

**THE FINANCE ACT, 2004****No. 4 of 2004***Date of Assent: 31st December, 2004**Date of Commencement: See Section 1***An Act of Parliament to amend the law relating to various taxes and duties and for matters incidental thereto****ENACTED** by the Parliament of Kenya, as follows: -**PART I – PRELIMINARY****Short title and commencement.**

**1.** This Act may be cited as the Finance Act, 2004, and shall come into operation, or be deemed to have come into operation, as follows –

- (a) section 56, on the 1<sup>st</sup> January, 1992
- (b) section 44(a)(ii), on the 31<sup>st</sup> January, 2003;
- (c) section 37, on the 1<sup>st</sup> October, 2003;
- (d) sections 17, 31, 32, 33, 34, 35, 36, 38(a), 39, 40, 41, 42, 43(b), 48, 49, 52, 53, 55, 58, and 59 on the 11<sup>th</sup> June 2004;
- (e) section 61(b)(iii), on the 1<sup>st</sup> January, 2004;
- (f) sections 14, 38(b), 46, 47, 51, and 61(b)(ii), on the 1<sup>st</sup> July, 2004;
- (g) sections 23(b), 25, 27(b), 43(a), 44(b)(ii), 50, 54, 60, 61(a), 61(b)(i), 75, 76 and 77, on the 1<sup>st</sup> January, 2005;
- (h) sections 2, 3, 29, 30, 45, 57, 62, 65, 66, 67, 68, 69, 70, 71, 72, 74, 81, 82, and 84, on the date of publication of this Act in the Kenya Gazette;
- (i) sections 44(a)(i) and 44(b)(i) on the 7<sup>th</sup> December 2004
- (j) all other sections, on the 10<sup>th</sup> June, 2004.

**PART II – CUSTOMS AND EXCISE**

**Amendment of  
section 2 of  
Cap. 472.**

**2.** Section 2 of the Customs and Excise Act is amended-

(a) in subsection (1), by deleting the definition of “Commissioner” and substituting therefor the following new definition -

“Commissioner” means -

Cap.469 (a) the Commissioner-General appointed under section 11(1) of the Kenya Revenue Authority Act; or

Cap.469 (b) with respect to powers or functions that have been delegated under section 11(4) of the Kenya Revenue Authority Act to another Commissioner, that other Commissioner;

(b) in subsection (2), by deleting subparagraph (l)(ii) and substituting therefor the following new subparagraph -

(ii) an additional duty of two and a half per centum *ad valorem*, or five per centum of the specific rate specified in the First Schedule, whichever is the higher, or such other additional duty as the Minister may, by notice in the Gazette, specify, shall be payable in respect of all goods entered for home use from an export processing zone.

**Amendment of  
section 3 of  
Cap. 472.**

**3.** Section 3 of the Customs and Excise Act is amended by deleting subsection (1) and substituting therefor the following new subsection -

Responsibility for  
administration,  
etc.

3.(1) The Commissioner shall, subject to the direction of the Minister, be responsible for the control and management of the customs and for the collection of, and accounting for, customs and excise revenue.

Amendment of  
section 9 of  
Cap. 472.

4. Section 9 of the Customs and Excise Act is amended-

(a) in subsection (1A) -

(i) by inserting the following new proviso at the end of paragraph (a) -

“Provided that this requirement shall not apply to transit sheds appointed before 12<sup>th</sup> June, 2003”;

(ii) by deleting the word “inland” appearing in paragraph (e) and substituting therefor the words “more than ten kilometres from the port;”

(iii) by inserting the following new paragraph immediately after paragraph (e) -

(ee) where used to consolidate cargo, comply with such conditions as the Commissioner may, by notice in the Gazette, prescribe;

(b) by deleting the proviso to subsection (2) and substituting therefor the following new proviso -

Provided that -

(a) the private operators of transit sheds shall provide to the Commissioner such security to cover the duties on goods deposited therein as the Commissioner may determine; and

(b) the Commissioner may revoke the appointment of any transit shed whose average monthly revenue in the calendar year ending on 31<sup>st</sup> December 2004, or any subsequent calendar year, is less than one hundred million shillings.

(c) by inserting the following new subsection immediately after subsection (3) -

(4) Any person who -

(a) deposits transit goods in a place other than one appointed by the Commissioner under subsection (1);

(b) fails to comply with, or contravenes, any of the conditions prescribed by the Commissioner with respect to the operation of transit sheds;

(c) deposits or allows any person to deposit prohibited goods in the transit shed; or

(d) is in any way involved in fraudulent activity with respect to the goods deposited in a transit shed,

shall be guilty of an offence and liable to a fine not exceeding one million, five hundred thousand shillings, and the Commissioner may revoke the appointment of the transit shed to which the offence relates.

Amendment of  
section 20 of  
Cap. 472.

**5.** Section 20 of the Customs and Excise Act is amended in subsection (4) by deleting the words “destination” and “status” wherever they occur.

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Amendment of  
section 34 of  
Cap. 472.

6. Section 34 of the Customs and Excise Act is amended-

(a) by inserting the expression "Subject to subsections (3A) and (4)" immediately before the word "where" appearing at the beginning of subsection (2);

(b) by inserting the following new subsection immediately after subsection (3) -

(3A) Where goods are not sold at a public auction held under subsection (2), they may be sold at a subsequent auction without an additional notice of sale being given.

Amendment of  
section 37 of  
Cap. 472.

7. Section 37 of the Customs and Excise Act is amended by deleting subsection (4) and substituting therefor the following new subsection -

(4) Subject to section 39, all goods entered to be warehoused shall be removed to the warehouse for which they were entered and deposited therein within seven days from the date of release, or within such further period as the Commissioner may allow for bonded warehouses situated away from the port of importation.

Amendment of  
section 51 of  
Cap. 472.

8. Section 51 of the Customs and Excise Act is amended by inserting the following new subsection immediately after subsection (4)-

(4A) A licence issued under this section shall be subject to such conditions as the Commissioner may, by notice in the Gazette, prescribe.

Insertion of  
new  
sections 72A  
and 72B in  
Cap. 472.

9. The Customs and Excise Act is amended by inserting the following new sections immediately after section 72 -

Licensing  
of transit  
godowns.

**72A.** (1) The Commissioner may, on application by the owner, license any premises, room or enclosed area as a transit godown for the deposit of goods imported in bulk entered in transit, and may refuse to issue a licence without assigning any reason, or, by notice in writing, revoke or refuse to renew a licence on the grounds stated in the notice.

(2) An application under subsection (1) shall be in such form and comply with such requirements as the Commissioner may, by notice in the Gazette, prescribe.

(3) A licence under this section shall be issued subject to the payment of such fee as the Commissioner may, by notice in the Gazette, prescribe.

Storage of  
goods  
entered in  
transit.

**72B.**(1) No person shall deposit goods entered in transit in any premises, other than a transit godown licensed under section 72A.

(2) Goods may only be deposited in a transit godown where they are entered in transit and are -

(a) imported in bulk in a solid, liquid or gaseous form;

(b) of a class prescribed by the Commissioner by notice in the Gazette; or

(c) of a class which the Commissioner has permitted, in writing, to be stored in a transit godown.

(3) Any person who –

(a) deposits goods in any premises; or

(b) being the owner or occupier of any premises, uses such premises to deposit goods, or permits any other person to deposit goods,

contrary to the provisions of subsection (1) or (2), shall be guilty of an offence and liable to a fine not exceeding one hundred thousand shillings, and in the case of a continuing offence, to a fine not exceeding five thousand shillings for every day or part thereof during which the offence continues.

Amendment of  
section 91 of  
Cap. 472.

**10.** Section 91 of the Customs and Excise Act is amended-

(a) by deleting subsection (3) and substituting therefor the following new subsection -

(3) An application under subsection (1) shall be in such form and subject to such requirements as the Commissioner may, by notice in the Gazette, prescribe.

(b) by inserting the following new subsections immediately after subsection (7) -

(8) A licence issued under this section shall be subject to such conditions as the Commissioner may, by notice in the Gazette, prescribe.

(9) A licensee who contravenes a condition of the licence, or who allows any other person to contravene a condition of the licence, shall be guilty of an offence and liable to a fine not exceeding one million five hundred thousand shillings, or to imprisonment for a term not exceeding three years, or to both.

**Insertion of section 91A in Cap.472.**

**11.** The Customs and Excise Act is amended by inserting the following new section immediately after section 91 –

Packing or selling of alcoholic beverages.

**91A.(1)** No person shall pack or sell an alcoholic beverage in a container the capacity of which is two hundred millilitres or less.

(2) A person who contravenes the provisions of subsection (1) shall be guilty of an offence and liable to a fine not exceeding five hundred thousand shillings, or to imprisonment for a term not exceeding three years, or to both.

**Amendment of section 96 of Cap 472.**

**12.** Section 96 of the Customs and Excise Act is amended by deleting subsection (3A) and substituting therefor the following new subsection –

(3A) A licensee who fails to render a return in accordance with subsection (2) shall, in addition to any penalty which may be imposed under section 225A, be liable to a penalty equal to ten thousand shillings or five percent of the amount of any excise duty payable, whichever is the higher.

**Amendment of section 127C of Cap. 472.**

**13.** Section 127C of the Customs and Excise Act is amended in subsection (3) by deleting paragraph (b).

Amendment of  
section 138 of  
Cap. 472

**14.** Section 138 of the Customs and Excise Act is amended in subsection (2) by deleting paragraph (c) and substituting therefor the following new paragraph -

- (c) such other goods, (excluding passenger motor vehicles of a seating capacity of less than twenty-six persons, building materials, audio and audio-visual electronic equipment, spare parts, office furniture and other office equipment, stationery, textiles, new and used clothing and footwear, maize, wheat, sugar, milk, rice, edible vegetable fats and oils) imported by any person for donation to non-profit making organizations or institutions approved by the Government, for their official use or for free distribution to poor and needy persons, or for use in medical treatment, educational, religious or rehabilitation work:

Provided that remission under this paragraph may be granted in respect of –

(i) all goods (excluding passenger motor vehicles of a seating capacity of less than fourteen persons, building materials, audio and audio-visual electronic equipment, spare parts, office furniture and other office equipment and stationery) donated or purchased for donation by any person to registered homes for poor and needy persons, subject to approval by the Minister; or

(ii) maize, wheat, sugar, milk, edible vegetable fats and oils, rice, textiles, new and used clothing and footwear imported during periods of civil strife, national calamity or disaster declared under any law for the time being in force, or where they are intended for use in officially recognized refugee camps in Kenya.

Amendment of section 139 of Cap. 472.

**15.** Section 139 of the Customs and Excise Act is amended in subsection (1) by inserting the following new paragraph –

(g) that in the case of petroleum oils, they were refined in Kenya:

Provided that remission under this paragraph shall be granted subject to such limit as the Minister may by notice in the Gazette, specify.

(h) that in the case of alcoholic beverages, remission shall be granted to such extent as the Minister may, by notice in the Gazette, specify.

**Amendment of section 149 of Cap. 472.**

**16.** Section 149 of the Customs and Excise Act is amended by inserting the following new subsection immediately after subsection (2) –

(3) A person who -

(a) makes a fraudulent claim for rebate of duty; or

(b) with intent to evade payment of duty, gives false information or makes a false statement in relation to any claim for rebate,

shall be guilty of an offence and liable to a fine not exceeding the higher of one million, five hundred thousand shillings or three times the amount of the claim, or to imprisonment for a term not exceeding three years, or to both.

**Insertion of section 158C in Cap. 472.**

**17.** The Customs and Excise Act is amended by inserting the following new section immediately after section 158B –

Amnesty  
for  
penalties,  
fines etc.

**158C.** Notwithstanding any other provision of this Act, the Commissioner shall refrain from recovering any penalty, or fine on any goods imported into the country before the 11<sup>th</sup> June, 2004 or excisable goods manufactured and sold in the country before the 30<sup>th</sup> April, 2004, where-

(a) the duties are paid; and

(b) all returns, or amended returns, which should have been submitted in respect of the goods, are submitted,

on or before 31<sup>st</sup> December, 2004:

Provided that this section shall not apply in respect of duty if the person who should have paid the duty -

(i) has been assessed in respect of the duty or any matter relating to the duty; or

(ii) is under audit or investigation in respect of the duty or any matter relating to the duty.

**Amendment of section 194A of Cap. 472**

**18.** Section 194A of the Customs and Excise Act is amended by deleting subsection (1) and substituting therefor the following new subsection –

(1) No person shall -

(a) mix, or cause to be mixed, any refined petroleum products; or

Cap.496 (b) possess or offer for sale, any mixture of refined petroleum products, or any refined petroleum product which does not meet the Kenya Standard declared under the Standards Act.

**Repeal and replacement of section 202 of Cap. 472.**

**19.** The Customs and Excise Act is amended by repealing section 202 and replacing it with the following new section -

Procedure  
after notice  
of claim.

