19 TEST IANG09	50.00
A00 3B	ATHEK12 TEST EORGI01	50.00

3.2. Instalment Tax Credits

The return is prefiled with instalment tax paid during the year of income, including:

- Payment Registration Number (PRN)
- Amount paid

Section F : Details of Installment/Minimum Tax Paid		
Payment Registration Number	Date of Deposit	Amount of Installment/Minimum Tax Paid (Ksh)
20202 032		437,415,396.00
20202 658		301,553,629.00
20202 551		700,000,000.00
20202 071		999,466,196.00
Total		2,438,435,221.00

This ensures that instalment tax credits are accounted for in the tax computation.

3.3. Withholding Tax Credits

For the year of income being filed, the following are prefiled for IT2C Returns:

- Withholding Income Tax (Excluding Final Tax WHT)



- Withholding Rent Income Tax

These amounts appear in the Tax Computation section of the return.

12	Tax Payable (Higher of 12.5, 12.6)	0.00
	Gross Tax Payable or Tax on Taxable Income (Line Number 9 (Consolidated)*Applicable Rates)	0.00
12.1		
12.2	Dividend Distributed Out Of Untaxed Gains or Profits (Line number 11.8)	0.00
12.3	Turnover attribute to Preferential Tax Rates	
12.4	Tax Payable under Preferential Category (Applicable Rates * 12.3)	0.00
12.5	Calculated Tax on Total Income (12.1+(12.2*30%)+12.4)	0.00
12.6	Calculated Minimum Tax (Applicable rates * Gross Turnover)	0.00
13	Tax Credits (13.1+13.2+13.3+13.4+13.5+13.6+13.7+13.8)	2,479,221,703.00
	Total Installment Tax Paid (Total of 'Amount of Installment/Minimum Tax Paid' from F_Installment_Tax_Credits)	2,438,435,221.00
13.1		
13.2	Withholding Tax (Total of "Withholding Tax Amount" from G_WHT_Credits)	40,786,482.00
	Credits u/s 12A -Advance Tax on Commercial Vehicle (Total of "Amount of Advance Tax Paid" from H_Advance_Tax_Credits)	0.00
13.3		
13.4	Credit u/s 42 (Credit under Special Arrangements)	0.00
	Corporation Tax Paid in Advance (Total of "Amount of Income Tax Paid" from L_IT_Payment_Credits)	0.00
13.5		
13.6	Credits u/s 41 (Total of "Amount of Tax Relief of DTAA Country from J_DTAA_Credits)	0.00
	Withholding Tax (Total of "Withholding Tax Amount Of Monthly Rental Income")	0.00
13.7		
13.8	DST Credits	0.00

For Income Tax Resident, the WHTIT and WHTRENT are autopopulated as below;

13.4	Withholding Tax (Total of "Withholding Tax Amount" from O_WHT_Credits)	50000.00	0.00
	Credits u/s 12A - Advance Tax on Commercial Vehicle (Total of "Amount of Advance Tax Paid" from P_Advance_Tax_Credits)	16800.00	0.00
13.5			
13.6	Income Tax Paid in Advance (Total of "Amount of Income Tax Paid" from Q_IT_Payment_Credits)	0.00	0.00
13.7	Credits u/s 41 (Total of "Amount of Tax Relief" from R_DTAA_Credits)	0.00	0.00
	Withholding Tax (Total of "Withholding Tax Amount Of Monthly Rental Income")	7000.00	0.00
13.8			

For Partnership Returns:

- Withholding Income Tax credits are prefilled in the sheet H_Distri_of_WHT_Credits. Taxpayers will be required to select the partners from the drop-down list for the share of credits.

Section H : Details of Tax Withheld			
PIN of Partner	Name of Partner	Profit / Surplus / Loss Sharing Ratio (%) (B)	Amount of Tax Withheld Claimable (Ksh) (C)=(A*B)
Total amount of tax withheld from the partnership (A)			3,656,916.00
<div style="display: flex; justify-content: center; gap: 20px;"> ADD ROW(S) </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;"> PREVIOUS NEXT </div>			



- Withholding Rent Income Tax credits are prefilled in the sheet I_Distri_of_MRI_Credits sheet. Taxpayers will be required to select the partners from the drop-down list for the share of credits.

Section I : Details of Tax MRI			
PIN of Partner	Name of Partner	Profit/ Surplus/ Loss Sharing Ratio (%) (B)	Amount of Tax MRI Claimable (Ksh) (C)=(Total*B)
Total			1,000,000.00

3.4. Advance Tax Credits

Advance tax payments made during the year are also automatically populated under the tax computation sheet for ITR, ITNR, and IT2C Returns, where applicable.

