KENYA REVENUE AUTHORITY

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ITAX ENHANCEMENTS AND RESOLUTION OF DEFECTS FOR MAY & JUNE 2025

1. **Enhancements**

   i. **Simplified PAYE (P10) Return:** Phase 1 of simplifying the PAYE return filing and payment process has been completed for the excel PAYE return and API. The simplified PAYE return aims to improve convenience for all employers. Upon full implementation, employers will have multiple filing options, including offline Excel return, mobile app, web-based platform, and API integration. This will enable the employer to file and pay directly from their payroll or ERP systems without the need to log into the iTax portal.

   A simplified PAYE return (Excel) has been developed and is available for roll-out and piloting with identified taxpayers for May and June 2025 PAYE returns before it's fully made available to all taxpayers from the July 2025 PAYE return. The integration with the Human Resource Information System – Kenya, IFMIS, Central Bank of Kenya and iTax has also been completed and will be rolled out to select Ministries, Departments, Agencies of Government (MDAs) and county governments (executive and assembly). These PSD taxpayers will be able to file and pay PAYE and other labour related contributions and deductions directly from the payroll side without having to log into iTax, and the respective government agencies will receive the returns and payments seamlessly through an API (Application Programming Interface).

   The APIs will later be exposed to other willing taxpayers gradually who will be able to integrate their payroll systems with KRA for a seamless filing and payment experience.

   A sample CSV for sheet B (Employee Details) and Sheet C (Lump Sum Payments) as well as the Simplified PAYE Excel Return is available on KRA Website. This can be used by employers to align their payroll systems or create CSVs to enable them file the simplified PAYE return with ease.

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ii. **Taxpayer Dashboard for VAT Transactions – Phase 1 -** To enhance the visibility of a taxpayer's transactions for purposes of VAT compliance including filing the prepopulated return, a dashboard has been provided in iTax and is visible once a taxpayer logs into their iTax account. The dashboard shows a summary of a Taxpayers VAT transactions for the current month (e.g. June 2025 sales, purchases, credit and debit notes, as well as imports). There is also an option to download the auto-populated return information including CSVs for purposes of filing return for the month. This enables taxpayers to track their transactions real-time for sales and purchases and undertake any corrective action within the tax period. This will also enhance transparency and visibility.

Phase 2 will capture more information similar to the VAT tax due sheet and allow real time tracking of the VAT payable which will eventually lead to the rollout of a simplified web based VAT return prefilled with the sales and purchases. This will allow for minimal modifications during filing where applicable as compared to the current practice of uploading the prepopulated CSVs when filing.

Sales		
Sales	null	
	Kes. null	
Credit Notes	null	
	Kes. null	

Purchases		
Purchases	null	
	Kes. null	
Credit Notes	null	
	Kes. null	

Imports		
Imports	null	
	Kes. null	

Download	
Download	

iii. **APIs for Withholding Taxes:** KRA has developed three APIs for payment of Withholding Taxes (IT, WHVAT & Rent) by which taxpayers with ERP systems can connect directly to iTax and make

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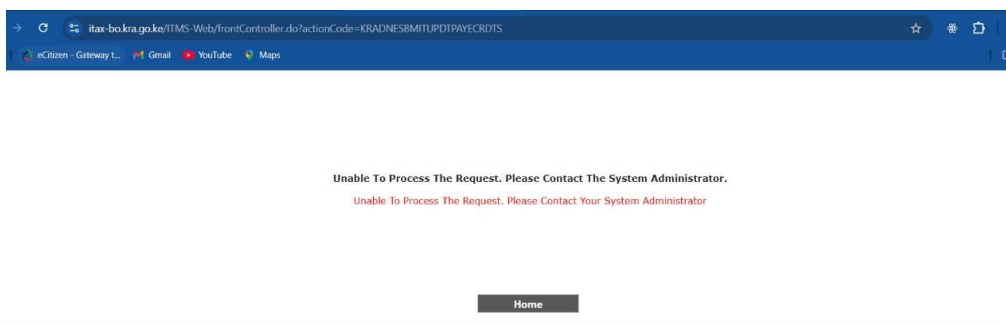these payments without having to login to iTax. This solution is currently being piloted with the Judiciary.

iv. **Taxpayer Login to iTax Using National ID -** iTax has been enhanced to allow individual taxpayers login with Kenyan ID but also retain the option to login with PIN for those who would like to do so. This is to enhance taxpayer experience considering that most taxpayers are able to remember their ID numbers as opposed to their KRA PIN number.