202. (1) Subject to subsection (2), where the owner of any thing seized claims it by notice to the Commissioner pursuant to section 200(4), the owner may, within two months of the date of the notice, institute proceedings for the recovery of the thing seized:

Provided that where no proceedings are instituted under this subsection within the period specified, the thing seized shall be condemned.

(2) Where -

(a) the owner of any thing seized is charged with an offence by reason of which the thing is seized; and

(b) the charges preferred are subsequently withdrawn for any reason,

the period specified in subsection (1) shall begin to run on the date such charges are withdrawn.

(3) Where proceedings are instituted under subsection (1), any thing seized shall be condemned if -

(a) the court is satisfied that the thing -

(i) is liable to forfeiture under this Act; or

(ii) comprises prohibited or restricted goods which have been imported or carried coastwise or attempted to be exported in contravention of any law; or

(b) the court is not satisfied that the claimant is the owner of, or is entitled to possession of, the thing.

(4) If anything seized is not condemned under subsection (3), the court shall release it to the owner subject to the payment of any applicable duty.

Amendment of section 217 of Cap. 472.

**20.** Section 217 of the Customs and Excise Act is amended by inserting the following new subsections immediately after subsection (3) -

(3A) Where a person is required under this Act to keep a document or record, the person shall retain the document or record for at least seven years after the document or record was created.

(3B) Where, under the provisions of this Act, any account, books of account, or other records are required to be kept, such accounts, books or records may be kept in written form or in micro-film, magnetic tape or in any other form of mechanical or electronic data retrieval mechanism.

Insertion of new section. 218A in Cap. 472.

**21.** The Customs and Excise Act is amended by inserting the following new section after section 218 -

Determination of duty for failure to keep records, etc.

**218A.** Where, in the opinion of the Commissioner, a person has failed to pay duty which is payable by him by reason of -

(a) his failure to keep proper books of account, records or documents, as required under this Act, or the incorrectness or inadequacy of those books of account, records or documents; or

(b) his failure to make any return required under this Act, or delay in making such return, or the inadequacy or incorrectness of any such return,

the Commissioner may, on such evidence as may be available to him, and according to the best of his own judgment, determine the amount of the duty, if any, which is payable.

**Insertion of  
new section  
227A in  
Cap. 472.**

**22.** The Customs and Excise Act is amended by inserting the following new section immediately after section 227 –

Officers, etc.  
not to take  
part in  
auction.

**227A.** (1) No officer or any other employee of the Kenya Revenue Authority may, by himself or through an agent, purchase any goods offered for sale in an auction held under this Act.

(2) Any person who contravenes subsection (1) shall be guilty of an offence.

**Amendment of  
First Schedule  
to Cap.472**

**23.** The First Schedule to the Customs and Excise Act is amended -

(a) in the manner specified in the First Schedule, and in paragraph (a) of the Second Schedule to this Act;

(b) in the manner specified in paragraph (b) of the Second Schedule to this Act.

No. 4

Amendment of  
Second  
Schedule to  
Cap.472.

**24.** The Second Schedule to the Customs and Excise Act is amended by deleting the rates specified in the Fourth Column of that Schedule.

Amendment of  
Third Schedule  
to Cap.472.

**25.** The Third Schedule to the Customs and Excise Act is amended -

(a) in Part A by deleting item 15 and substituting therefor the following new item -

**15. Disabled, Blind and Physically Handicapped Persons**

Materials, articles and equipment, including motor vehicle, which -

(a) are imported by and are specially designed for sole use by disabled or physically handicapped persons; or

(b) are intended for the educational, scientific or cultural advancement of blind persons for the use of an organization approved by the Government for the purpose of this exemption.

Provided that –

(i) the exemption in paragraph (a) shall only apply -

(AA) once in every four years;

(BB) to a person who has not enjoyed another exemption under the provisions of this Act.

(ii) paragraph (b) does not apply to motor vehicles.

(b) in Part B –

(a) by deleting the expression “fifty percent of” appearing in item 15;

(b) by inserting the words “diapers for adults” in item 38 immediately after the expression “urine bags” wherever it appears.

**Amendment of Fourth Schedule to Cap.472.**

**26.** The Fourth Schedule to the Customs and Excise Act is amended in the manner specified in the Third Schedule to this Act.

**Amendment of Fifth Schedule to Cap.472.**

**27.** The Fifth Schedule to the Customs and Excise Act is amended -

(a) in the manner set out in paragraph (a) of the Fourth Schedule; and

(b) in the manner set out in paragraph (b) of the Fourth Schedule.

No. 4

Amendment of  
Eighth  
Schedule to  
Cap.472.

**28.** The Eighth Schedule to the Customs and Excise Act is amended in Part A by inserting the following new item immediately after item 15 –

16. Potable spirits imported in containers the capacity of which is 200 millilitres or less.

### PART III – VALUE ADDED TAX

Amendment of  
section 2 of  
Cap. 476.

**29.** Section 2 of the Value Added Tax Act is amended in subsection (1) by deleting the definition of “Commissioner” and substituting therefor the following new definition –

“Commissioner” means –

Cap.469. (a) the Commissioner-General appointed under section 11(1) of the Kenya Revenue Authority Act; or

Cap.469. (b) with respect to powers or functions that have been delegated under section 11(4) of the Kenya Revenue Authority Act to another Commissioner, that other Commissioner.

Amendment of  
section 3 of  
Cap. 476.

**30.** Section 3 of the Value Added Tax Act is amended by deleting subsection (1).

Amendment of  
section 6 of  
Cap. 476.

**31.** Section 6 of the Value Added Tax Act is amended by inserting the following new subsection immediately after subsection (6) –

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(7) Notwithstanding the provisions of subsection (6), where the supplier of a service to which that subsection applies is normally resident outside Kenya, the Commissioner may, by notice in writing, appoint a person who is normally resident in Kenya, as an agent for collecting the tax payable on the service and remitting it to the Commissioner.

Amendment of section 11 of Cap. 476.

**32.** Section 11 of the Value Added Tax Act is amended in subsection (1B) by inserting the words “construction of the” immediately before the words “sold, disposed of or converted premises” appearing after paragraph b(ii).

Amendment of section 13 of Cap. 476.

**33.** Section 13 of the Value Added Tax Act is amended by deleting the words “Subject to” appearing in subsection (4) and substituting therefor the word “Notwithstanding”.

Amendment of section 14 of Cap. 476.

**34.** Section 14 of the Value Added Tax Act is amended in subsection (1) by inserting the following paragraph immediately after paragraph (b) –

(c) hardship or equity.

Insertion of section 14A in Cap. 476.

**35.** The Value Added Tax Act is amended by inserting the following new section immediately after section 14 –

Amnesty for additional tax, penalties, etc.

**14A.** (1) Notwithstanding any other provision of this Act, the Commissioner shall refrain from assessing or recovering any additional tax, penalties or fines in respect of any tax that was due before the 11<sup>th</sup> June, 2004 where-

(a) the tax is paid; and

(b) all returns, or amended returns, which should have been submitted in respect of the tax are submitted,

on or before 31<sup>st</sup> December, 2004:

Provided that this section shall not apply in respect of any tax if the person who should have paid the tax -

(i) has been assessed in respect of the tax or any matter relating to the tax; or

(ii) is under audit or investigation in respect of the tax or any matter relating to the tax.

**Repeal and replacement of section 17 of Cap. 476.**

**36.** The Value Added Tax Act is amended by repealing section 17 and replacing it with the following new section -

Any person leaving Kenya or business liquidated.

**17.** (1) Notwithstanding any other provision of this Act, where the Commissioner has reason to believe that any tax payable by any person is at risk of non-payment -

(a) due to the imminent departure of the person from Kenya; or

(b) where the person, being a company, is about to be liquidated or otherwise wound up or cease business; or

(c) for any other sufficient cause,

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the Commissioner may, whether or not the due date for the payment of that tax has arrived, by notice in writing served on that person require that person to pay the tax within the time specified in the notice.

(2) Any person who fails to pay tax when required to do so under subsection (1) shall be guilty of an offence.

**Insertion of new section 19A in Cap. 476.**

**37.** The Value Added Tax Act is amended by inserting the following new section immediately after section 19 -

Appointment of tax withholding agents.

**19A.** (1) The Commissioner may, in accordance with the regulations, appoint a person, being a purchaser of taxable goods or services, to be a tax withholding agent for the purposes of this section.

(2) A person appointed under subsection (1) shall, on purchasing taxable goods or services, withhold the tax payable thereon and remit the same directly to the Commissioner at such times as the Commissioner may direct.

**Amendment of section 23 of Cap. 476.**

**38.** Section 23 of the Value Added Tax Act is amended in subsection (3) -

(a) by deleting paragraph (a) and substituting therefor the following new paragraph -

(a) capital goods, excluding motor vehicles, of a total value of not less than one million shillings per investment, imported or purchased locally for new investments or the expansion of investments;

(b) by deleting paragraph (b) and substituting therefor the following new paragraph –

(b) such other goods, including motor vehicles and computers, (excluding passenger motor vehicles of a seating capacity of less than twenty-six persons, building materials, audio and audio-visual electronic equipment, spare parts, edible vegetable fats and oils, office furniture and other office equipment, stationery, textiles, new and used clothing and footwear, maize, wheat, sugar, milk and rice) imported or purchased locally for donation by any person to non-profit making organizations or institutions approved by the Government, for their official use or for free distribution to poor and needy persons, or for use in medical treatment, educational, religious or rehabilitation work:

Provided that remission under this paragraph may be granted in respect of –

(i) all goods (excluding passenger motor vehicles of a seating capacity of less than fourteen persons, building materials, audio and audio-visual electronic equipment, spare parts, office furniture and other office equipment and stationery) donated or purchased for donation by any person to registered homes for poor and needy persons, subject to approval by the Minister; or

(ii) maize, wheat, sugar, milk, edible vegetable fats and oils, rice, textiles, new and used clothing and footwear, imported or purchased locally during periods of civil strife, national calamity or disaster declared under any law for the time being in force, or where they are intended for use in officially recognized refugee camps in Kenya.

(c) by deleting paragraph (g).

**Amendment of section 40 of Cap. 476.**

**39.** Section 40 of the Value Added Tax Act is amended in subsection (1) by placing a fullstop immediately after the words “whichever is the greater” and deleting the rest of the subsection.

**Amendment of Second Schedule to Cap. 476.**

**40.** The Second Schedule to the Value Added Tax Act is amended in the manner specified in the Fifth Schedule to this Act.

**Amendment of Third Schedule to Cap. 476.**

**41.** The Third Schedule to the Value Added Tax Act is amended in the operative part of item 18 by adding the words “by the proprietors thereof” immediately after the word “premises”.

**Amendment of Sixth Schedule to Cap. 476.**

**42.** The Sixth Schedule to the Value Added Tax Act is amended in paragraph 3 by deleting the words “a registered person” where they first appear and substituting therefor the words “any other person”.

**Amendment of the Seventh Schedule to Cap. 476.**

**43.** The Seventh Schedule to the Value Added Tax Act is amended –

(a) in paragraph 6, by inserting the following subparagraphs immediately after subparagraph (4) –

(5) For the purposes of this paragraph, the Commissioner may, in accordance with the regulations, require any person to use an electronic tax register of such type and description as may be prescribed, for the purpose of accessing information regarding any matter or transaction which may affect the tax liability of such person.

(6) A person to whom subparagraph (5) applies shall be entitled, with the prior approval of the Commissioner, to recover the cost of the electronic tax register from the tax payable by such person.

(b) in paragraph 9 -

(i) by deleting the words “a default penalty of ten thousand shillings” . appearing in subparagraph (2) and substituting therefor the following words -

“a penalty of ten thousand shillings or five percent of the tax due, whichever is the higher”.

(ii) by inserting the following subparagraph immediately after subparagraph (2) –

(2A) A registered person who fails to submit a return under paragraph 7(c) shall be liable to a penalty of ten thousand shillings.

**Amendment of  
Eighth Schedule to  
Cap. 476.**

**44.** The Eighth Schedule to the Value Added Tax Act is amended -

(a) in Part A-

(i) by deleting item 11 and substituting the following new items -

**11. Disabled, Blind and Physically Handicapped Persons**

Materials, articles and equipment, including motor vehicles, which-

(a) are specially designed for sole use by disabled or physically handicapped persons; or

(b) are intended for the educational, scientific or cultural advancement of the blind for the use of an organization approved by the Government for the purpose of this zero-rating;

Provided that -

(i) The zero rating in paragraph (a) shall only apply -

(AA) once in every four years;

(BB) to a person who has not enjoyed another zero rating under the provisions of this Act;

(ii) Paragraph (b) does not apply to motor vehicles;

(ii) By deleting item 20;

(b) in Part B –

(i) by deleting item 19 and substituting therefor the following new item -

***19. Urine Bags, Diapers for Adults, and Hygienic Bags***

Urine Bags, diapers for use by adults and hygienic bags for medical or hygienic use, in such quantities as the Commissioner may allow.

(ii) by inserting the following new item immediately after item 27 -

**28. *Electronic Tax Register***

Electronic tax registers of such type and description as may be prescribed, imported or purchased locally prior to the 30<sup>th</sup> June, 2006 on the recommendation of the Commissioner and subject to such conditions as the Commissioner may specify.

