

THE FINANCE ACT, 1973

No. 10 of 1973

Date of Assent: 21st August, 1973

Date of Commencement: Section 2—1st January, 1974

The rest—15th June, 1973

An Act of Parliament to amend the laws relating to various taxes and duties

ENACTED by the Parliament of Kenya as follows:—

1. (1) This Act may be cited as the Finance Act, 1973.

Short title and commencement.

(2) The amendments effected by—

(a) section 2 of this Act shall have effect from 1st January, 1974;

(b) sections 3, 4, 5, 6, 7, 8, 9 and 10 of this Act shall have effect from 15th June, 1973,

both dates inclusive.

2. The Graduated Personal Tax Act is hereby repealed:

Repeal of Cap. 470.

Provided that, notwithstanding such repeal, the provisions of the said Act shall remain in force in relation to tax payable in respect of the year of income 1973 and previous years of income.

3. The Schedule to the Excise Tariff Act is hereby amended by the deletion of items 4, 5 and 14 and the substitution therefor of the following—

Amendment of Cap. 474.

Item	Goods	Quantity	Rate of Duty
4.	Cigarettes: Where the retail selling price per thousand— (i) is less than Sh. 100 (ii) is Sh. 100 but does not exceed Sh. 125 (iii) is more than Sh. 125		36% } 41% } Of the 46% } retail } selling } price
5.	Manufactured tobacco, other than tobacco made up by the grower without the use of machinery, ready for smoking in tobacco pipes.		36% } Of the } retail } selling } price
14.	Varnishes and lacquers, distempers, decorative or protective coatings, paints and enamels, including those used in the printing industry and printers' ink, but not including cosmetic preparations or vitreous enamel paints:— (a) Distemper in powder form (b) Cement based paints in powder form (c) Other	Per 100 Kg. Per 100 Kg. Per Litre	Sh. cts. 18 90 64 90 0 88

Amendment of
Cap. 480.

4. The Schedule to the Stamp Duty Act is hereby amended as follows—

(a) in item 11, by the insertion immediately after the words "marketable security" of the words "or any immovable property subject to duty under item 12A of this Schedule";

(b) by the insertion after item 12 of the following new item:—

<i>Instrument</i>	<i>Duty</i>	<i>Persons responsible for stamping</i>	<i>Time for stamping if other than that generally or specifically provided in this Act</i>
12A—CONVEYANCE OR TRANSFER			
<i>on sale of any immovable property (except any debt secured by mortgage or charge on immovable property) situated in any municipality.</i>			
When the amount or value of the consideration for the sale does not exceed Sh. 500/-	Sh. 15/-	} The purchaser or transferee	
Exceeds Sh. 500/- but does not exceed Sh. 1,000/-	Sh. 30/-		
Exceeds Sh. 1,000/- but does not exceed Sh. 1,500/-	Sh. 45/-		
Exceeds Sh. 1,500/- but does not exceed Sh. 2,000/-	Sh. 60/-		
And for every Sh. 1,000/- and also for any fractional part of Sh. 1,000/- in excess of Sh. 2,000/-	Sh. 30/-		
And see sections 43 to 52.			

Repeal of
Cap. 482.

5. The Export Duty Act is hereby repealed:

Provided that notwithstanding such repeal, the provisions of section 6 of the said Act shall remain in full force and effect for the purpose of the collection of any export duty, or the recovery of any penalty payable, under the said Act and outstanding at the date upon which such repeal becomes effective, and also for the purpose of any criminal proceedings whether commenced before or after such date, in respect of any offences committed under the said Act prior to such date.

Insertion
of new
section 8A in
No. 8 of 1970

6. The Customs Tariff Act, 1970, (hereinafter referred to as the Customs Act) is hereby amended by the insertion after section 8 of the following new section—

8A. Notwithstanding the provisions of Article 68 of the Treaty for East African Co-operation (which provides

for the distribution of, *inter alia*, customs duties collected by the East African Customs and Excise Department) all fiscal entries, suspended fiscal entries and customs duties collected on goods imported or purchased prior to clearance through customs by the Community or the Corporations within the Community shall be paid into the General Fund of the Community established pursuant to Article 65 of the said Treaty.