13.4	Withholding Tax (Total of "Withholding Tax Amount" from O_WHT_Credits)	50000.00	0.00
13.5	Credits u/s 12A - Advance Tax on Commercial Vehicle (Total of "Amount of Advance Tax Paid" from P_Advance_Tax_Credits)	16800.00	0.00
13.6	Income Tax Paid in Advance (Total of "Amount of Income Tax Paid" from Q_IT_Payment_Credits)	0.00	0.00
13.7	Credits u/s 41 (Total of "Amount of Tax Relief" from R_DTAA_Credits)	0.00	0.00
13.8	Withholding Tax (Total of "Withholding Tax Amount Of Monthly Rental Income")	7000.00	0.00

13.2	Withholding Tax (Total of "Withholding Tax Amount" from G_WHT_Credits)	570,099.00	
13.3	Credits u/s 12A -Advance Tax on Commercial Vehicle (Total of "Amount of Advance Tax Paid" from H_Advance_Tax_Credits)	50,000.00	
13.4	Credit u/s 42 (Credit under Special Arrangements)	0.00	
13.5	Corporation Tax Paid in Advance (Total of "Amount of Income Tax Paid" from I_IT_Payment_Credits)	0.00	
13.6	Credits u/s 41 (Total of "Amount of Tax Relief of DTAA Country from J_DTAA_Credits)	0.00	
13.7	Withholding Tax (Total of "Withholding Tax Amount Of Monthly Rental Income")	200,000.00	
13.8	DST Credits		0.00

For partnerships, the Advance Tax Credits are prefilled in the sheet J_Distri_of_Advance_Tax_Credits. Taxpayers will be required to select the partners from the drop-down list for the share of credits.

Section J : Details of Advance Tax Credits			
PIN of Partner	Name of Partner	Profit/ Surplus/ Loss Sharing Ratio (%) (B)	Amount of Advance Tax Credits Claimable (Ksh) (C)=(Total*B) (C) = (A * B)
Total			168,000.00



4.0 Income and Expense Validations

To enhance compliance and data accuracy, the system has additional validations on the submission of the Income Tax Returns. This applies to all accounting year periods ending in 2025, and the returns are being filed from 1st January 2026. Taxpayers can make further references to the recorded trainings on Income and Expense validations on the KRA YouTube Channel and various public notices on the KRA Website.

The taxpayer can download their schedules of Income, Expenses, Imports, and Exports through the integrated iTax dashboard to improve visibility and access the relevant data sets being applied in the validation process from their individual iTax profiles.

4.0.1 Reconciliation of Integrated iTax Dashboard Data with Validated Return Data

When reconciling income and expenses between the integrated taxpayer dashboard and the amounts required to be declared when uploading the return, additional validations are applied. This may explain the discrepancies between the values reflected in the taxpayer dashboard, other reports in the KRA back office, and the validated amounts in iTax. The validations include:

- ✓ **Self Supply Transactions** – Self supply sales invoices will form part of the turnover, while self supply expenses/purchases will not be part of eTIMs purchases or expenses available for claiming.
- ✓ **Credit Notes** – This will be adjusted against sales and purchases, respectively. However, for sales, only credit notes relating to the invoices within the return period will be adjusted against the turnover.
- ✓ **Debit Notes** – This will be adjusted against the sales and purchases accordingly.
- ✓ **Non VAT Invoices** – This will be adjusted against the sales and purchases accordingly.
- ✓ **Invoices with No Tax Type/Look Up Code** – Certain invoices with no look up code will be included in the turnover to be validated by the system.
- ✓ **Income declared in the TOT and MRI Returns** – Such incomes will be adjusted against the total turnover being validated by the system arising from the higher of TIMS/ETIMS sales and Gross Amounts as Per Withholding Certificates. In case the taxpayer is still required to declare part of this income in the annual income tax return, it means the income declared under MRI or TOT is lower than the TIMS/ETIMS sales invoices.



The steps below should be followed during the reconciliation of the sales as per the integrated taxpayer dashboard to the sales amount being validated upon upload of the return;

- i. Log into iTax and go to the integrated iTax dashboard.
- ii. Select obligation as income tax and capture the return period.
- iii. Download the income tax transactions and the sales CSV.
- iv. Remove duplicates using the invoice number column where applicable.
- v. Remove the credit notes relating to relevant/original invoices which are not within the return period.
- vi. The adjusted amount will be equal to the sales amount to be validated upon upload.

Further reconciliations should be effected against the taxpayers' ERP/Invoicing system/manual invoices issued where applicable to enable filing of the return with the correct sales values.

Taxpayers are advised to ensure they save both the trader invoice number and the respective CU invoice numbers in their ERPs to assist in the reconciliation, as the CU invoice number will now be the unique identifier between their ERP data and transmitted invoice data to KRA,

4.1 Validation of Total Income Declared

In this current phase, the iTax system validates the accuracy of the consolidated income declared from all the different sources of income in the Profit and Loss Account with;

- Total income from eTIMS/TIMS invoices issued, and
- Gross income as per the withholding tax certificates, which are not final tax, whichever is higher.

In case of any discrepancy, the system will display the relevant validation message as per the sample below:

The screenshot shows the iTax system interface. At the top, there is a navigation menu with links: Home, Registration, Returns, Debt and Enforcement, Payments, Assessment Disputes, Refund, Certificates, and Useful Links. Below this, there is a sub-menu with links: e-Communication, My Ledger, TIMS, and Logout. A user profile section shows 'Welcome' and 'Last Login : JAN 12, 2026 08:32:48'. The main content area displays the breadcrumb 'HOME >> e>Returns >> Income Tax - Company Form >> Returns Summary' and a heading 'Returns Summary'. Below the heading is a table with the following data:

Sr.No.	File Section	Error Description
1	B_Profit_Loss_Account	The Total Turnover from eTims/TIMS invoices of KShs. 6801433938.24 is higher than the Gross Turnover declared in the return. Please declare the correct Turnover and proceed with filing. For further clarification and support kindly liaise with your respective Tax Service Office or the KRA Contact Centre

Below the table, there is a 'Back' button.



