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**SPECIAL ISSUE**

Kenya Gazette Supplement No. 96 (Acts No. 16)



REPUBLIC OF KENYA

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***KENYA GAZETTE SUPPLEMENT***

**ACTS, 2017**

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**NAIROBI, 23rd June, 2017**

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**10 JUL 2017**  
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**THE DIVISION OF REVENUE ACT**

**No. 16 of 2017**

*Date of Assent: 21st June, 2017*

*Date of Commencement: 7th July, 2017*

**ARRANGEMENT OF SECTIONS**

*Section*

- 1—Short title.
- 2—Interpretation.
- 3—Object and purpose of the Act.
- 4—Allocations to national and county governments.
- 5—Variation in revenue.

**SCHEDULE**

**EQUITABLE SHARE OF REVENUE RAISED  
NATIONALLY BETWEEN THE NATIONAL AND  
COUNTY GOVERNMENTS FOR THE FINANCIAL  
YEAR 2017/18.**

**THE DIVISION OF REVENUE ACT, 2017**

**AN ACT of Parliament to provide for the equitable division of revenue raised nationally between the national and county governments in 2017/18 financial year, and for connected purposes**

**ENACTED** by Parliament of Kenya, as follows—

**1.** This Act may be cited as the Division of Revenue Act, 2017.

Short title.

**2.** In this Act, unless the context otherwise requires—

Interpretation.

“Cabinet Secretary” means the Cabinet Secretary for the time being responsible for matters relating to finance;

“revenue” has the meaning assigned to it under section 2 of the Commission on Revenue Allocation Act, 2011;

No. 16 of 2011.

**3.** The object and purpose of this Act is to provide for the equitable division of revenue raised nationally between the national and county levels of government for the financial year 2017/18 in accordance with Article 203 (2) of the Constitution.

Object and purpose of the Act.

**4.** Revenue raised by the national government in respect of the financial year 2017/18 shall be divided among the national and county governments as set out in the Schedule to this Act.

Allocations to national and county governments.

**5. (1)** If the actual revenue raised nationally in the financial year falls short of the expected revenue set out in the Schedule, the shortfall shall be borne by the national government, to the extent of the threshold prescribed in Regulations by the Cabinet Secretary.

Variation in revenue.

**(2)** If the actual revenue raised nationally in the financial year exceeds the projected revenues set out in the Schedule, the excess revenue shall accrue to the national government, and may be used to reduce borrowing or pay debts.

**SCHEDULE**

(s.4)

**ALLOCATION OF REVENUE RAISED NATIONALLY BETWEEN  
THE NATIONAL AND COUNTY GOVERNMENTS FOR THE  
FINANCIAL YEAR 2017/18**

Type/Level of allocation	Amount in KSh.	Percentage (%) of 2013/14 audited and approved Revenue i.e. KSh. 935,653 Million
<b>A. Total Shareable Revenue (B+C+D)</b>	<b>1,560,275,840,000</b>	
<b>B. National Government*</b>	<b>1,238,343,840,000</b>	
<b>C. Equalization Fund</b>	<b>7,727,000,000</b>	
<b>D. County Government (1+2)</b>	<b>314,205,000,000</b>	<b>33.58%</b>
1. County Equitable Share	302,000,000,000	32.28%
2. Conditional Allocations	12,205,000,000	
2.1 Leasing of Medical Equipment	4,500,000,000	
2.2 Compensation for User Forgone	900,000,000	
2.3 Level 5 hospitals	4,200,000,000	
2.4 Construction of County Headquarters	605,000,000	
2.5 Rehabilitation of Youth Polytechnics	2,000,000,000	
<b>E. Additional County Conditional Allocations (not part of sharable revenue)</b>	<b>31,476,018,499</b>	
3. Allocation from fuel levy (15%)	11,068,192,369	
4. Conditional Allocations (loans & grants)	20,407,826,130	
<b>F. Total County Allocations (D+E)</b>	<b>345,681,018,499</b>	<b>36.95%</b>

**Source: National Treasury/ House Resolution on Budget & Appropriation Committee Report of the Budget Policy Statement 2017**

*\*The National Government Share includes KSh. 3,400 million which is a special grant to the National Health Insurance Fund (NHIF) for free maternal health care, to be disbursed as re-imbursments.*