7. (1) The First Schedule to the Customs Act is hereby amended, in relation to the tariff numbers and subheadings specified in the first column of the Schedule to this Act and relating to the articles respectively specified in the second column of the Schedule to this Act, in the manner specified in the third column of the Schedule to this Act.

Amendments to
First Schedule to
No. 8 of 1970.

(2) The First Schedule to the Customs Act is hereby further amended—

(a) in Note 2 to Chapter 30—

(i) in paragraph (b), by the deletion of the words “and manufactured talc”;

(ii) by the addition of a new paragraph (d) as follows—

“(d) Heading No. 30.03 is to be taken as not applying to preparations for the care of the skin consisting basically of talc powder with pharmaceutical substances added, provided that they retain the character of toilet preparations of Heading No. 33.06.”

(b) by substituting for Tariff No. 38.11 (which refers to disinfectants, insecticides, etc.) the following—

Tariff No.	Tariff Heading	Fiscal Entry	Import Duty	
			Full	E.E.C.
38.11	Disinfectants, insecticides, fungicides, weed killers, anti-sprouting products, rat poisons and similar products, put up in forms or packings for sale by retail or as preparations or as articles, (for example, sulphur treated bands, wicks and candles, fly-papers):			
	A. Room deodorizers not falling under heading No. 33.06 ..	100%	Free	Free
	B. Other	Free	Free	Free

(c) in Tariff Number 73.40 (which refers to other articles of iron or steel) by substituting for subheading II the following—

Tariff No.	Tariff Heading	Fiscal Entry	Import Duty	
			Full	E.E.C.
I.	Road studs	Free	Free	Free
J.	Fire hose reels	Free	Free	Free

(d) by substituting for Tariff Number 85.17 (which refers to electric sound or visual signalling apparatus, etc.) the following—

Tariff No.	Tariff Heading	Fiscal Entry	Import Duty	
			Full	E.E.C.
	Electric sound or visual signalling apparatus (such as bells, sirens, indicator panels, burglar and fire alarms), other than those of headings No. 85.09 or 85.16:			
	A. Fire alarms and fire detection systems	Free	Free	Free
	B. Other	30%	Free	Free

(e) in Tariff Number 87.14 (which refers to other vehicles (including trailers) not mechanically propelled and parts thereof) by substituting for subheading G the following—

Tariff No.	Tariff Heading	Fiscal Entry	Import Duty	
			Full	E.E.C.
G.	Wheels and parts thereof including wheels whether or not fitted with tyres and tubes, axles, suspensions, mainrails, coupling devices, turntables, brakes and lights imported by a manufacturer of load carrying trailers for vehicles of heading 87.02D or camping caravans of heading 87.14F solely for use in the manufacture of such trailers or caravans.	15%	Free	Free

8. The Second Schedule to the Customs Act is hereby amended by the deletion of the items concerning Related Headings 31.02, 31.03, 31.05, 48.01A (2), 48.01A (3), 48.01B and 48.05 and the substitution therefor in their correct numerical order of the following—

Amendment of
Second Schedule
to No. 8 of 1970.

Related Heading	Article	Suspended Fiscal Entry	
		Amount Provided	Amount Imposed
31.02	Ammonium sulphate	20%	20%
31.03 ..	Triple superphosphate	20%	20%
31.05 ..	Diammonium phosphate; Complex NPK ..	20%	20%
48.01A(2)	Paper and paperboard for the manufacture of corrugated paperboard.	40%	20%
48.01A(3)	Paper, other	25%	5%
48.01B ..	Paperboard	25%	5%
48.05 ..	Paper and paperboard, corrugated (with or without flat surface sheets), creped, crinkled, embossed or perforated, in rolls or sheets.	25%	5%

9. The Third Schedule to the Customs Act is hereby amended—

Amendment of
Third Schedule
to No. 8 of 1970.

(a) by the deletion of items 2 and 3 of PART A of the Schedule and the insertion of the following—

3. *East African Community and the Corporations
within the Community*

Goods of the following description imported or purchased prior to clearance through customs by the Community or a Corporation within the Community for its own use and not for re-sale or other disposition for any material consideration—

- (a) railway locomotives and rolling stock and spare parts thereof;
 - (b) ships of over 100 tons dead weight;
 - (c) airplanes and airplane engines and spare parts thereof;
 - (d) lifting machinery (including fork lift trucks) and spare parts thereof;
 - (e) telephone and telecommunications apparatus and machinery and spare parts thereof;
 - (f) petroleum products.
- (b) in item 13 of PART B by the deletion of the words and comma "including needles," immediately before the word "imported" and the substitution therefor of the words and comma "including parts,".