**PART IV – INCOME TAX**

**Amendment  
of  
section 2 of  
Cap. 470.**

**45.** Section 2(1) of the Income Tax Act is amended by deleting the definitions of “Commissioner” and “officer” and substituting therefor the following new definitions –

“Commissioner” means –

- Cap.469 (a) the Commissioner-General appointed under section 11(1) of the Kenya Revenue Authority Act; or
- Cap.469 (b) with respect to powers or functions that have been delegated under section 11(4) of the Kenya Revenue Authority Act to another Commissioner, that other Commissioner.

Cap 469 “officer” means the Commissioner and any other member of staff of the Kenya Revenue Authority appointed under section 13 of the Kenya Revenue Authority Act.

Amendment  
of  
section 5 of  
Cap. 470.

**46.** Section 5 of the Income Tax Act is amended –

(a) in the proviso to subsection (2)(c) -

(i) by deleting paragraph (i) and substituting therefor the following new paragraph -

(i) where the contract is for a specified term, any amount received as compensation on the termination of the contract shall be deemed to have accrued evenly over the unexpired period of the contract;

(ii) by deleting paragraph (iii) and substituting therefor the following new paragraph –

(iii) where the contract is for an unspecified term and does not provide for compensation on the termination thereof, any compensation paid on the termination of the contract shall be deemed to have accrued evenly in the three years immediately following such termination.

(b) in subsection (4), by adding the following proviso at the end of paragraph (c)-

Provided that this paragraph shall not apply to any contributions paid by an employer who is not a person chargeable to tax -

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(i) to an unregistered pension scheme, unregistered provident fund or unregistered individual retirement fund; or

(ii) to a registered pension scheme, a registered provident fund or a registered individual retirement fund in excess of the amount specified in section 22A or 22B.

**Amendment  
of section 8 of  
Cap. 470.**

**47.** Section 8 of the Income Tax Act is amended in subsection (4) by deleting the expression “one hundred and fifty thousand shillings” and substituting therefor the expression “one hundred and eighty thousand shillings”.

**Amendment  
of section 15 of  
Cap. 470.**

**48.** Section 15 of the Income Tax Act is amended in subsection (4) by deleting subparagraph (iii) of the proviso.

**Amendment  
of section 18 of  
Cap. 470.**

**49.** Section 18 of the Income Tax Act is amended in subsection (6) by deleting the expression “subsection (2)” and substituting therefor the expression “subsection (3)”.

**Amendment  
of section 22B  
of Cap. 470.**

**50.** Section 22B of the Income Tax Act is amended in subsection (2) by deleting the expression “twenty percent” appearing in paragraph (b) and substituting therefor the expression “thirty percent”.

**Amendment  
of section 35 of  
Cap. 470.**

**51.** Section 35 of the Income Tax Act is amended-

(a) by deleting subsection (6) and substituting therefor the following new subsection -

(6) Where a person who is required under this section, in accordance with the rules made under section 130, to deduct tax-

(a) fails to make the deduction or fails to deduct the whole amount of the tax which he should have deducted; or

(b) fails to remit the amount of a deduction to the Commissioner on or before the twentieth day following the month in which the deduction was made or ought to have been made;

the Commissioner may impose such penalty as may, from time to time, be prescribed under the rules, and the provisions of this Act relating to the collection and recovery of tax and the payment of interest thereon, shall apply to the collection and recovery of that amount of tax and penalty as if they were tax due and payable by that person and the due date for the payment of which was the date on which the amount of tax should have been remitted to the Commissioner.

(b) by inserting the following new subsection immediately after subsection (6A) –

(6B) A person aggrieved by the imposition by the Commissioner of a penalty under this section may appeal against such imposition to the local committee within thirty days after the date of service of the notice of imposition:

Provided that -

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(i) the person shall, prior to making the appeal, pay all the tax due and the penalty imposed under this section; and

(ii) the appeal shall be limited to the determination of the question as to whether the person has complied with the provisions of this Act and any regulations made thereunder relating to the deduction or remitting of tax under this section.

**Amendment  
of section 54 of  
Cap. 470.**

**52.** Section 54 of the Income Tax Act is amended in subsection (5) by deleting the definition of “professional person” and substituting therefor the following new definition-

“professional person”, in the case of a company, means a holder of a practicing certificate or a written authority to practice issued in accordance  
Cap. 531. with the provisions of the Accountants Act.

**Amendment  
of section 72 of  
Cap. 470.**

**53.** Section 72 of the Income Tax Act is amended by deleting subsection (6).

**Amendment  
of section 74B  
of Cap. 470.**

**54.** Section 74B of the Income Tax Act is amended by deleting the words “five thousand” and substituting therefor the words “ten thousand”.

**Amendment  
of section 86 of  
Cap. 470.**

**55.** Section 86 of the Income Tax Act is amended in subsection (4) by deleting the expression “section 93(2)(c)” appearing in paragraph (b) and substituting therefor the expression “section 93(1)(c)”.

No. 4

Amendment  
of section 92A  
of Cap. 470.

**56.** Section 92A of the Income Tax Act is amended by renumbering the existing section as subsection (1) and inserting the following new subsection -

(2) Where the Commissioner makes an additional assessment under section 73(2)(b), the tax charged thereunder shall be deemed to have been due and payable on the last day of the fourth month following the end of the year of income or accounting period.

Replacement  
of section 122  
of Cap. 470.

**57.** The Income Tax Act is amended by repealing section 122 and replacing it with the following new section -

Responsibility  
for  
administration,  
etc.

**122.** The Commissioner shall, subject to the direction of the Minister, be responsible for the control and the collection of, and accounting for, tax.

Amendment  
of section 123  
of Cap. 470.

**58.** Section 123 of the Income Tax Act is amended -

(a) in subsection (1), by deleting words "elect to" appearing immediately after the words "Commissioner may" and substituting therefor the words "with the prior approval of the Minister";

(b) by deleting subsection (3).

Insertion of  
section 123A  
in Cap. 470.

**59.** The Income Tax Act is amended by inserting the following new section immediately after section 123 -

Amnesty  
for  
penalties  
and  
interest.

**123A.** Notwithstanding any other provisions of this Act, the Commissioner shall refrain from assessing or recovering penalties and interest in respect of any year of income ending on or before the 31<sup>st</sup> December, 2003 where -

(a) the tax is paid; and

(b) the returns, or amended returns, containing a full disclosure of the previously undisclosed income, are submitted,

on or before the 31<sup>st</sup> December, 2004:

Provided that this section shall not apply in respect of any tax if the person who should have paid the tax -

(i) has been assessed in respect of the tax or any matter relating to the tax; or

(ii) is under audit or investigation in respect of the undisclosed income or any matter relating to the undisclosed income.

**Amendment  
of the Second  
Schedule to  
Cap. 470.**

**60.** The Second Schedule to the Income Tax Act is amended in paragraph 24(1) -

(a) by inserting the following new paragraph immediately after paragraph (d) -

(dd) on or after 1<sup>st</sup> January 2005, on the purchase of machinery which is subsequently leased and used for the purpose of manufacture.

(b) by inserting the expression "or (dd)" immediately after the words "subparagraph (d)" appearing in the latter portion of subsection (1).

**Amendment  
of the Third  
Schedule to  
Cap. 470.**

**61.** The Third Schedule to the Income Tax Act is amended-

HEAD A (RESIDENT PERSONAL RELIEF)  
 by deleting the expression “twelve thousand six hundred and seventy-two shillings” and substituting therefor the expression “thirteen thousand nine hundred and forty-four shillings”;

(b) in HEAD B (RATES OF TAX) -

(i) by deleting items 1 and 1A and substituting therefor the following new items-

1. The individual rates of tax shall be -

		Rate in each shilling
On the first Shs.	121,968	10%
On the next Shs.	114,912	15%
On the next Shs.	114,912	20%
On the next Shs.	114,912	25%
On all income over Shs.	466,704	30%

1A. The wife’s employment, wife’s professional and wife’s self-employment income rates of tax shall be-

		Rate in each shilling
On the first Shs.	121,968	10%
On the next Shs.	114,912	15%
On the next Shs.	114,912	20%
On the next Shs.	114,912	25%
On all income over Shs.	466,704	30%

(ii) in paragraph (a) of item 3 by inserting the following proviso after the words “gross sum payable” -

“Provided that the rate applicable to citizens of the East African Community partner states in respect of consultancy fees shall be fifteen per cent of the gross sum payable”.

(iii) in paragraph (d) of item 5 -

(aa) by deleting subparagraph (d)(i) and substituting therefor the following new subparagraph -

(d)(i) in respect of a payment of a pension or any withdrawal made after the expiry of fifteen years from the date of joining the fund, or on the attainment of the age of fifty years, or upon earlier retirement on the grounds of ill health or infirmity of body and mind, from a registered pension fund, registered provident fund, the National Social Security Fund or a registered individual retirement fund, in excess of the tax free amounts specified under section 8(4) and 8(5) in any one year, and provided that tax has not been deducted under section 37-

10% on the first Shs.400,000  
15% on the next Shs.400,000  
20% on the next Shs.400,000  
25% on the next Shs.400,000  
30% on any amount over Shs.1,600,000 of the amount in excess of the tax free amount,

provided that the tax so deducted shall be final;

(bb) by inserting the words “from the date of joining the fund, made” between the words “years” and “from” appearing in subparagraph (ii).

(cc) by deleting the table appearing in subparagraph (d) (ii) and substituting therefor the following new table –

“10% on the first shs.121,968  
15% on the next shs.114,912  
20% on the next shs.114,912  
25% on the next shs.114,912  
30% on any amount over shs.466,704 of the amount in excess of the tax free amount”.

## PART V – MISCELLANEOUS

Insertion of section 316A and 316B into Cap. 63.

**62.** The Penal Code is amended by inserting the following new sections immediately after section 316 -

Bad cheques.

**316A.**(1) Any person who draws or issues a cheque on an account is guilty of a misdemeanour if the person –

(a) knows that the account has insufficient funds;

(b) knows that the account has been closed;  
or

(c) has previously instructed the bank or other institution at which the account is held not to honour the cheque.

(2) Subsection (1)(a) does not apply with respect to a post-dated cheque.

(3) Any person who, by deceit or any other fraudulent means, assists a person to obtain anything on the basis of a cheque drawn or issued in the circumstances described in subsection (1) is guilty of a misdemeanour.

(4) A person who is guilty of a misdemeanour under this section is liable to a fine not exceeding fifty thousand shillings, or to imprisonment for term not exceeding one year, or to both.

Certain  
felonies by  
banks or  
other  
institutions.

**316B.(1)** A bank or other institution is guilty of a felony if it –

(a) with intent to conceal its true financial position, holds a cheque or similar instrument that cannot be settled for the amount due thereon;

(b) assists a person to obtain money or credit on the basis of a cheque drawn or issued in the circumstances described in subsection 316A(1); or

(c) with intent to defraud, facilitates the transfer of money to the holder of a false cheque or other instrument.

(2) A bank or other institution that is guilty of a felony under subsection (1) is liable to a fine not exceeding five hundred thousand shillings.

Amendment of  
section 2 of  
Cap. 394.

**63.** The Civil Aviation Act is amended in section 2(1) by inserting the following new definitions in proper alphabetical sequence –

“revenue” means any levy, rate, charge or fee imposed by the Authority under this Act;

“revenue collector” means the Commissioner-General of the Kenya Revenue Authority, or, if it ceases to be a function of the Kenya Revenue Authority to collect revenue under this Act, the Kenya Civil Aviation Authority or such other person or body whose function it is to collect revenue under this Act.

Insertion of  
section 6J and  
6K into Cap.  
394.

**64.** The Civil Aviation Act is amended by inserting the following new sections immediately after section 61 -

Collection  
of revenue  
from agents.

**6J.**(1)The revenue collector may, by written notice addressed to any person (in this section called the agent) appoint him to be the agent of another person (in this section called the principal) for the purposes of collecting revenue from the principal where the revenue collector is satisfied that the agent -

(a) owes or is about to pay money to the principal;

(b) holds money for or on account of the principal;

(c) holds money on account of some other person for payment to the principal; or

(d) has authority from some other person to pay money to the principal.

(2) The revenue collector shall, in the notice under subsection (1), specify the amount of revenue to be collected by the agent, which amount shall not exceed the amount held or owing by the agent for or to the principal.

(3) The revenue collector may, by notice in writing, require any person to furnish the revenue collector, within a reasonable time (not being less than thirty days from the date of service of the notice), with a return showing details of any moneys which may be held by that person for or on account of a person from whom revenue is due.

(4) An agent who claims to be, or to have become, unable to comply with the notice for any reason shall, as soon as may be practicable, notify the revenue collector accordingly in writing stating the reasons for his inability, and the revenue collector may accept and cancel, amend or reject the notification as he may think fit.

(5) Notwithstanding subsection (4), an agent shall be presumed to be holding sufficient money for the payment of the revenue specified in the notice unless his notification under subsection (4) is accepted or amended, and in any proceedings for the collection of that revenue, he shall be estopped from asserting the lack of those moneys.