Returns Summary

Sr.No.	File Section	Error Description
1	B_Profit_Loss_Account	The Total Turnover from Gross Amounts as per Withholding Certificate Credits of KShs. 963626.0 is higher than the Gross Turnover declared in the return. Please declare the correct Turnover and proceed with filing. For further clarification and support kindly liaise with your respective Tax Service Office or the KRA Contact Centre

[Back](#)

4.1.1 Additional Validations for Turnover

The following have been exempted from the income to be validated against TIMS and ETIMs invoices and gross amounts as per WHT certificates credits for the period;

- i. Gifts in connection with the use or exploitation of property
- ii. Profit/Surplus on Disposal of Assets
- iii. Realized Exchange Gain
- iv. Unrealized Exchange Gain
- v. Bad Debts Recovered
- vi. Annuity – for IT2P returns

The system allows declaration of a higher gross turnover than what is supported by ETIMS/TIMS or Gross Amounts as per withholding certificates credits (for WHT which is not final).

Note:

When paying withholding tax, the withholder should capture the payment date as the earlier of the date the transaction was booked into their records/books of accounts (accrual) or the payment made to the supplier or withholder.

The system will then post the withholding income tax credit to the correct tax period in the withholder ledger e.g. If you receive a service subject to withholding tax in 2023, where you record it in the books of accounts as an expense on 23/08/2023 but you make the payment on 04/04/2025, the Withholding Income Tax should have been paid within 5 working days from 23/08/2023 and not from 04/04/2025.

This will align better with the revenue recognition principle by both the withholder and withholder under the relevant accounting standards.

4.2 Validation of Total Expenses Claimed

The amount of the total locally incurred expenses and purchases, exclusive of the exemptions claimed in the income tax return, is validated against:

- Total TIMS/eTIMS invoices received where the buyer PIN was correctly captured and transmitted with the invoice. This ensures that only verifiable expenses are claimed.



Expenses Excluded from TIMS/ETIMS Validation

The following expense categories are excluded from this validation in line with section 23A (4) of the Tax Procedures Act and Paragraph 10 of the Tax Procedures (Electronic Tax Invoice) Regulations 2024:

- Airline Passenger Ticketing (Row 5.2 of Profit & Loss Account sheet)
- Emoluments (Employment expenses – Section 6.5 of Profit & Loss Account sheet).
- Interest expenses (Row 7.1 of Profit & Loss Account sheet).
- Fees charged by financial institutions (Row 7.2 of Profit & Loss Account sheet).
- Investment allowances and internal accounting adjustments declared on sheets E1 and E2 of the annual income tax returns and the capital allowances field in the tax computation sheet.
- Expenses subject to withholding tax that is a final tax – the system will not require declaration of the gross income and expenses thereof incurred.
- Imported goods - Row 2.2.2 of Profit and Loss Account sheet
- Imported services, including services provided by non-residents without a permanent establishment in Kenya. (Row 2.2.3 of Profit and Loss Account sheet).
-

The following additional expenses in the profit and loss account sheet of the annual income tax returns have been exempted from the validations. Taxpayers should not claim them under the manual expense or accounting and accrual adjustment menus under the returns menu and respective fields in the returns, as these will lead to a double claim.

- Opening Stock Row 2.1
- Direct Wages Row 2.3.1
- Bad Debts Written Off Row 5.4
- Provision for Bad & Doubtful Debts Row 5.16
- Depreciation Row 6.1
- Loss on Disposal of Assets Row 6.2
- Commitment Fees Row 7.3
- Insurance Row 7.4 – Some Insurance companies are issuing ETIMS invoices for various policies, hence taxpayers should make necessary reconciliations where applicable when claiming expenses to avoid double claiming.
- Realized Exchange Gain Loss Row 7.5
- Unrealized Exchange Gain Loss Row 7.6
- Disallowable deductions under row 4 and part 1 of the tax computation sheet.

The system allows claiming a lower expense/purchase in the return than what is supported by ETIMS/TIMS.



Note:

All expenses exempted or excluded from electronic invoicing requirements shall be declared only in the above respective fields in the return; otherwise, they will be validated against TIMS/ETIMs invoices. This validation applies to the allowable deductions under row 5 and part 2 of the tax computation sheet unless otherwise exempted.

The system consolidates expenses across all income streams (business, farming, rental, interest, and other income). If the total expenses claimed exceed the total value of eligible TIMS/eTIMS invoices issued and transmitted with the buyer PIN, they will be flagged for corrections as per the message below.

The screenshot shows the e-Returns interface with a navigation menu at the top. The main content area displays the 'Returns Summary' for 'Income Tax - Company Form'. A table lists an error:

Sr.No.	File Section	Error Description
1	B_Profit_Loss_Account	The Total Purchases/Expenses as per the eTims/TIMS invoices of KShs. 6166444.05 excluding exemptions is less than what has been claimed in the return. Please claim the correct amount and proceed with filing. For further clarification and support kindly liaise with your respective Tax Service Office or the KRA Contact Centre

A 'Back' button is located below the error message.

There are further validations embedded in the return between the relevant sheets and the tax computation sheet to ensure only valid expenses and deductions are declared.

4.3 Validation of Imported Goods

Claims relating to imported goods are validated against data from the Integrated Customs Management System (ICMS).

The screenshot shows the e-Returns interface with a navigation menu at the top. The main content area displays the 'Returns Summary' for 'Income Tax - Company Form'. A table lists an error:

Sr.No.	File Section	Error Description
1	B_Profit_Loss_Account	The Total Imported Goods amount as per customs business system of KShs. 0 is less than what has been claimed in the return. Please claim the correct amount and proceed with filing. For further clarification and support kindly liaise with your respective Tax Service Office or the KRA Contact Centre

A 'Back' button is located below the error message.