Amendment of
No. 26 of 1971.

10. Subsection (2) of section 24 of the Traditional Liquor Act, 1971, is hereby amended by the addition of the following new paragraphs—

- (d) providing for the payment of tax within a fixed period after the end of the month in which traditional liquor has been manufactured;
- (e) prescribing a penalty not exceeding fifty per centum of the amount of any tax remaining unpaid after the expiration of a period fixed under paragraph (d) of this subsection.

SCHEDULE

(s. 7 (1))

Tariff No.	Relating to	Amendment
08.01 ..	Dates, etc.	Insert "cashew nuts." immediately before "pineapples".
09.04 ..	Pepper, etc.	for "50%" substitute "40%".
09.05 ..	Vanilla	for "50%" substitute "40%".
09.06 ..	Cinnamon, etc.	for "50%" substitute "40%".
09.07 ..	Cloves, etc.	for "50%" substitute "40%".
09.08 ..	Nutmeg, etc.	for "50%" substitute "40%".
09.09 ..	Seeds of anise, etc.	for "50%" substitute "40%".
09.10 ..	Thyme, saffron, etc.	for "50%" substitute "40%".
11.01 ..	Cereal flours	for "50%" substitute "40%".
11.02 ..	Cereal groats, etc.	for "50%" substitute "40%".
11.03 ..	Flours of the leguminous vegetables, etc.	for "50%" substitute "40%".
11.04 ..	Flours of fruits, etc.	for "50%" substitute "40%".
11.05 ..	Flour, etc., of potato	for "50%" substitute "40%".
11.06 ..	Flour and meal of sago, etc.	for "50%" substitute "40%".
11.09 ..	Wheat gluten, etc.	for "50%" substitute "40%".
12.01B	Oil seeds, etc. Other	for "50%" substitute "40%".
12.02 ..	Flours, etc., of oil seeds, etc.	for "50%" substitute "40%".
12.05 ..	Chicory roots, etc.	for "50%" substitute "40%".
12.07B	Plants and parts of trees, etc. Other.	for "50%" substitute "40%".
12.08 ..	Locust beans, etc.	for "50%" substitute "40%".
15.01 ..	Lard, etc.	for "50%" substitute "40%".
15.02B	Fats of bovine cattle, etc. Other.	for "50%" substitute "40%".
15.07C	Olive Oil	for "50%" substitute "40%".
15.07D	Fixed vegetable oils, etc. Other.	for "50%" substitute "40%".
15.12 ..	Animal or vegetable oils, etc.	for "50%" substitute "40%".
18.04 ..	Cocoa butter (fat or oil)	for "50%" substitute "40%".
25.27A	Natural stearite, etc., for use in the manufacture of toilet preparations.	for "75%" substitute "40%".
32.04A	Colouring matter for food-stuffs, etc.	for "50%" substitute "40%".

SCHEDULE—(Contd.)

<i>Tariff No.</i>	<i>Relating to</i>	<i>Amendment</i>
32.05A	Synthetic organic dyestuffs, etc., for colouring foodstuffs, etc.	for "50%" substitute "40%"
32.06A	Colour lakes for colouring foodstuffs.	for "50%" substitute "40%".
33.01A	Essential oils, etc., for use in the manufacture of perfumery, etc.	for "75%" substitute "40%".
33.02A	Terpenic by-products, etc., for use in the manufacture of perfumery, etc.	for "75%" substitute "40%".
33.03A	Concentrates of essential oils, etc., for use in the manufacture of perfumery, etc.	for "75%" substitute "40%".
33.04B	Mixture of odiferous substances, etc. Other.	for "50%" substitute "40%".
34.04A	Artificial waxes, etc., for use in the manufacture of cosmetics.	for "50%" substitute "40%".
48.01A(1)	Cigarette paper	for "45%" substitute "40%".
48.10 . .	Cigarette paper, cut to size, etc.	for "45%" substitute "40%".
90.19 . .	Orthopaedic appliances, etc.	Delete "deaf aids" and substitute "hearing aids".