(6) Where an agent fails to remit any amount of revenue specified in the notice, within thirty days of the date of service of the notice on him or of the date on which any moneys came into his hands for, or become due by him to, his principal, whichever is the later, and he has not complied with subsection (4), then the provisions of this Act relating to the collection and recovery of revenue shall apply as if it were revenue due and payable by him from the date when such revenue should have been paid to the revenue collector.

(7) An agent who has made payment of revenue under this section shall for all purposes be deemed to have acted therein with the authority of his principal and of all other persons concerned, and shall be indemnified in respect of that payment against any proceedings civil or criminal and all process, judicial or extrajudicial, notwithstanding any provisions to the contrary in any written law, contract or agreement.

(8) A person who, in giving a notification under subsection (4), wilfully makes any false or misleading statement, or wilfully conceals any material fact, shall be guilty of an offence and liable to a fine not exceeding two hundred thousand shillings or to imprisonment for a term of not exceeding three years, or to both.

Recovery of  
levies by  
distress.

**6K.(1)** If revenue remains unpaid after the time it was required, under this Act to be paid, the revenue collector may authorize distress to be levied upon the goods, chattels and effects of the person who should have paid the revenue wherever those goods, chattels and effects may be found.

Cap. 472.

(2) The following provisions of the Customs and Excise Act shall apply, with necessary modifications, with respect to distress authorized under subsection (1) -

(a) section 225(2), (3) and (4); and

(b) the Sixth Schedule.

Amendment of  
section 2 of  
Cap. 469.

**65.** Section 2 of the Kenya Revenue Authority Act is amended -

(a) by inserting the following new definition after the definition of "Chairman"-

"Commissioner" means a Commissioner appointed under section 13(1);

(b) by deleting the definition of "functional head".

Amendment of  
section 5A of  
Cap. 469.

**66.** Section 5A(1) of the Kenya Revenue Authority Act is amended by deleting the words “the Commissioners of Customs and Excise, Value Added Tax or Income Tax” and substituting therefor the words “a Commissioner”.

Amendment of  
section 11 of  
Cap. 469.

**67.** (1) Section 11 of the Kenya Revenue Authority Act is amended by inserting the following new subsection immediately after subsection (3) -

(4) The Commissioner-General may, with the approval of the Board, by notice in the Gazette, delegate any of his powers or functions under this Act or any other written law to a Commissioner.

(2) A person who, immediately before the commencement of this section, was deemed to exercise delegated powers under section 23(1)(b) of the Kenya Revenue Authority Act (now deleted) shall be deemed to continue exercising those powers until a new delegation is made pursuant to this section.

Amendment of  
section 13 of  
Cap. 469.

**68.** (1) Section 13 of the Kenya Revenue Authority Act is amended by deleting subsections (1) and (2) and substituting therefor the following new subsections -

(1) The Board shall appoint, to the service of the Authority, such Commissioners as may be deemed necessary.

(2) The Commissioner-General shall, with the approval of the Board, appoint such heads of departments as may be required for the efficient performance of the functions of the Authority.

(2) A person who, immediately before the commencement of this section, was a Commissioner or a functional head of a department appointed under section 13 of the Kenya Revenue Authority Act, shall be deemed to continue holding office as such until new appointments are made pursuant to this section.

Insertion of section 13A of Cap. 469.

**69.** The Kenya Revenue Authority Act is amended by inserting the following new section immediately after section 13 –

Transfer of functions and merger of department s.

**13A.** The Commissioner-General may, with the approval of the Minister, transfer the functions of departments of the Authority or merge departments of the Authority.

Amendment of section 23 of Cap. 469.

**70.** Section 23 of the Kenya Revenue Authority Act is amended -

(a) in subsection (1)(a), by deleting the words “in any written law specified in the First Schedule or any other law shall, subject to paragraph (b)” and substituting therefor the words “in any written law shall”;

(b) by deleting subsection (1)(b);

(c) in subsection (1)(c), by deleting the words “in the written laws specified in the First Schedule or in any other law” and substituting therefor the words “in any written law”;

(d) in subsection (1)(d), by deleting the words “in the written laws specified in the First Schedule or in any other law” and substituting therefor the words “in any written law”.

Amendment of  
section 2 of  
Cap. 475.

**71.** Section 2 of the Air Passenger Service Charge Act is amended by deleting the definition of “Commissioner” and substituting therefor the following new definition -

“Commissioner” means-

Cap. 469. (a) the Commissioner-General appointed under the Kenya Revenue Authority Act; or

Cap. 469. (b) with respect to powers or functions that have been delegated under section 11(4) of the Kenya Revenue Authority Act by the Commissioner-General to another Commissioner, that other Commissioner.

Amendment of  
section 4A of  
Cap. 475.

**72.** Section 4A of the Air Passenger Service Charge Act is amended by deleting the words “Commissioner of Customs and Excise” and substituting therefor the word “Commissioner”.

Insertion of  
section 5A, 5B  
into Cap. 475.

**73.** The Air Passenger Service Charge Act is amended by inserting the following new sections after section 5 -

Collection of  
charges from  
agents.

**5A.(1)** The Commissioner may, by written notice addressed to any person (in this section called the agent) appoint him to be the agent of another person (in this section called the principal) for the purposes of collecting charges from the principal where the Commissioner is satisfied that the agent -

(a) owes or is about to pay money to the principal;

(b) holds money for or on account of the principal;

(c) holds money on account of some other person for payment to the principal; or

(d) has authority from some other person to pay money to the principal.

(2) The Commissioner shall, in the notice issued under subsection (1), specify the amount of the charges to be collected by the agent, which amount shall not exceed the amount held or owing by the agent for or to the principal.

(3) The Commissioner may, by notice in writing, require any person to furnish the Commissioner, within a reasonable time not being less than thirty days from the date of service of the notice, with a return showing details of any moneys which may be held by that person for or on account of a person from whom charges are due.

(4) An agent who claims to be, or to have become, unable to comply with the notice for any reason shall, as soon as may be practicable, notify the Commissioner accordingly in writing stating the reasons for his inability, and the Commissioner may accept and cancel, amend or reject the notification as he may think fit.

(5) Notwithstanding subsection (4), an agent shall be presumed to be holding sufficient money for the payment of the charges specified in the notice unless his notification under subsection (4) is accepted or amended, and in any proceedings for the collection of those charges he shall be estopped from asserting the lack of those moneys.

(6) Where an agent fails to remit any amount of charges specified in the notice, within thirty days of the date of service of the notice on him or of the date on which any moneys came into his hands for, or become due by him to, his principal, whichever is the later, and he has not complied with subsection (4) then the provisions of this Act relating to the collection and recovery of charges shall apply as if they were charges due and payable by him from the date when such charges should have been paid to the Commissioner.

(7) An agent who has made payment of charges under this section shall for all purposes be deemed to have acted therein with the authority of his principal and of all other persons concerned, and shall be indemnified in respect of that payment against any proceedings civil or criminal and all process, judicial or extrajudicial, notwithstanding any provisions to the contrary in any written law, contract or agreement.

(8) A person who, in giving a notification under subsection (4), wilfully makes any false or misleading statement, or wilfully conceals any material fact, shall be guilty of an offence and liable to a fine not exceeding two hundred thousand shillings or to imprisonment for a term of not more than three years or to both.

Recovery of levies by distress.

**5B.**(1) If any charges payable under this Act remain unpaid after the time they were required to be paid, the Commissioner may authorize distress to be levied upon the goods, chattels and effects of the person who should have paid the charges wherever those goods, chattels and effects may be found.

Cap. 472.

(2) The following provisions of the Customs and Excise Act shall apply, with necessary modifications, with respect to distress authorized under subsection (1) -

(a) section 225(2), (3) and (4); and

(b) the Sixth Schedule.

Amendment of section 12 of Cap. 485A.

**74.** Section 12(1) of the Capital Markets Authority Act is amended by deleting the word "and" at the end of paragraph (l), inserting the word "and" at the end of paragraph (m) and inserting the following new paragraph after paragraph (m) -

(n) the use of money raised from the issue of securities, in cases in which the securities are issued to raise money for a specified purpose.

No. 4

Insertion of  
section 33C  
into  
Cap. 485A.

**75.** The Capital Markets Authority Act is amended by inserting the following new section in Part VII immediately before section 34 –

Asset  
backed  
securities.

**33C.(1)** This section applies with respect to asset backed securities which, for the purposes of this section, are securities -

(a) that are issued as part of a securitization transaction in which assets are transferred to a third party that issues the securities; and

(b) that are primarily serviced, with respect to both return of investment and return on investment, by the cash flow from the assets described in paragraph (a).

(2) No person shall issue or list, or cause to be issued or listed, asset backed securities without the prior written approval of the Authority.

(3) The Authority shall consult with the Minister before giving any approval under subsection (2).

(4) The Authority shall, under section 12, regulate asset backed securities, including their issue and listing, subject to subsection (5).

(5) In addition to any other requirements, the rules, regulations and guidelines of the Authority under section 12 shall require -

(a) that the issuer of the asset-backed securities shall be a company or a trust that has no purpose other than the implementation and operation of the securitization transaction in respect of which the securities are issued;

(b) that the issuer shall have the professional and technical capacity to implement and operate the securitization transaction;

(c) that the issuer shall have the capability to meet its obligations to the holders of the asset backed securities; and

(d) that the issuer shall adequately protect the rights of the holders of the asset backed securities.

(6) For the purposes of this section, securities of an investment company are not asset backed securities.

**Amendment of  
section 42 of  
Cap. 487.**

**76.** Section 42 of the Insurance Act is amended in subsection (1) by deleting paragraph (i).

**Amendment of  
section 73 of  
Cap. 487.**

**77.** Section 73(5) of the Insurance Act is amended by deleting the words "five thousand" and substituting therefor the words "two hundred thousand".

**Amendment of  
section 19 of  
Cap. 517.**

**78.** Section 19 of the Export Processing Zones Act is amended by inserting the following new subsection after subsection (2) –

(2A) The Authority shall, before issuing a licence allowing commercial activities, consult with the Commissioner-General of the Kenya Revenue Authority.

**Amendment of section 25 of Cap. 517.**

**79.** Section 25(1) of the Export Processing Zones Act is amended by deleting paragraph (b) and substituting therefor the following new paragraph –

“(b) for export into the customs territory, with the approval of the Minister and subject to the import and customs procedures and payment of import duties; or”.

**Amendment of section 26 of Cap. 517.**

**80.** Section 26 of the Export Processing Zones Act is amended by inserting the following new subsections immediately after subsection (3) –

(3A) No person shall, in the export processing zone, carry on business involving the importation or handling of used apparel, including used clothing or footwear.

(3B) Notwithstanding section 25(1), no holder of a licence to carry on commercial activities shall export goods into the customs territory.

(3C) Subject to subsection (3D), no person shall, in the export processing zone, carry on both commercial activities and manufacturing activities.

(3D) Subsection (3C) does not apply with respect to the carrying out of commercial and manufacturing activities that a person is licensed to carry out under a licence issued before subsection (3C) came into operation.

(3E) The following shall apply with respect to each building in the export processing zone –

(a) no person shall commence, on or after the day this subsection comes into operation, to carry on commercial activities in the building if manufacturing activities are already being carried on in the building, by that person or any other person;

(b) no person shall commence, on or after the day this subsection comes into operation, to carry on manufacturing activities in the building if commercial activities are already being carried on in the building, by that person or any other person.

**Amendment of section 2 of No. 4 of 1991.**

**81.** Section 2 of the Petroleum Development Fund Act, 1991 is amended by inserting the following new definition in proper alphabetical sequence-

“Commissioner” means -

Cap.469. (a) the Commissioner-General appointed under section 11(1) of the Kenya Revenue Authority Act; or

Cap.469. (b) with respect to powers or functions that have been delegated under section 11(4) of the Kenya Revenue Authority Act to another Commissioner, that other Commissioner.

**Amendment of section 3 of No. 4 of 1991.**

**82.** Section 3(1) of the Petroleum Development Fund Act, 1991 is amended by deleting the words “Collector of Customs and Excise” and substituting therefor the word “Commissioner”.

Insertion of section 3A, 3B into No. 4 of 1991.

**83.** The Petroleum Development Fund Act, 1991 is amended by inserting the following new sections after section 3-

Collection of levies from agents.

**3A.(1)** The Commissioner may, by written notice addressed to any person (in this section called the agent) appoint him to be the agent of another person (in this section called the principal) for the purposes of collecting levies from the principal where the Commissioner is satisfied that the agent -

(a) owes or is about to pay money to the principal;

(b) holds money for or on account of the principal;

(c) holds money on account of some other person for payment to the principal; or

(d) has authority from some other person to pay money to the principal.

(2) The Commissioner shall, in the notice issued under subsection (1), specify the amount of levies to be collected by the agent, which amount shall not exceed the amount held or owing by the agent for or to the principal.