Taxpayers may only claim imported purchases up to the maximum value cleared through customs. The status of the entries in iCMS must be either settled or removed; hence, affected taxpayers should ensure, as part of their



customs clearance processes with their clearing agents, that the entry status is updated accordingly to settled or removed.

The system allows claiming a lower imported goods purchase/expense in the return than what is supported by the customs business system.

Imports through consolidators, other charges and levies relating to both import, export and transshipment processes and other expenses incurred in a foreign country (not relating to employment income which should be claimed under section 6.5 of the profit and loss account sheet) which are allowable deductions should be declared under the returns menu, Income Tax Return Adjustments – Manual/Non ETIMs Option and claimed under the respective field in the tax computation/computation of income sheets of the return.

4.4 Additional Menus and Fields to Address Emerging Issues

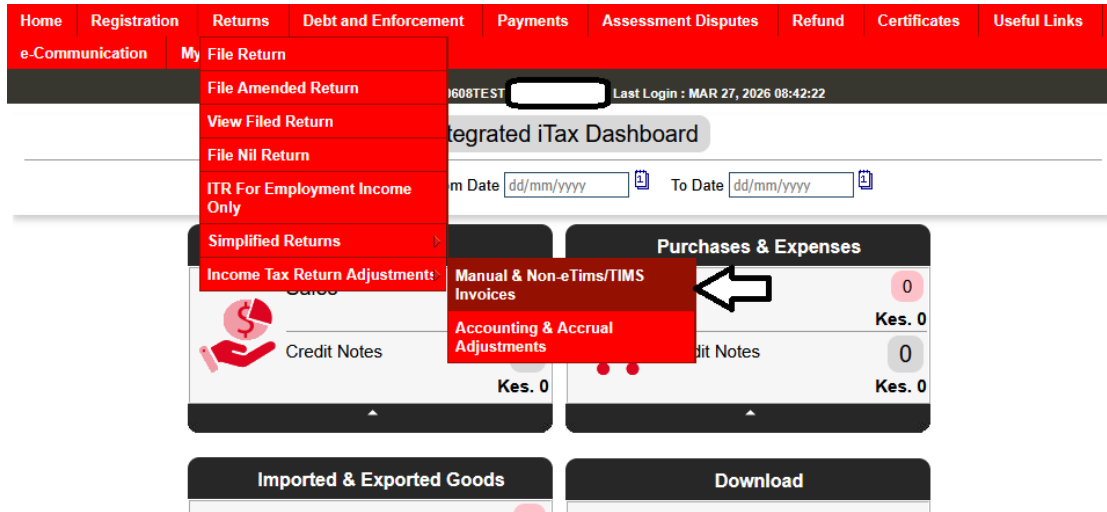
To accommodate stakeholder feedback and ensure proper alignment of accounting and taxable income, the following three additional fields are provided under the tax computation sheet for ITR, ITNR, IT2C, and under the computation of income sheet in IT2P Excel returns.

- a) **Manual Non ETIMS/TIMS Expenses** – This will allow the taxpayer to capture valid business expenses not supported by TIMS/ETIMS invoices. The expenses must have been wholly incurred to generate taxable income as provided by the relevant tax laws.

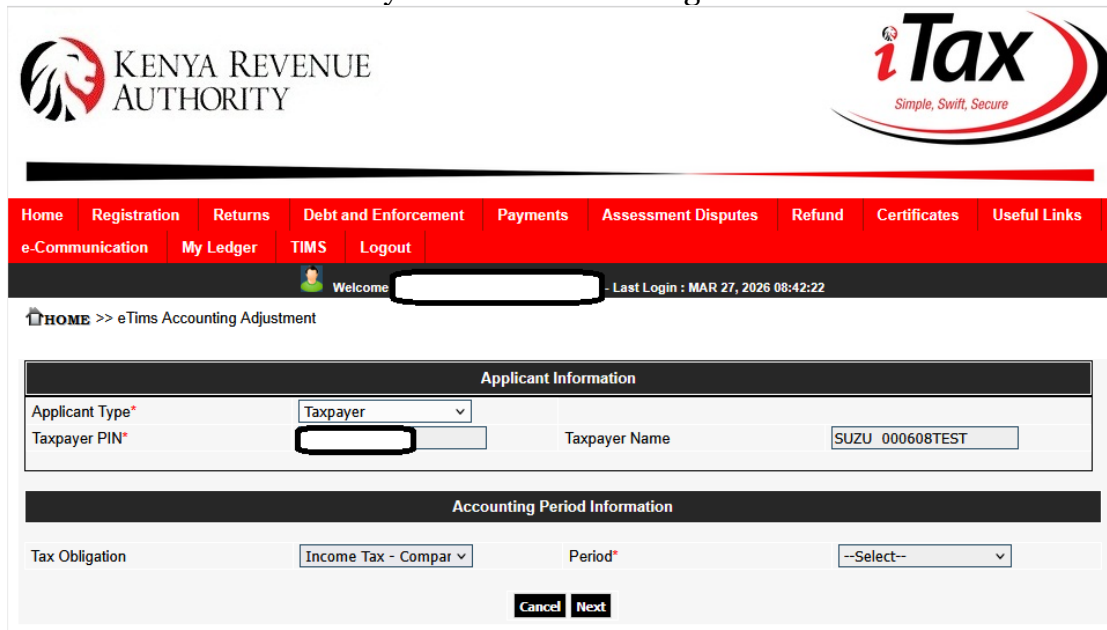
6	Manual Non Etims/Tims Expenses	0.00	0.00
7	Accounting and Accrual Adjustments for Income	0.00	0.00
8	Accounting and Accrual Adjustments for Expenses	0.00	0.00