v. **Delinking of Addition of VAT Obligation from the New PIN Registration Process -** To enhance efficiency of the process, when a taxpayer (both individuals and non-individuals) are applying for a new PIN, they will not be able to add/select VAT obligation. This will only be possible through the PIN amendment process after acquiring the PIN. Other obligations such as PAYE, TOT and MRI are available during new PIN application.

vi. **Data Privacy for iTax Checkers -** iTax has been enhanced to be compliant with Data Protection Act by ensure what is displayed to the public on the various checkers (e.g. PIN checker, TCC/Exemption/Excise License Checkers etc.) does not display complete Personal Identifiable Information(PII) that could be used to uncover or steal that individual's identity.

i. Password protection for acknowledgement receipts emailed to taxpayers upon filing of their returns will be delivered in the subsequent phase.

ii. **TIMS/eTIMs information on PIN checker**: The iTax System has been enhanced to include information for TIMS and eTIMS registration. The enhancement also includes VAT Compliance status in relation to listing of the taxpayer in the VAT Special Table. If the taxpayer is placed in the special table, their VAT compliance status will be **'Not Compliant'** as shown in the screenshot below

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Taxpayer Details

PIN		Taxpayer Name	
PIN Status	Active	iTax Status	iPage Updated

Obligation Details

Obligation Name	Current Status	Effective From Date	Effective To Date
Income Tax - Company	Registered	03/05/2010	
Income Tax - PAYE	Registered	31/12/2011	
Value Added Tax (VAT)	Registered	03/05/2010	

Electronic Tax Invoicing

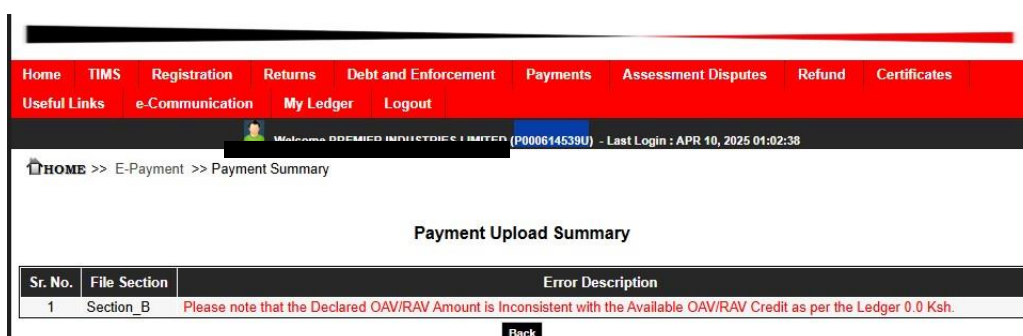| eTIMS Registration	Inactive	TIMS Registration	Active

VAT Compliance

Not Compliant

2. Resolution of Bugs & Defects

i. **Tax Rate for Rent Withholding in IFMIS:** The Rent Withholding Tax rate for iTax-IFMIS integration has been updated to 7.5% to align with the changes made in iTax in January 2024 as per Finance Act 2023.

ii. **VAT Special Table Challenges:** Some taxpayers that have been removed from the special table could not file their VAT returns or claim purchases/declare credit notes from their suppliers. This issue was resolved.

iii. **Declaration of IAVs in IT2C Return:** The IT2C Return had now been enabled to allow taxpayers capture instalment taxes PRNs utilized against Installment Adjustment Vouchers (IAVs). The return has been enhanced to allow for this and taxpayers who had already filed can now amend the return so that it reflects correct position especially if a refund is to be applied for.

Unable To Process The Request. Please Contact The System Administrator.
Unable To Process The Request. Please Contact Your System Administrator

Home

vi) **Error when uploading WHVAT, WHRENT and WHIT Excel Templates** - There was an identified issue of OAV/RAV when generating PRN for all types of withholding taxes due to an error that declared OAV/RAV amount is inconsistent with available OAV/RAV Credit available as per the ledger 0.0 ksh (see image below). This issue was resolved.

vii) **ITNR Return Template Issue:** The issue affecting ITNR Return excel template where the balance sheet was not opening up has been resolved.

viii) **Resolution of WHT Certificates issued by CBK to Individuals –** In March 2025, the iTax Dhow CSD integration was completed and all missing WHT certificates on government securities from July 2024 were generated, Since the WHT is final, the WHT certificates were disabled in employee ledgers to assist them in filing the returns with sources of income. Resolution for previous certificates issued before July 2024 is still in progress with relevant stakeholders.

ix) **Resolution of business registration and commencement date errors for new companies registered and issued PINs automatically through Business Registration Service (BRS) in the e-citizen portal**. The issue has been resolved going forward for all affected cases. Taxpayers who might have filed with wrong effective dates and penalised and ask for assistance in the TSOs.