(3) The Commissioner may, by notice in writing, require any person to furnish the Commissioner, within a reasonable time not being less than thirty days from the date of service of the notice, with a return showing details of any moneys which may be held by that person for or on account of a person from whom levies are due.

(4) An agent who claims to be, or to have become, unable to comply with the notice for any reason shall, as soon as may be practicable, notify the Commissioner accordingly in writing stating the reasons for his inability, and the Commissioner may accept and cancel, amend or reject the notification as he may think fit.

(5) Notwithstanding subsection (4), an agent shall be presumed to be holding sufficient money for the payment of the levies specified in the notice unless his notification under subsection (4) is accepted or amended, and in any proceedings for the collection of those levies he shall be estopped from asserting the lack of those moneys.

(6) Where an agent fails to remit any amount of levies specified in the notice, within thirty days of the date of service of the notice on him or of the date on which any moneys came into his hands for, or become due by him to, his principal, whichever is the later, and he has not complied with subsection (4) then the provisions of this Act relating to the collection and recovery of levies shall apply as if they were levies due and payable by him from the date when such levies should have been paid to the Commissioner.

(7) An agent who has made payment of levies under this section shall for all purposes be deemed to have acted therein with the authority of his principal and of all other persons concerned, and shall be indemnified in respect of that payment against any proceedings civil or criminal and all process, judicial or extrajudicial, notwithstanding any provisions to the contrary in any written law, contract or agreement.

(8) A person who, in giving a notification under subsection (4), wilfully makes any false or misleading statement, or wilfully conceals any material fact, shall be guilty of an offence and liable to a fine not exceeding two hundred thousand shillings or to imprisonment for a term of not more than three years or to both.

(9) In this section "levies" means petroleum development levies under this Act.

Recovery  
of levies  
by  
distress.

**3B.**(1) If a petroleum development levy remains unpaid after the time it was required under this Act to be paid, the Commissioner may authorize distress to be levied upon the goods, chattels and effects of the person who should have paid the levy wherever those goods, chattels and effects may be found.

Cap. 472.

(2) The following provisions of the Customs and Excise Act shall apply, with necessary modifications, with respect to distress authorized under subsection (1) -

(a) section 225(2), (3) and (4); and

(b) the Sixth Schedule.

2004

Amendment of  
section 2 of  
No. 9 of 1993.

**84.** Section 2 of the Road Maintenance Levy Fund Act, 1993 is amended by deleting the definition of "collector" and substituting therefor the following new definition -

"collector" means -

- Cap. 469. (a) the Commissioner-General appointed under section 11(1) of the Kenya Revenue Authority Act; or
- Cap. 469. (b) with respect to powers or functions that have been delegated under section 11(4) of the Kenya Revenue Authority Act to another Commissioner, that other Commissioner.

Insertion of  
section 6B, 6C  
into No. 9 of  
1993.

**85.** The Road Maintenance Levy Fund Act, 1993 is amended by inserting the following new sections after section 6A -

Collection  
of levies  
from  
agents.

**6B.(1)** The collector may, by written notice addressed to any person (in this section called the agent) appoint him to be the agent of another person (in this section called the principal) for the purposes of collecting levies from the principal where the collector is satisfied that the agent -

- (a) owes or is about to pay money to the principal;
- (b) holds money for or on account of the principal;
- (c) holds money on account of some other person to pay money to the principal; or
- (d) has authority from some other person to pay money to the principal.

(2) The collector shall, in the notice under subsection (1), specify the amount of levies to be collected by the agent, which amount shall not exceed the amount held or owing by the agent for or to the principal.

(3) The collector may, by notice in writing, require any person to furnish the collector, within a reasonable time not being less than thirty days from the date of service of the notice, with a return showing details of any moneys which may be held by that person for or on account of a person from whom levies are due.

(4) An agent who claims to be, or to have become, unable to comply with the notice for any reason shall, as soon as may be practicable, notify the collector accordingly in writing stating the reasons for his inability, and the collector may accept and cancel, amend or reject the notification as he may think fit.

(5) Notwithstanding subsection (4), an agent shall be presumed to be holding sufficient money for the payment of the levies specified in the notice unless his notification under subsection (4) is accepted or amended, and in any proceedings for the collection of those levies he shall be estopped from asserting the lack of those moneys.

(6) Where an agent fails to remit any amount of levies specified in the notice, within thirty days of the date of service of the notice on him or of the date on which any moneys came into his hands for, or become due by him to, his principal, whichever is the later, and he has not complied with subsection (4) then the provisions of this Act

relating to the collection and recovery of levies shall apply as if they were levies due and payable by him from the date when such levies should have been paid to the collector.

(7) An agent who has made payment of levies under this section shall for all purposes be deemed to have acted therein with the authority of his principal and of all other persons concerned, and shall be indemnified in respect of that payment against any proceedings civil or criminal and all process, judicial or extrajudicial, notwithstanding any provisions to the contrary in any written law, contract or agreement.

(8) A person who, in giving a notification under subsection (4), wilfully makes any false or misleading statement, or wilfully conceals any material fact, shall be guilty of an offence and liable to a fine not exceeding two hundred thousand shillings or to imprisonment for a term of not more than three years or to both.

Recovery  
of levies by  
distress.

6C.(1) If a levy remains unpaid after the time it was required, under this Act, to be paid, the Collector may authorize distress to be levied upon the goods, chattels and effects of the person who should have paid the levy wherever those goods, chattels and effects may be found.

Cap. 472.

(2) The following provisions of the Customs and Excise Act shall apply, with necessary modifications, with respect to distress authorized under subsection (1) -

- (a) section 225(2), (3) and (4); and
- (b) the Sixth Schedule.

**FIRST SCHEDULE  
PART I**

(s.23)

No. 4

(a) Amendments, other than of rates of duty only, to the First Schedule of the Customs and Excise Act, Cap. 472).

<i>Heading No.</i>	<i>H.S.Code</i>	<i>Tariff No.</i>	<i>Amendments to Text</i>	<i>Import Duty</i>	<i>S.I.T.C.</i>	<i>Unit of Quantity</i>
<b>CHAPTER 21</b>						
			(a) Insert the following tariff number, description, rate of import duty SITC and unit of quantity:			
		2106.90.70	Concentrated beverages rendered ready for consumption by simple dilution with water (eg, syrups, cordials, squashes etc)	35%	098 999 70	Kg
			(b) Insert the following tariff numbers, and their corresponding descriptions, import duties, SITC and Unit of quantity.			

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**FIRST SCHEDULE - (Contd.)**

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<i>Heading No.</i>	<i>H.S.Code</i>	<i>Tariff No.</i>	<i>Amendments to Text</i>	<i>Import Duty</i>	<i>S.I.T.C.</i>	<i>Unit of Quantity</i>
		2106 90 40	Other food preparation of a kind used in the manufacture of Alcoholic beverages.	5%	11243000	Kg
		2106.90.70	Concentrated beverages rendered ready for consumption by simple dilution with water (eg, syrups, cordials, squashes etc)	35%	098 999 70	Kg
		2106.90.91	Other beverages whether or not containing vitamins and other food supplements.	35%	09899970	Kg
		2106.90.99	Other	35%	09899990	Kg

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**CHAPTER 32**

Delete all references to HS Code No.3212.90 and insert

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FIRST SCHEDULE - (Contd.)

No. 4

<i>Heading No.</i>	<i>H.S. Code</i>	<i>Tariff No.</i>	<i>Amendments to Text</i>	<i>Import Duty</i>	<i>S.I.T.C.</i>	<i>Unit of Quantity</i>
			therefor the following Tariff numbers descriptions, rate of import duty, SITC and unit of quantity-			
	3212.90	3212.90.00	--- Other	35%	533 449 00	Kg
			<b>CHAPTER 40</b>			
			Delete chapter note (1) and renumber the remaining chapter notes.			
			<b>CHAPTER 48</b>			
			Delete all references to HS Code No.4818.40 and insert therefor the following Tariff Nos. Descriptions, rates of import duty,			

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## FIRST SCHEDULE - (Contd.)

<i>Heading No.</i>	<i>H.S. Code</i>	<i>Tariff No.</i>	<i>Amendments to Text</i>	<i>Import Duty</i>	<i>S.I.T.C.</i>	<i>Unit of Quantity</i>
			S.I.T.C and units of quantity-			
	4818.40	4818.40.10	---Sanitary towels and Tampons	35%	642 945 10	Kg
		4818.40.90	---Other	35%	642 945 90	Kg
<b>CHAPTER 56</b>						
			Delete all references to HS Code No. 5601.10. and insert the following Tariff Nos. Descriptions, rates of import duty, S.I.T.C and units of quantity-			
	5601.10	5601.10.10	---Sanitary Towels and	35%	657 711 10	Kg

FIRST SCHEDULE - (Contd.)

<i>Heading No.</i>	<i>H.S.Code</i>	<i>Tariff No.</i>	<i>Amendments to Text</i>	<i>Import Duty</i>	<i>S.I.T.C.</i>	<i>Unit of Quantity</i>
			Tampons			
		5601.10.90	--- Other	35%	657 711 90	Kg

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**SECOND SCHEDULE**

(Amendments of rates of duty only in the First Schedule to the Customs and Excise Act, Cap. 472.).

**FIRST SCHEDULE  
PART I**

(a) Delete the existing rates of duty in respect of the tariff numbers and descriptions in the first and second column and substitute therefor the rates of duty respectively set out in the third column-

<b>Tariff No</b>	<b>Tariff Description</b>	<b>New Rate of duty</b>
2106.90.70	Concentrated beverages rendered ready for consumption by simple dilution with water (eg syrups, cordials, squashes etc.)	35%
3212.90.00	Pigments (including metallic powders and flakes) dispersed in non-aqueous media, in liquid or paste form, of a kind used in the manufacture of paints (including enamels); stamping foils; dyes and other colouring matter put up in forms or packings for retail sale.	25%
4818.40.10	Sanitary towels and tampons	25%
4818.40.90	Other	35%
5311.00.10	Woven fabrics of True Hemp	25%
5601.10.10	Sanitary towels and tampons	25%
5601.10.90	Other	35%
8702.10.12	Vehicles (i.e. buses), with seating capacity of 25 passengers or less, (diesel or semi-diesel), assembled, of a cylinder capacity not exceeding 1500 cc.	25%

**SECOND SCHEDULE - (Contd.)**

<b>Tariff No</b>	<b>Tariff Description</b>	<b>New Rate of duty</b>
8702.10.14	Vehicles (i.e. buses), with seating capacity of 25 passengers or less, (diesel or semi-diesel), assembled, of a cylinder capacity exceeding 1800 cc but not exceeding 2000 cc.	25%
8702.10.15	Vehicles (i.e. buses), with seating capacity of 25 passengers or less, (diesel or semi-diesel), assembled, of a cylinder capacity exceeding 2000 cc but not exceeding 2250 cc.	25%
8702.10.16	Assembled motor vehicles for the transport of ten or more persons, including the driver of a cylinder capacity exceeding 2250cc but not exceeding 2500cc.	25%
8702.10.17	Vehicles (i.e. buses), with seating capacity of 25 passengers or less, (diesel or semi-diesel), assembled, of a cylinder capacity exceeding 2500 cc but not exceeding 3000 cc.	25%
8702.10.18	Vehicles (i.e. buses), with seating capacity of 25 passengers or less, (diesel or semi-diesel), assembled, of a cylinder capacity exceeding 3000 cc.	25%
8702.90.12	Vehicles (i.e. buses) with seating capacity of 25 passengers or less, (other than diesel or semi- diesel), assembled, of a cylinder capacity not exceeding 1000 cc.	25%
8702.90.13	Vehicles (i.e. buses) with seating capacity of 25 passengers or less, (other than diesel or semi- diesel), assembled, of a cylinder capacity exceeding 1000 cc. but not exceeding 1500 cc.	25%

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**SECOND SCHEDULE - (Contd.)**

<b>Tariff No</b>	<b>Tariff Description</b>	<b>New Rate of duty</b>
8702.90.14	Vehicles (i.e. buses) with seating capacity of 25 passengers or less, (other than diesel or semi- diesel), assembled, of a cylinder capacity exceeding 1500 cc. but not exceeding 1800 cc.	25%
8702.90.15	Vehicles (i.e. buses) with seating capacity of 25 passengers or less, (other than diesel or semi- diesel), assembled, of a cylinder capacity exceeding 1800 cc. but not exceeding 2000 cc.	25%
8702.90.16	Vehicles (i.e. buses) with seating capacity of 25 passengers or less, (other than diesel or semi- diesel), assembled, of a cylinder capacity exceeding 2000 cc. but not exceeding 2250 cc.	25%
8702.90.17	Vehicles (i.e. buses) with seating capacity of 25 passengers or less, (other than diesel or semi- diesel), assembled, of a cylinder capacity exceeding 2250 cc. but not exceeding 2500 cc.	25%
8702.90.18	Vehicles (i.e. buses) with seating capacity of 25 passengers or less, (other than diesel or semi- diesel), assembled, of a cylinder capacity exceeding 2500 cc. but not exceeding 3000 cc.	25%
8702.90.19	Vehicles (i.e. buses) with seating capacity of 25 passengers or less, (other than diesel or semi- diesel), assembled, of a cylinder capacity exceeding 3000 cc.	25%
8703.10.00	Vehicles specially designed for traveling on snow; golf cars and similar	25%