Before using this option, the transactions must be uploaded under the returns menu – Income Tax Return Adjustments – Manual & Non ETIMS/TIMS invoices as per the steps below;

- i. Log in to your iTax profile. Under the Returns Menu, select *Income Tax Return Adjustments*
- ii. Then proceed to select the menu “*Manual & Non eTIMS/TIMS Invoices*”



- iii. The system will redirect you to the **eTIMS Accounting Adjustment application form**, where your details will be pre-filled, including the taxpayer type (taxpayer or tax agent), taxpayer PIN, and taxpayer name. The tax obligation has been defaulted on your Income Tax obligation.



- iv. Select the **“Period”** from the drop-down menu and proceed to select **“Next”**. The **2025 tax period** applies to all taxpayers, including those whose accounting periods begin **on or before 1st January 2025**.



Kenya Revenue Authority logo and TIX Simple, Swift, Secure logo are visible at the top. The navigation bar includes Home, Registration, Returns, Debt and Enforcement, Payments, Assessment Disputes, Refund, Certificates, Useful Links, e-Communication, My Ledger, TIMS, and Logout. The user is logged in as 'Welcome [redacted]' with a last login of 'MAR 27, 2026 08:42:22'. The breadcrumb trail shows 'HOME >> eTims Accounting Adjustment'. The form has two main sections: 'Applicant Information' and 'Accounting Period Information'. In the 'Applicant Information' section, 'Applicant Type' is set to 'Taxpayer', 'Taxpayer PIN' is redacted, and 'Taxpayer Name' is 'SUZU 000608TEST'. In the 'Accounting Period Information' section, 'Tax Obligation' is 'Income Tax - Compar' and 'Period' is '2025'. A 'Next' button is highlighted with a white arrow.

- v. The system will prompt you with the question “Do you want to adjust Manual Non eTIMS/TIMS invoices”, please select “OK”.

This screenshot shows the same form as above, but with a confirmation dialog box overlaid. The dialog box contains the text 'Do you want to adjust Manual Non-eTims/TIMS Invoices?' and two buttons: 'OK' and 'Cancel'. The 'OK' button is highlighted with a white arrow.

- vi. The system will redirect you to the Manual Non eTIMS/TIMS Invoice Adjustment application form, where your details will be pre-filled, including the taxpayer PIN, taxpayer name, tax obligation, and the period.



Home Registration Returns Debt and Enforcement Payments Assessment Disputes Refund Certificates Useful Links
 e-Communication My Ledger TIMS Logout

Welcome [redacted] Last Login : MAR 27, 2026 08:42:22

HOME >> Manual Non-eTims/TIMS Invoice Adjustment

Applicant Information

Taxpayer PIN*	[redacted]	Taxpayer Name	SUZU 000608TEST
Tax Obligation	Income Tax Company	Period*	2025

Manual Non-eTims/TIMS Files Upload

[Click here](#) to download the CSVs for filing the Manual/Non-eTims or TIMS Expenses/Income

File Uploads

Upload CSVs*	Browse... No file selected.	Allowed file type is:- .csv
Upload Supporting Documents*	Browse... No file selected.	Allowed file types are:- .doc, .docx, .pdf, .xls, .xlsx Allowed File Size:-10 MB

Submit Cancel

vii. Download the prescribed CSVs for data capture of Manual & Non eTIMS/TIMS expenses from the hyperlink highlighted below.

The screenshot shows the Kenya Revenue Authority portal with a download window open. The window title is "Manual_Non_eTims_TIMS_CSV(1).csv" and it indicates "Completed — 82 bytes". A red box highlights the download window. In the background, the portal's "Manual Non-eTims/TIMS Files Upload" section is visible, with a red arrow pointing to the hyperlink "Click here to download the CSVs for filing the Manual/Non-eTims or TIMS Expenses/Income".

viii. Capture the required fields in the prescribed CSV template as Supplier PIN, Supplier Name, Invoice Number, Invoice Date, Supply Description, and Amount.

ix.

x. The following system rules will apply;

- ✓ The labels for each column should be maintained in the CSV and the taxpayer should capture their manual and non ETIMS/TIMS invoices details from row 2 as below;



Supplier Name	Invoice	Invoice Date	Supply Des	Amount
Ministry of Lands	MB0QH	01/01/2025	Land Rent	100000
Ministry of Lands	VNGVHV	01/01/2025	Land Rent	20000
Ministry of Lands	FJ8ZXWJ	01/01/2025	Land Rent	50000
Ministry of Lands	2LFWVX	01/01/2025	Land Rent	20000
Ministry of Lands	P65935C	01/01/2025	Land Rent	50000
Ministry of Lands	CHNBXZ	01/01/2025	Land Rent	200000

- ✓ The **Supplier PIN** is optional; however, when captured, it must be a valid KRA PIN. The system will also display any invalid PINs uploaded under this option.
 - ✓ The **amount declared** should be **VAT exclusive** for VAT registered taxpayers and **VAT inclusive** for Non-VAT registered taxpayers.
 - ✓ The maximum number of allowable line items in the CSV upload is 50,000.
 - ✓ During data capture, avoid the use of special characters under amounts, names, or description columns. e.g. the amounts should be captured as 5000000 and **NOT** as 5,000,000 as this may lead to an error '*Please upload correct CSV format*'.
- xi. Taxpayers are advised to scan the manual invoices and other supporting documents into a single file, preferably a PDF, for upload with a current maximum file size of 10 MB.
- xii. Submit the request, then proceed with filing and capture the amount uploaded under the Manual Non ETIMS/TIMS Expenses field in the respective field in the tax computation/computation of income sheet. Taxpayers can update these expenses more than once before uploading the return for the period, and the system will apply the most recent upload, which should be the updated full list of transactions and not the incremental changes only.