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**SECOND SCHEDULE - (Contd.)**

<b>Tariff No</b>	<b>Tariff Description</b>	<b>New Rate of duty</b>
	vehicles.	
8703.21.20	Passenger motor cars, with spark-ignition internal combustion reciprocating piston engine, assembled, with a cylinder capacity not exceeding 1000 cc. assembled.	25%
8703.21.30	King cab and double cabin pick-ups.	25%
8703.22.20	Assembled motor cars and other motor vehicles principally designed for the transport of persons with spark-ignition internal combustion, reciprocating piston engine of a cylinder capacity exceeding 1,000 cc but not exceeding 1,500cc.	25%
8703.22.30	Assembled king cab and double cabin pick-ups, with spark-ignition internal combustion reciprocating piston engine, of a cylinder capacity exceeding 1,000 cc but not exceeding 1500 cc.	25%
8703.23.12	Passenger motor cars, with spark-ignition internal combustion reciprocating piston engine, assembled, of a cylinder capacity exceeding 1500 cc. but not exceeding 1800 cc.	25%
8703.23.13	Assembled king cab and double cabin pick-ups, with spark-ignition internal combustion reciprocating piston engine, of a cylinder capacity exceeding 1500 cc but not exceeding 1800 cc.	25%

**SECOND SCHEDULE - (Contd.)**

<b>Tariff No</b>	<b>Tariff Description</b>	<b>New Rate of duty</b>
8703.23.22	Passenger motor cars, with spark-ignition internal combustion reciprocating piston engine, assembled, of a cylinder capacity exceeding 1800 cc. but not exceeding 2000 cc.	25%
8703.23.23	Assembled king cab and double cabin pick-ups, with spark-ignition internal combustion reciprocating piston engine, of a cylinder capacity exceeding 1800 cc but not exceeding 2000 cc.	25%
8703.23.32	Passenger motor cars, with spark-ignition internal combustion reciprocating piston engine, assembled, of a cylinder capacity exceeding 2000 cc. but not exceeding 2250 cc.	25%
8703.23.33	Assembled king cab and double cabin pick-ups, with spark-ignition internal combustion reciprocating piston engine, of a cylinder capacity exceeding 2000 cc but not exceeding 2250 cc.	25%
8703.23.42	Passenger motor cars, with spark-ignition internal combustion reciprocating piston engine, assembled, of a cylinder capacity exceeding 2250 cc. but not exceeding 2500 cc.	25%
8703.23.43	Assembled king cab and double cabin pick-ups, with spark-ignition internal combustion reciprocating piston engine, of a cylinder capacity exceeding 2250 cc but not exceeding 2500 cc.	25%

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**SECOND SCHEDULE - (Contd.)**

<b>Tariff No</b>	<b>Tariff Description</b>	<b>New Rate of duty</b>
8703.23.52	Passenger motor cars, with spark-ignition internal combustion reciprocating piston engine, assembled, of a cylinder capacity exceeding 2500 cc. but not exceeding 3000 cc.	25%
8703.23.53	Assembled king cab and double cabin pick-ups, with spark-ignition internal combustion reciprocating piston engine, of a cylinder capacity exceeding 2500 cc but not exceeding 3000 cc.	25%
8703.24.20	Passenger motor cars, with spark-ignition internal combustion reciprocating piston engine, assembled, of a cylinder capacity exceeding 3000 cc.	25%
8703.24.30	Assembled king cab and double cabin pick-ups, with spark-ignition internal combustion reciprocating piston engine, of a cylinder capacity exceeding 3000 cc.	25%
8703.31.12	Assembled passenger motor cars, with compression- ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity not exceeding 1000 cc.	25%
8703.31.13	Assembled king cab and double cabin pick-ups, with compression-ignition internal combustion piston engine (diesel or semi-diesel), of a cylinder capacity not exceeding 1000 cc.	25%

**SECOND SCHEDULE - (Contd.)**

<b>Tariff No</b>	<b>Tariff Description</b>	<b>New Rate of duty</b>
8703.31.22	Passenger motor cars, with compression-ignition internal combustion piston engine (diesel or semi- diesel), assembled, of a cylinder capacity exceeding 1000 cc. but not exceeding 1500 cc assembled.	25%
8703.31.23	Assembled king cab and double cabin pick-ups, with compression-ignition internal combustion piston engine (diesel or semi-diesel), of a cylinder capacity exceeding 1000 cc. but not exceeding 1500 cc.	25%
8703.32.12	Assembled passenger motor cars, with compression- ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 1500 cc, but not exceeding 1800 cc.	25%
8703.32.13	Assembled king cab and double cabin pick-ups, with compression-ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 1500 cc, but not exceeding 1800 cc.	25%
8703.32.22	Assembled passenger motor cars, with compression- ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 1800 cc, but not exceeding 2000 cc.	25%
8703.32.23	Assembled king cab and double cabin pick-ups, with compression-ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 1800 cc but not exceeding 2000 cc.	25%

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**SECOND SCHEDULE - (Contd.)**

<b>Tariff No</b>	<b>Tariff Description</b>	<b>New Rate of duty</b>
8703.32.32	Assembled passenger motor cars, with compression- ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 2000 cc. but not exceeding 2250 cc.	25%
8703.32.33	Assembled king cab and double cabin pick-ups, with compression-ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 2000 cc but not exceeding 2250 cc.	25%
8703.32.42	Assembled passenger motor cars, with compression- ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 2250 cc. but not exceeding 2500 cc.	25%
8703.32.43	Assembled king cab and double cabin pick-ups, with compression-ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 2250 cc but not exceeding 2500 cc.	25%
8703.33.12	Assembled passenger motor cars, with compression- ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 2500 cc. but not exceeding 3000 cc.	25%
8703.33.13	Assembled king cab and double cabin pick-ups, with compression-ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 2500 cc but not exceeding 3000 cc.	25%

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**SECOND SCHEDULE - (Contd.)**

<b>Tariff No</b>	<b>Tariff Description</b>	<b>New Rate of duty</b>
8703.33.22	Assembled passenger motor cars, with compression- ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 3000 cc.	25%
8703.33.23	Assembled king cab and double cabin pick-ups, with compression-ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 3000 cc.	25%
8703.90.00	Other passenger motor cars and other motor vehicles, principally designed for the transport of persons.	25%
8704.10.90	Assembled motor cars and other motor vehicles principally designed for the transport of persons (other than those of heading 87.02),including station wagons and racing cars.	25%

- (b) delete the existing rates of duty in respect of the Tariff numbers and descriptions on the first and second columns and substitute therefor the rates of duty specified in the third column.

<b>Tariff No.</b>	<b>Tariff Description</b>	<b>New rate of duty</b>
5806.31.00	Other woven fabrics of cotton	Shs.20.00 Per Kg or 25%

**SECOND SCHEDULE - (Contd.)**

<i>Tariff No.</i>	<i>Tariff Description</i>	<i>New rate of duty</i>
5806.32.00	Other woven fabrics of Manmade Fibres	Shs.20.00 Per Kg or 25%
5806.39.00	Other woven fabrics of other textile materials	Shs.20.00 Per Kg or 25%
5807.10.00	Labels, badges and similar articles of textile materials, in the piece, in strips or cut to shape or size, not embroidered, Woven	Shs.20.00 Per Kg or 25%
5807.90.00	Other Labels, badges and similar articles of textile materials, in the piece, in strips or cut to shape or size, not embroidered, Woven	Shs.20.00 Per Kg or 25%
5808.10.00	Braids in the piece	Shs.20.00 Per Kg or 25%
5808.90.00	Ornamental trimmings in the piece, without embroidery, other than knitted or crocheted, tassels, pompons and similar goods	Shs.20.00 Per Kg or 25%
5901.10.00	Textile fabrics coated with gums or amylose substances, of a kind used for the outer covers of books or the like	Shs.20.00 Per Kg or 25%
5901.90.00	Other textile fabrics coated with gum or amylose substances, tracing cloth, prepared painting canvas; buckram and similar stiffened textile fabrics of a kind used for hat foundations	Shs.20.00 Per Kg or 25%

**SECOND SCHEDULE - (Contd.)**

<i>Tariff No.</i>	<i>Tariff Description</i>	<i>New rate of duty</i>
5902.10.00	Tyre cord fabric of high tenacity yarn of nylon or other polyamides	Shs.20.00 Per Kg or 25%
5902.20.00	Tyre cord fabric of high tenacity yarn of polyesters	Shs.20.00 Per Kg or 25%
5902.90.00	Tyre cord fabric of high tenacity yarn of viscose rayon	Shs.20.00 Per Kg or 25%
5906.10.00	Rubberised Adhesive tape of width not exceeding – 20 cm	Shs.20.00 Per Kg or 25%
5906.91.00	Rubberized textile fabrics, knitted or crocheted	Shs.200.00 Per Kg or 25%
5906.99.00	Other rubberized textile fabrics, other than those of heading 5902	Shs.20.00 Per Kg or 25%
5908.00.00	Textile wicks, woven paited or knitted, for lamps, stoves, lighters, candles or the like; incandescent gas mantles and tubular knitted gas mantles fabric therefor whether or not impregnated	Shs.200.00 Per Kg or 25%
5909.00.00	Textile hosepiping and similar textile tubing, with or without lining armour or accessories of other materials	Shs.200.00 Per Kg or 25%

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**SECOND SCHEDULE - (Contd.)**

<i>Tariff No.</i>	<i>Tariff Description</i>	<i>New rate of duty</i>
5910.00.00	Transmission or conveyor belts or belting, of textile material, whether or not impregnated, coated or laminated, with plastics or reinforced with metal or other materials	Shs.200.00 Per Kg or 25%
5911.10.00	Textile fabrics, felt and felt-lined woven fabrics, coated, covered or laminated with rubber, leather or other material, of a kind used for card clothing and similar fabrics of a kind used for other technical purposes, including narrow made up fabrics.	Shs.200.00 Per Kg or 25%
5911.20.00	Bolting cloth, whether or not made up textile fabrics and felts, endless or fitted with linking devices of a kind used in paper-making or similar machines (for example, for pulp or asbestos cement)	Shs.200.00 Per Kg or 25%
5911.31.00	Textile fabrics and felts, endless or fitted with linking devices of a kind used in paper-making or similar machines (for example, for pulp or asbestos cement)weighing less than 650g/m <sup>2</sup>	Shs.200.00 Per Kg or 25%
5911.32.00	Textile fabrics and felts, endless or fitted with linking devices of a kind used in paper-making or similar machines (for example, for pulp or asbestos cement)weighing 650 g/m <sup>2</sup> or more	Shs.200.00 Per Kg or 25%

**SECOND SCHEDULE - (Contd.)**

<i>Tariff No.</i>	<i>Tariff Description</i>	<i>New rate of duty</i>
5911.40.00	Straining cloth of a kind used in oil presses or the like including that of human hair	Shs.200.00 Per Kg or 25%
5911.90.00	Other textile fabrics and felt, endless or fitted with linking devices, of a kind used in paper-making or similar machines (for example, for pulp or arbestos-cement)	Shs.200.00 Per Kg or 25%
6001.10.00	Pile fabrics, including "Long Pile" fabrics	Shs.200.00 Per Kg or 25%
6001.21.00	Looped pile fabrics of cotton	Shs.200.00 Per Kg or 25%
6001.22.00	Looped pile fabrics man-made fabres	Shs.200.00 Per Kg or 25%
6001.29.00	Looped pile of fabrics of other textile materials	Shs.200.00 Per Kg or 25%
6001.91.00	Other pile fabrics of Cotton	Shs.200.00 Per Kg or 25%
6001.92.00	Other pile fabrics of man made fibres	Shs.200.00 Per Kg 25%
6001.99.00	Knitted or crocheted fabrics of a width not exceeding 30cm, of other textile materials	Shs.200.00 Per Kg or 25%

**SECOND SCHEDULE - (Contd.)**

<i>Tariff No.</i>	<i>Tariff Description</i>	<i>New rate of duty</i>
6002.40.00	Containing by weight 5% or more elastometric yarn but not containing rubber thread	Shs.200.00 Per Kg or 25%
6002.90.00	Other knitted or crocheted fabrics, of a width not exceeding 30cm, containing by weight 5% or more of elastometric yarn or rubber thread	Shs.200.00 Per Kg or 25%
6003.10.00	Knitted or crocheted fabrics of a width not exceeding 30cm, of wool or fine animal hair	Shs.6.00 per Kg or 25%
6003.20.00	Knitted or crocheted fabrics not exceeding 30cm of cotton	Shs.6.00 per Kg or 25%
6003.30.00	Knitted or crocheted fabrics not exceeding 30cm of synthetic fibres	Shs.6.00 per Kg or 25%
6003.40.00	Knitted or crocheted fabrics not exceeding 30cm of artificial fibres	Shs.6.00 per Kg or 25%
6003.90.00	Other Knitted or crocheted fabrics not exceeding 30cm	Shs.6.00 per Kg or r 25%