Returns

[HOME](#) >>Go to e>Returns >>

Non eTims/TIMS Invoice Adjustments Uploaded Successfully

Non eTims/TIMS Invoice Adjustments Uploaded Successfully with Acknowledgement Number: KRA2026101570107

The commissioner shall validate all these expenses and take corrective action where applicable.

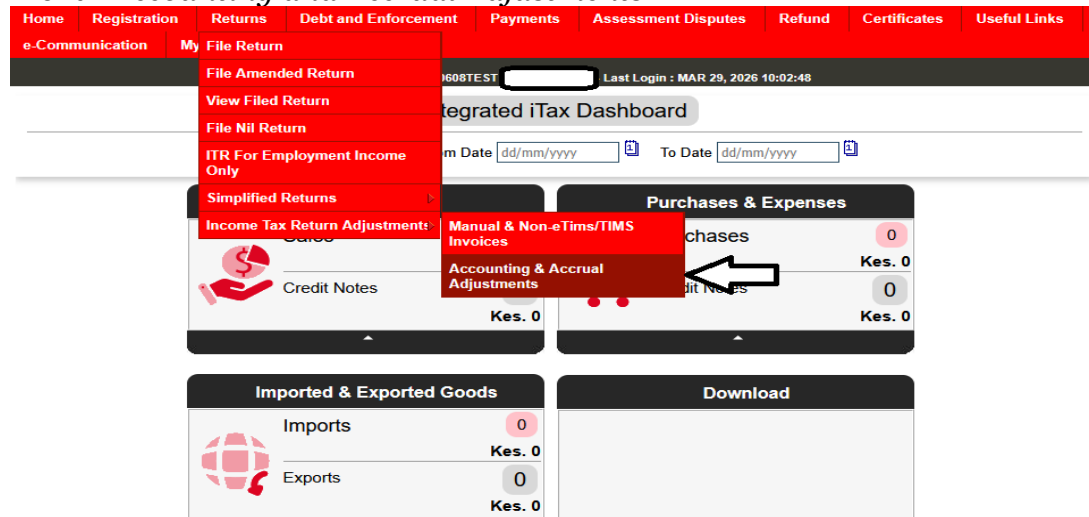
b) Accounting and Accrual Adjustments for Income and Expenses – This will allow the taxpayer to capture relevant accounting and accrual adjustments for income and expenses, which may necessitate the downward adjustment of taxable income as per



relevant accounting provisions and standards, e.g. deferred income, prepayments, exempt income declared in the profit and loss account (e.g for SACCOs), grant income, accrued expenses, cost of goods sold from inventory etc. The return allows an automatic upward adjustment of taxable income where applicable; hence, this menu will only apply to scenarios where the overall impact of these accounting and accrual adjustments will lead to a reduction in the gross turnover and taxable income.

Before using this option, the transactions must be uploaded under the returns menu – Income Tax Return Adjustments – Accounting & Accrual Adjustments as per the steps to follow;

- i. Log in to your iTax profile. Under the Returns Menu, select *Income Tax Return Adjustments*. Then, proceed to select the menu “*Accounting and Accrual Adjustments*”



- ii. The system will redirect you to the **Accounting and Accrual Adjustment application form**, where your details will be pre-filled, including the taxpayer type (taxpayer or tax agent), taxpayer PIN, and taxpayer name. The tax obligation has been defaulted on your Income Tax obligation.
- iii. Select the “**Period**” from the drop-down menu and proceed to select “**Next**”. The **2025 tax period** applies to all taxpayers, including those whose accounting periods begin **on or before 1st January 2025**.



Home Registration Returns Debt and Enforcement Payments Assessment Disputes Refund Certificates Useful Links
e-Communication My Ledger TIMS Logout

Welcome [Redacted] Last Login : MAR 29, 2026 10:02:48

HOME >> Accounting and Accrual Adjustment Form

Accounting and Accrual Adjustment Form

All fields mark with * are mandatory

Applicant Information Income Adjustment Expense Adjustment

Applicant Information

Applicant Type* Taxpayer
Taxpayer PIN* [Redacted] Taxpayer Name SUZU 000608TEST

Accounting Period Information

Tax Obligation Income Tax - Compar Period* --Select--
--Select--
2025
2026 2025

Upload Document* Browse... No file selected.
Allowed file types are: -.pdf, .jif, .png, .bmp, .gif, .tiff, .xls, .xlsx, .doc, .docx, .jpg, .bmp, .txt

Next

- iv. For accounting and accrual **income adjustments**, select the type of income, capture the amount and description, and click on the add button. Then select other categories where applicable using the same process, and then click next.

Welcome [Redacted] Last Login : APR 01, 2026 09:32:44

HOME >> Accounting and Accrual Adjustment Form

Accounting and Accrual Adjustment Form

All fields mark with * are mandatory

Applicant Information **Income Adjustment** Expense Adjustment

Type of Income* --Select-- Amount* [Redacted]

Description of Income* --Select--
Deferred Income
Exempt Income Declared in Profit and Loss account
IFRS 4/17 – Insurance Contracts
Others
Prepayments

Sr. No.	Delete	Type of Income	Amount	Description of Income
1	Delete	Deferred Income	50,000,000.00	Unearned revenue from contractual agreements with Company XYZ.
2	Delete	Exempt Income Declared in Profit and Loss account	5,000,000.00	Income from government grants
3	Delete	IFRS 4/17 – Insurance Contracts	10,000,000.00	CMS Roll Forward
4	Delete	Prepayments	1,500,000.00	Rent paid in advance, insurance premiums and maintenance contracts
Total Adjusted Income Amount			66,500,000.00	

Next Previous

- v. For accounting and accrual expense adjustments, select the type of expense, capture the amount and description, and click on the add button. Then select other categories where applicable using the same process.



Welcome [redacted] Last Login : APR 01, 2026 09:32:44

HOME >> Accounting and Accrual Adjustment Form

Accounting and Accrual Adjustment Form

All fields mark with * are mandatory

Applicant Information | Income Adjustment | **Expense Adjustment**

Type of Expense* Amount*

Description of Expense*

Sr. No.	Delete	Type of Expense	Amount	Description of Expense
1	Delete	Accrued Expenses		Audit Fees
2	Delete	Cost of Goods Sold		Production Overheads
3	Delete	IFRS 16 - Leases	600,000.00	Lease payments 600000 per year for 5 years
4	Delete	IFRS 6 -Mineral Resources	3,000,000.00	Exploration and Evaluation Assets
Total Adjusted Expense Amount			6,600,000.00	

Previous

xiii. Proceed to upload the supporting documentation for the income and/or expense adjustments under the applicant information sheet. Taxpayers are advised to scan the supporting documents into a single file, preferably a PDF, for upload with a current maximum file size of 10 MB. Financial statements, management accounts with the relevant notes and schedules for each category and tax computation will be mandatory as part of the supporting documentation being uploaded for this option.

xiv. Click **‘Submit’** to complete the submission process. Ensure that all supporting documentation for income and/or expense adjustments has been uploaded and reviewed before submission. Taxpayers can update these adjustments more than once before uploading the return for the period, and the system will apply the most recent upload.

Accounting and Accrual Adjustment Form

All fields mark with * are mandatory

Applicant Information | Income Adjustment | Expense Adjustment

Applicant Information

Applicant Type* Taxpayer Name

Taxpayer PIN* Taxpayer Name

Accounting Period Information

Tax Obligation Period*

Upload Document*

Allowed file types are:- .pdf, .jif, .png, .bmp, .gif, .tiff, .xls, .xlsx, .doc, .docx, .jpg, .bmp, .txt

Next

Submit Cancel



- Home
- TIMS
- Registration
- Returns
- Debt and Enforcement
- Payments
- Assessment Disputes
- Refund
- Certificates
- Useful Links
- e-Communication
- My Ledger
- Logout

Welcome [redacted] - Last Login : APR 01, 2026 09:34:13

HOME

Success
 Your Accounting Accrual Adjustment has been submitted successfully.KRA2026107915061
 Click Here To Download :

- xv. It is mandatory to declare the PIN, Name, ICPAK Number where applicable, and date of the audit certificate on the basic information sheet if the taxpayer utilizes the accounting and accrual adjustments for income and expenses in the return. For non-individuals who are relying on management accounts or other documentation to file returns, one of the directors/partners' PINs should be captured as the PIN of the auditor. Failure to capture the PIN of the auditor will display the error below:



- Home
- Registration
- Returns
- Debt and Enforcement
- Payments
- Assessment Disputes
- Refund
- Certificates
- Useful Links
- e-Communication
- My Ledger
- TIMS
- Logout

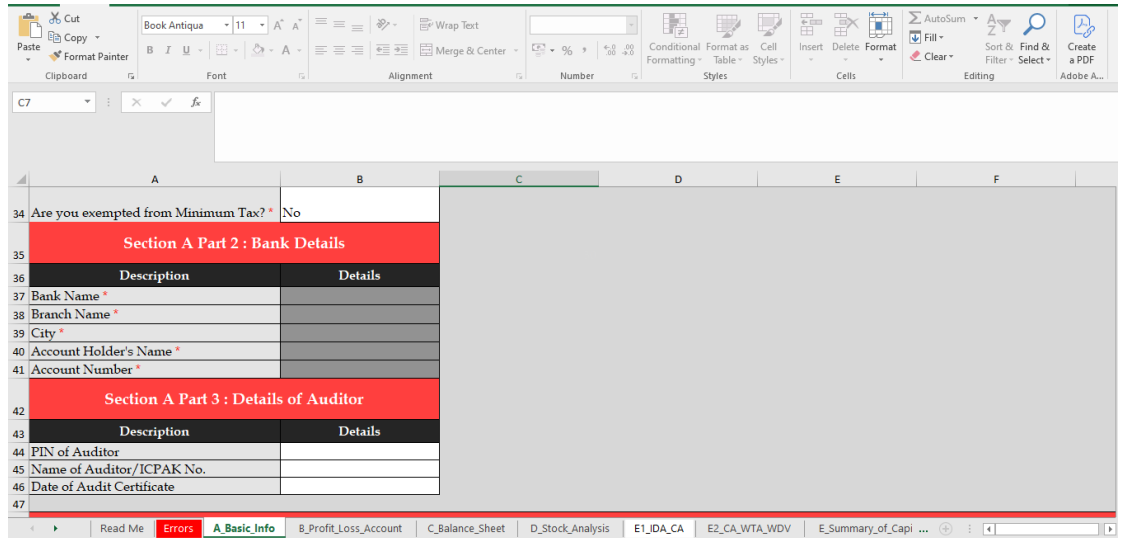
Welcome [redacted] - Last Login : APR 02, 2026 12:35:43