**SECOND SCHEDULE - (Contd.)**

<b>Tariff No.</b>	<b>Tariff Description</b>	<b>New rate of duty</b>
<b>6004.10.00</b>	Knitted or crocheted fabrics of a width exceeding 30cm, containing by weight 5% or more of elastometric yarn but not containing rubber thread	<i>Shs.6.00 per Kg or 25%</i>
<b>6004.90.00</b>	Knitted or crocheted fabrics, of a width not exceeding 30cm, containing of elastometric yarn or yarn or rubber thread	<i>Shs.6.00 per Kg or 25%</i>
<b>6005.10.00</b>	Warp knit fabrics (including those made on galloon machines), of wool or fine animal hair	<i>Shs.6.00 per Kg or 25%</i>
<b>6005.21.00</b>	Warp knit fabrics (including those made on galloon machines), of cotton	<i>Shs.6.00 per Kg or 25%</i>
<b>6005.22.00</b>	Dyed warp knit fabrics (including those made on galloon machines), of cotton	<i>Shs.6.00 per Kg or 25%</i>
<b>6005.23.00</b>	Warp knit fabrics (including those made on galloon machines), of cotton of yarns of cotton of different colours	<i>Shs.6.00 per Kg or 25%</i>
<b>6005.24.00</b>	Printed warp knit fabrics (including those made on galloon machines), of cotton	<i>Shs.6.00 per Kg or 25%</i>

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**SECOND SCHEDULE - (Contd.)**

<i>Tariff No.</i>	<i>Tariff Description</i>	<i>New rate of duty</i>
6005.31.00	Warp Knit fabrics (including those made on galloon knitting machines) of synthetic fibres, unbleached or bleached	Shs 6.00 per Kg or 25%
6005.32.00	Warp Knit fabrics (including those made on galloon knitting machines) of synthetic fibres, dyed	Shs.6.00 per Kg or 25%
6005.33.00	Warp knit fabrics (including those made on galloon knitting machines)	Shs.6.00 per Kg or 25%
6005.34.00	Warp Knit fabrics (including those made on galloon knitting machines), of synthetic fibres, printed	Shs. 6.00 per Kg or 25%
6005.41.00	Warp knit fabrics (including those made on galloon knitting machines) of artificial fibres unbleached or bleached	Shs.6.00 per Kg or 25%
6005.42.00	Warp knit fabrics (including those made on galloon knitting machines) of artificial fibres unbleached or bleached	Shs.6.00 per Kg or 25%
6005.43.00	Warp knit fabrics (including those made on galloon knitting machines) of artificial fibres, of yarn of different colour	Shs.6.00 per Kg or 25%
6005.44.00	Warp knit fabrics (including those made on galloon knitting machines) of artificial fibres printed	Shs.6.00 per Kg or 25%

**SECOND SCHEDULE - (Contd.)**

<i>Tariff No.</i>	<i>Tariff Description</i>	<i>New rate of duty</i>
6005.90.00	Other warp knit fabrics (including those made on galloon knitting machines)	Shs.6.00 per Kg or 25%
6006.10.00	Other knitted or crocheted fabrics of wool of fine animal hair	Shs.6.00 per Kg or 25%
6006.21.00	Other knitted or crocheted fabrics of cotton unbleached or bleached.	Shs.6.00 per Kg or 25%
6006.22.00	Other knitted or crocheted fabrics of cotton, Dyed	Shs.6.00 per Kg or 25%
6006.23.00	Other knitted or crocheted fabrics of cotton of yarns of different colour	Shs 6.00 per Kg or 25%
6006.24.00	Other knitted or crocheted fabrics of cotton printed	Shs.6.00 per Kg or 25%
6006.31.00	Other knitted or crocheted fabrics of synthetic fibres unbleached or bleached	Shs.6.00 per Kg or 25%
6006.32.00	Other knitted or crocheted fabrics of synthetic fibres dyed	Shs.6.00 per Kg or 25%
6006.33.00	Other knitted or crocheted fabrics of synthetic fibres of yarns of different colour	Shs.6.00 per Kg or 25%

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**SECOND SCHEDULE - (Contd.)**

<i>Tariff No.</i>	<i>Tariff Description</i>	<i>New rate of duty</i>
6006.34.00	Other knitted or crocheted fabrics of synthetic fibres printed	<i>Shs.6.00 per Kg or 25%</i>
6006.41.00	Other knitted or crocheted fabrics of artificial fibres unbleached or bleached	<i>Shs.6.00 per Kg or 25%</i>
6006.42.00	Other knitted or crocheted fabrics of artificial fibres dyed	<i>Shs.6.00 per Kg or 25%</i>
6006.43.00	Other knitted or crocheted fabrics of artificial fibres of yarns of different colour	<i>Shs.6.00 per Kg or 25%</i>
6006.44.00	Other knitted or crocheted fabrics of artificial fibres printed	<i>Shs 6.00 per Kg or 25%</i>
6006.90.00	Other knitted or crocheted fabrics of artificial fibres	<i>Shs.6.00 per Kg or 25%</i>

**THIRD SCHEDULE**

(Amendments to the Fourth Schedule of the Customs & Excise Act).

Delete the existing rates of duty in respect of the Tariff numbers and descriptions in the first and second column and insert the rates shown in the third column.

**FOURTH SCHEDULE**

<i>Tariff No.</i>	<i>Tariff Description</i>	<i>New Duty Rate</i>
4101.20.00	Whole hides and skins, of a weight per skin not exceeding 8 kg when simply dried, 10 kg when dry-salted, or 16 kg when fresh, wet-salted or otherwise preserved	20% or Sh.10 per Kg
4101.40.00	Hides and skins of equine animals.	20% or Sh.10 per Kg
4101.50.00	Whole hides and skins, of weight exceeding 16 kg	20% or Sh.10 per Kg
4101.90.00	Other, including butts, bends and bellies.	20% or Sh.10 per Kg
4102.10.00	Raw skins of sheep or lamb (fresh, or salted, dried, limed, pickled or otherwise preserved, but not tanned, parchment-dressed or further prepared), with wool on, whether or not split, other than those excluded by Note 1 (c) to Chapter 41.	20% or Sh.10 per Kg
4102.21.00	Raw skins of sheep or lambs (pickled, but not tanned, parchment-dressed or further prepared), without wool on whether or not split, other than those excluded by Note 1 (c) to Chapter 41.	20% or Sh.10 per Kg

**THIRD SCHEDULE (CONTD)**

<b>Tariff No.</b>	<b>Tariff Description</b>	<b>New Duty Rate</b>
4102.29.00	Other raw skins of sheep or lamb (fresh, or salted, dried, limed, pickled or otherwise preserved, but not tanned, parchment-dressed or further prepared), with wool on, whether or not split, other than those excluded by Note 1 (c) to Chapter 41	20% or Sh.10 per Kg
4103.10.00	Other raw hides and skins (fresh, or salted, dried, limed, pickled or otherwise preserved, but not tanned, parchment-dressed or further prepared), whether or not debarred or split, other than those excluded by Note 1 (b) or 1 (c) to this Chapter, of goats	20% or Sh.10 per Kg
4103.20.00	Other raw hides and skins (fresh, or salted, dried, limed, pickled or otherwise preserved, but not tanned, parchment-dressed or further prepared), whether or not debarred or split, other than those excluded by Note 1 (b) or 1 (c) to this Chapter, of reptiles	20% or Sh.10 per Kg
4103.30.00	Other raw hides and skins (fresh, or salted, dried, limed, pickled or otherwise preserved, but not tanned, parchment-dressed or further prepared), whether or not debarred or split, other than those excluded by Note 1 (b) or 1 (c) to this Chapter, of swine	20% or Sh.10 per Kg
4103.90.00	Other raw hides and skins other than of reptiles, goats or kids.	20% or Sh.10 per Kg
4301.10.00	Raw furskins of mink, whole, with or without head, tail or paws.	20% or Sh.10 per Kg
4301.30.00	Raw furskins of lamb, the following: Astrakhan, Broadtail, Caracul, Persian and similar lamb, Indian, Chinese, Mongolian or Tibetan lamb, whole, with or without head, tail or paws	20% or Sh.10 per Kg
4301.60.00	Raw furskins of fox, whole, with or without head, tail or paws	20% or Sh.10 per Kg
4301.70.00	Raw furskins of seal, whole, with or without head, tail or paws	20% or Sh.10

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**THIRD SCHEDULE (CONTD')**

<b>Tariff No.</b>	<b>Tariff Description</b>	<b>New Duty Rate</b>
4301.80.00	Other raw furskins, whole, with or without head, tail or paws	per Kg 20% or Sh.10
4301.90.00	Heads, tails, paws and other pieces or cuttings, suitable for furriers' use	per Kg 20% or Sh.10
7204.21.00	Waste and scrap of cast of iron.	per Kg 20% or Sh.3
7204.29.00	Waste and scrap of other alloy or steel.	per Kg 20% or Sh.3
7204.30.00	Waste and scrap of tinned iron or steel.	per Kg 20% or Sh.3
7204.41.00	Turnings, shavings, chips, milling waste, sawdust, fillings, trimmings and stampings, whether or not in bundles, of iron or steel.	per Kg 20% or Sh.3
7204.49.00	Other waste and scrap of iron or steel.	per Kg 20% or Sh.3
7204.50.00	Remelting scrap ingots.	per Kg 20% or Sh.3
7112.30.00	Waste and scrap of precious metal or of metal clad with precious metal; other waste and scrap containing precious metal or precious metal compounds of a kind used principally for the recovery of precious metal of ash containing precious metal or precious metal compounds.	per Kg 20% or Sh.3
7112.91.00	Other waste and scrap of precious metal or precious metal compounds of a kind used principally for the recovery of precious metal of gold including metal clad with gold.	per Kg 20% or Sh.3

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**THIRD SCHEDULE (CONTD')**

<b><i>Tariff No.</i></b>	<b><i>Tariff Description</i></b>	<b><i>New Duty Rate</i></b>
7112.92.00	Other waste and scraps of precious metal or precious metal compounds of a kind used principally for the recovery of precious metal or of a kind used principally for the recovery of precious metal of matinum, including metal clad with patinum.	20% or Sh.3 per Kg
7112.99.00	Other waste and scrap of precious metal or metal clad with precious metal, other waste and scrap containing precious metal compounds, of a kind used principally for the recovery of precious metal.	20% or Sh.3 per Kg

**FOURTH SCHEDULE**

(Amendments to the Fifth Schedule of the Customs and Excise Act (Cap.472).

**FIFTH SCHEDULE**

(a) Delete all the rates of duty in respect of the tariff numbers and descriptions in the first and second column and insert therefor the rates of duty shown in the third column.

<i>Tariff No.</i>	<i>Tariff Description</i>	<i>New Rate Of Duty</i>
2106.90.70	Concentrated beverages rendered ready for consumption by simple dilution with water (e.g. syrups, cordials, squashes etc.).	10%
2202.10.00	Water, including mineral waters and aerated waters containing added sugar or other sweetening matter or flavoured.	10%
2202.90.00	Other non alcoholic beverages.	10%
2710.11.11	Aviation spirit.	Per 1,000l. @20degC shs.19,895.00
2710.11.12	Motor spirit (gasoline), premium.	Per 1,000l. @20degC shs.19,895.00
2710.11.13	Motor spirit (gasoline), regular.	Per 1,000l. @20degC shs.19,505.00
2710.11.14	Spirit type jet fuel.	Per 1,000l. @20degC shs.19,895.00

**FOURTH SCHEDULE - (Contd.)**

<b>Tariff No.</b>	<b>Tariff Description</b>	<b>New Rate Of Duty</b>
2710.11.15	Special boiling point spirit and white spirit.	Per 1,000L @20degC shs.8,500.00
2710.11.19	Other light oils and preparations.	Per 1,000L. @20degC shs.8,500.00
2710.19.10	Partly refined (including topped crudes).	Per 1,000L. @20degC shs.1,450.00
2710.19.22	Other Kerosene.	Per 1,000L. @20degC shs.7,205.00
2710.19.29	Other medium petroleum oils and preparations.	Per 1,000L. @20degC shs.5,300.00
2710.19.31	Diesel oil (industrial heavy, black, for low speed marine and stationary engines).	Per 1,000L. @20degC shs.3,700.00
2710.19.32	Gas oil (automotive, light, amber, for high speed engines).	Per 1,000L. @20degC shs.10,305.00
2710.19.34	Residual fuel oils (marine, furnace and similar fuel oils) of a kinematics viscosity of 125 centistokes.	Per 1000L @20 deg.cShs.600
2710.19.35	Residual fuel oils (marine, furnace and similar fuel oils) of a kinematics viscosity of 180 centistokes.	Per 1000L @20 deg.cShs.600
2710.19.36	Residual fuel oils (marine, furnace and similar fuel oils) of a kinematics viscosity of 280 centistokes.	Per 1000L @20 deg.cShs.600
2710.19.37	Other residual fuel oils.	Per 1000L @20 deg.cShs.600