HOME >> e>Returns >> Income Tax - Company Form>> Returns Summary

Returns Summary

Sr.No.	File Section	Error Description
1	A_Basic_Info	Please note Auditor details are a must at section A Basic Info, to claim 'Accounting and Accrual Adjustments for Income/Expenses' in the Tax Computation sheet. Please fill valid Auditor Details and proceed with filing. For any further assistance please liaise with your TSO or the KRA Call Centre.

Back



The commissioner shall validate all these adjustments and take corrective action where applicable.

Please find below additional validations relating to the income tax return adjustments menu and the respective fields.

- If the taxpayer claims a value under the Manual Expense or Accounting and Accrual Adjustments fields in the return that has not been captured under the respective income tax return adjustment menus, the system will display the error below;

The screenshot shows the Kenya Revenue Authority iTax portal. The navigation menu includes Home, TIMS, Registration, Returns, Debt and Enforcement, Payments, Assessment Disputes, Refund, and Certificates. The user is logged in as 'Welcome [redacted]' with a last login of 'APR 01, 2026 09:34:13'. The breadcrumb trail is 'HOME >> e>Returns >> Income Tax - Company Form >> Returns Summary'. The 'Returns Summary' section displays an error message:

Sr.No.	File Section	Error Description
1	Tax Computation	Please note any Income Tax Return Adjustments relating to fields 6, 7 and 8 under the Tax Computation Sheet must be supported with additional information uploaded under the returns menu, income tax return adjustments option. For further clarification and support, please liaise with your respective tax service office or the KRA Contact Centre.

A 'Back' button is located below the error message.

- If the taxpayer claims a value under the Manual Expense or Accounting and Accrual Adjustments in the return that is higher than what was captured under the respective income tax return adjustment menus, the system will display the errors below;



Returns Summary

Sr.No.	File Section	Error Description
1	Tax_Computation	The Total Manual non eTims/Tims invoices declared in the return is higher than the uploaded manual invoices . Please declare the correct amount of KShs. 1700000.00 and proceed with filing. For further clarification and support kindly liaise with your respective Tax Service Office or the KRA Contact Centre
2	Tax_Computation	The Total Accrued Adjustments For Income declared in the return is higher than the uploaded amounts. Please declare the correct amount of KShs. 2000000.00 and proceed with filing. For further clarification and support kindly liaise with your respective Tax Service Office or the KRA Contact Centre
3	Tax_Computation	The Total Accrued Adjustments For Expenses declared in the return is higher than the uploaded amounts. Please declare the correct amount of KShs. 2000000.00 and proceed with filing. For further clarification and support kindly liaise with your respective Tax Service Office or the KRA Contact Centre

[Back](#)

- Once the **self-assessment return** has been submitted, you **cannot submit any additional Income Tax Return Adjustments**. Attempting to do so will trigger the error message shown below;

The screenshot shows the Kenya Revenue Authority iTax portal. The navigation menu includes Home, Registration, Returns, Debt and Enforcement, Payments, Assessment Disputes, Refund, Certificates, Useful Links, e-Communication, My Ledger, TIMS, and Logout. The user is logged in as 'Welcome [redacted]' with a last login of MAR 29, 2026 10:03:47. The breadcrumb trail is HOME >> e>Returns >> Form >> Returns Summary. The main heading is 'Returns Summary'. Below it is a table with one error message:

Sr.No.	File Section	Error Description
1	Manual_Non_eTims_TIMS_CSV	Please note that your Income Tax Return for the tax period 2025 has already been filed. Additional manual Non eTIMS/ TIMS invoices cannot be submitted for this period. For further clarification and support kindly liaise with your respective Tax Service Office or the KRA Contact Centre.

A 'Back' button is located below the table.

The screenshot shows the Kenya Revenue Authority iTax portal. The navigation menu is the same as in the previous screenshot. The user is logged in as 'Welcome [redacted]' with a last login of APR 02, 2026 12:27:20. The breadcrumb trail is HOME >> Warning Message. A warning message is displayed in a box with a yellow triangle icon:

Please note that your Income Tax Return for the tax period 2025 has already been filed. Additional accounting or accrual adjustments cannot be submitted for this period. For further clarification and support kindly liaise with your respective Tax Service Office or the KRA Contact Centre.

A 'Back' button is located below the message box.



In case of an amended return for the 2025 tax period going forward, please engage your account manager for further assistance where applicable to effect further income tax return adjustments.

4.5 Post Return Filing Validations

KRA will verify all the return information provided in the income tax returns, whether validated against TIMS/ETIMS invoices, Customs Business Systems, and those declared under the additional income tax return adjustment menu and fields, to address emerging issues. This will ensure accuracy, verifiability, completeness of the returns, and confirm that the correct income is declared and the expenses claimed were incurred in generating taxable income as provided in the tax laws.

~THE END~