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**FOURTH SCHEDULE - (Contd.)**

<b>Tariff No.</b>	<b>Tariff Description</b>	<b>New Rate Of Duty</b>
2710.19.33	Other gas oils.	Per 1,000L. @20degC shs.6,300.00
8702.10.12	Vehicles (i.e. buses), with seating capacity of 25 passengers or less, (diesel or semi-diesel), assembled, of a cylinder capacity not exceeding 1500 cc.	20%
8702.10.13	Vehicles (i.e. buses), with seating capacity of 25 passengers or less, (diesel or semi-diesel), assembled, of a cylinder capacity exceeding 1500 cc but not exceeding 1800 cc.	20%
8702.10.14	Vehicles (i.e. buses), with seating capacity of 25 passengers or less, (diesel or semi-diesel), assembled, of a cylinder capacity exceeding 1800 cc but not exceeding 2000 cc.	20%
8702.10.15	Vehicles (i.e. buses), with seating capacity of 25 passengers or less, (diesel or semi-diesel), assembled, of a cylinder capacity exceeding 2000 cc but not exceeding 2250 cc.	20%
8702.10.16	Assembled motor vehicles for the transport of ten or more persons, including the driver of a cylinder capacity exceeding 2250cc but not exceeding 2500cc.	20%
8702.10.17	Vehicles (i.e. buses), with seating capacity of 25 passengers or less, (diesel or semi-diesel), assembled, of a cylinder capacity exceeding 2500 cc but not exceeding 3000 cc.	20%
8702.10.18	Vehicles (i.e. buses), with seating capacity of 25 passengers or less, (diesel or semi-diesel), assembled, of a cylinder capacity exceeding 3000 cc.	20%

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**FOURTH SCHEDULE - (Contd.)**

<b>Tariff No.</b>	<b>Tariff Description</b>	<b>New Rate Of Duty</b>	<b>No. 4</b>
8702.90.12	Vehicles (i.e. buses) with seating capacity of 25 passengers or less, (other than diesel or semi- diesel), assembled, of a cylinder capacity not exceeding 1000 cc.	20%	
8702.90.13	Vehicles (i.e. buses) with seating capacity of 25 passengers or less, (other than diesel or semi- diesel), assembled, of a cylinder capacity exceeding 1000 cc. but not exceeding 1500 cc.	20%	
8702.90.14	Vehicles (i.e. buses) with seating capacity of 25 passengers or less, (other than diesel or semi- diesel), assembled, of a cylinder capacity exceeding 1500 cc. but not exceeding 1800 cc.	20%	
8702.90.15	Vehicles (i.e. buses) with seating capacity of 25 passengers or less, (other than diesel or semi- diesel), assembled, of a cylinder capacity exceeding 1800 cc. but not exceeding 2000 cc.	20%	
8702.90.16	Vehicles (i.e. buses) with seating capacity of 25 passengers or less, (other than diesel or semi- diesel), assembled, of a cylinder capacity exceeding 2000 cc. but not exceeding 2250 cc.	20%	
8702.90.17	Vehicles (i.e. buses) with seating capacity of 25 passengers or less, (other than diesel or semi- diesel), assembled, of a cylinder capacity exceeding 2250 cc. but not exceeding 2500 cc.	20%	

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**FOURTH SCHEDULE - (Contd.)**

<b>Tariff No.</b>	<b>Tariff Description</b>	<b>New Rate Of Duty</b>	<b>2004</b>
8702.90.18	Vehicles (i.e. buses) with seating capacity of 25 passengers or less, (other than diesel or semi- diesel), assembled, of a cylinder capacity exceeding 2500 cc. but not exceeding 3000 cc.	20%	
8702.90.19	Vehicles (i.e. buses) with seating capacity of 25 passengers or less, (other than diesel or semi- diesel), assembled, of a cylinder capacity exceeding 3000 cc.	20%	
8703.10.00	Vehicles specially designed for traveling on snow; golf cars and similar vehicles.	20%	
8703.21.20	Passenger motor cars, with spark-ignition internal combustion reciprocating piston engine, assembled, with a cylinder capacity not exceeding 1000 cc. assembled.	20%	<i>Finance</i>
8703.21.30	King cab and double cabin pick-ups.	20%	
8703.22.20	Assembled motor cars and other motor vehicles principally designed for the transport of persons with spark-ignition internal combustion, reciprocating piston engine of a cylinder capacity exceeding 1,000 cc but not exceeding 1,500cc.	20%	155
8703.22.30	Assembled king cab and double cabin pick-ups, with spark-ignition internal combustion reciprocating piston engine, of a cylinder capacity exceeding 1,000 cc but not exceeding 1500 cc.	20%	
8703.23.12	Passenger motor cars, with spark-ignition internal combustion reciprocating piston engine, assembled, of a cylinder capacity exceeding 1500 cc. but not exceeding 1800 cc.	20%	No. 4

**FOURTH SCHEDULE - (Contd.)**

<b>Tariff No.</b>	<b>Tariff Description</b>	<b>New Rate Of Duty</b>
8703.23.13	Assembled king cab and double cabin pick-ups, with spark-ignition internal combustion reciprocating piston engine, of a cylinder capacity exceeding 1500 cc but not exceeding 1800 cc.	20%
8703.23.22	Passenger motor cars, with spark-ignition internal combustion reciprocating piston engine, assembled, of a cylinder capacity exceeding 1800 cc. but not exceeding 2000 cc.	30%
8703.23.23	Assembled king cab and double cabin pick-ups, with spark-ignition internal combustion reciprocating piston engine, of a cylinder capacity exceeding 1800 cc but not exceeding 2000 cc.	20%
8703.23.32	Passenger motor cars, with spark-ignition internal combustion reciprocating piston engine, assembled, of a cylinder capacity exceeding 2000 cc. but not exceeding 2250 cc.	40%
8703.23.33	Assembled king cab and double cabin pick-ups, with spark-ignition internal combustion reciprocating piston engine, of a cylinder capacity exceeding 2000 cc but not exceeding 2250 cc.	20%
8703.23.42	Passenger motor cars, with spark-ignition internal combustion reciprocating piston engine, assembled, of a cylinder capacity exceeding 2250 cc. but not exceeding 2500 cc.	40%

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**FOURTH SCHEDULE - (Contd.)**

<b>Tariff No.</b>	<b>Tariff Description</b>	<b>New Rate Of Duty</b>
8702.90.18	Vehicles (i.e. buses) with seating capacity of 25 passengers or less; (other than diesel or semi- diesel), assembled, of a cylinder capacity exceeding 2500 cc. but not exceeding 3000 cc.	20%
8702.90.19	Vehicles (i.e. buses) with seating capacity of 25 passengers or less, (other than diesel or semi- diesel), assembled, of a cylinder capacity exceeding 3000 cc.	20%
8703.10.00	Vehicles specially designed for traveling on snow; golf cars and similar vehicles.	20%
8703.21.20	Passenger motor cars, with spark-ignition internal combustion reciprocating piston engine, assembled, with a cylinder capacity not exceeding 1000 cc. assembled.	20%
8703.21.30	King cab and double cabin pick-ups.	20%
8703.22.20	Assembled motor cars and other motor vehicles principally designed for the transport of persons with spark-ignition internal combustion, reciprocating piston engine of a cylinder capacity exceeding 1,000 cc but not exceeding 1,500cc.	20%
8703.22.30	Assembled king cab and double cabin pick-ups, with spark-ignition internal combustion reciprocating piston engine, of a cylinder capacity exceeding 1,000 cc but not exceeding 1500 cc.	20%
8703.23.12	Passenger motor cars, with spark-ignition internal combustion reciprocating piston engine, assembled, of a cylinder capacity exceeding 1500 cc. but not exceeding 1800 cc.	20%

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**FOURTH SCHEDULE - (Contd.)**

<b>Tariff No.</b>	<b>Tariff Description</b>	<b>New Rate Of Duty</b>	<b>No. 4</b>
8703.31.22	Passenger motor cars, with compression-ignition internal combustion piston engine (diesel or semi- diesel), assembled, of a cylinder capacity exceeding 1000 cc. but not exceeding 1500 cc assembled.	20%	
8703.31.23	Assembled king cab and double cabin pick-ups, with compression-ignition internal combustion piston engine (diesel or semi-diesel), of a cylinder capacity exceeding 1000 cc. but not exceeding 1500 cc.	20%	
8703.32.12	Assembled passenger motor cars, with compression- ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 1500 cc, but not exceeding 1800 cc.	20%	
8703.32.13	Assembled king cab and double cabin pick-ups, with compression-ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 1500 cc, but not exceeding 1800 cc.	20%	
8703.32.22	Assembled passenger motor cars, with compression- ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 1800 cc, but not exceeding 2000 cc.	30%	
8703.32.23	Assembled king cab and double cabin pick-ups, with compression-ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 1800 cc but not exceeding 2000 cc.	20%	

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**FOURTH SCHEDULE - (Contd.)**

<b>Tariff No.</b>	<b>Tariff Description</b>	<b>New Rate Of Duty</b>	<b>2004</b>
8703.23.43	Assembled king cab and double cabin pick-ups, with spark-ignition internal combustion reciprocating piston engine, of a cylinder capacity exceeding 2250 cc but not exceeding 2500 cc.	20%	
8703.23.52	Passenger motor cars, with spark-ignition internal combustion reciprocating piston engine, assembled, of a cylinder capacity exceeding 2500 cc. but not exceeding 3000 cc.	40%	
8703.23.53	Assembled king cab and double cabin pick-ups, with spark-ignition internal combustion reciprocating piston engine, of a cylinder capacity exceeding 2500 cc but not exceeding 3000 cc.	20%	
8703.24.20	Passenger motor cars, with spark-ignition internal combustion reciprocating piston engine, assembled, of a cylinder capacity exceeding 3000 cc.	60%	
8703.24.30	Assembled king cab and double cabin pick-ups, with spark-ignition internal combustion reciprocating piston engine, of a cylinder capacity exceeding 3000 cc.	20%	
8703.31.12	Assembled passenger motor cars, with compression- ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity not exceeding 1000 cc.	20%	
8703.31.13	Assembled king cab and double cabin pick-ups, with compression-ignition internal combustion piston engine (diesel or semi-diesel), of a cylinder capacity not exceeding 1000 cc.	20%	

**FOURTH SCHEDULE - (Contd.)**

<i><b>Tariff No.</b></i>	<i><b>Tariff Description</b></i>	<i><b>New Rate Of Duty</b></i>
8703.33.22	Assembled passenger motor cars, with compression- ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 3000 cc.	60%
8703.33.23	Assembled king cab and double cabin pick-ups, with compression-ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 3000 cc.	20%
8703.90.00	Other passenger motor cars and other motor vehicles, principally designed for the transport of persons.	20%
8704.10.90	Assembled motor cars and other motor vehicles principally designed for the transport of persons (other than those of heading 87.02),including station wagons and racing cars.	20%

- (b) delete all references to tariff number 8704.10.90;
- (c) insert the following new Tariff Number, Description and Rates of Duty –

<i><b>Tariff No.</b></i>	<i><b>Tariff Description</b></i>	<i><b>Rate of Duty</b></i>
2106.90.91	Other beverages whether or not containing vitamins and other food supplements.	10%

**FOURTH SCHEDULE - (Contd.)**

<b>Tariff No.</b>	<b>Tariff Description</b>	<b>New Rate Of Duty</b>	<b>2004</b>
8703.32.32	Assembled passenger motor cars, with compression- ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 2000 cc. but not exceeding 2250 cc.	40%	Finance 159
8703.32.33	Assembled king cab and double cabin pick-ups, with compression-ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 2000 cc but not exceeding 2250 cc.	20%	
8703.32.42	Assembled passenger motor cars, with compression- ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 2250 cc. but not exceeding 2500 cc.	40%	
8703.32.43	Assembled king cab and double cabin pick-ups, with compression-ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 2250 cc but not exceeding 2500 cc.	20%	
8703.33.12	Assembled passenger motor cars, with compression- ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 2500 cc. but not exceeding 3000 cc.	40%	
8703.33.13	Assembled king cab and double cabin pick-ups, with compression-ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 2500 cc but not exceeding 3000 cc.	20%	

**FIFTH SCHEDULE**

(Amendment of the Second Schedule to the Value Added Tax Act, Cap. 476.)

(s.40)

**SECOND SCHEDULE**

**EXEMPT GOODS**

**PART I**

Insert in their numerical order the following tariff numbers and descriptions thereof-

<i>Tariff No.</i>	<i>Tariff Description</i>
2711.11.00	Liquefied natural gas.
2711.12.00	Propane.
2711.13.00	Butanes.
2711.14.00	Ethylene, propylene, butylene et butadiene.
2711.19.00	Other liquefied petroleum gases.
2711.21.00	Natural gas in gaseous state.
2711.29.00	Other natural gas in gaseous state.
4818.40.10	Sanitary towels and tampons.
5601.10.10	Sanitary towels and tampons.