



REPUBLIC OF KENYA

ELEVENTH PARLIAMENT – FOURTH SESSION

NATIONAL ASSEMBLY

VOTES AND PROCEEDINGS

TUESDAY, AUGUST 30, 2016

1. The House assembled at thirty minutes past Two O'clock
2. The Proceedings were opened with Prayer
3. **Presiding** – the Speaker
4. **PETITIONS**

The following Petitions were presented –

- (i) Petition by the Member for Moyale (Hon. Roba Duba) on behalf of residents of Moyale Constituency regarding the construction of Turbi-Sololo-Moyale Road;
- (ii) Petition by the Member for Wajir East (Hon. Abass Mohamed) on behalf of residents of Wajir East Constituency on the non-issuance of identity cards to residents of Wajir East Constituency; and,
- (iii) Petition by the Member for Kiharu (Hon. Irungu Kangata) on behalf of Mr. James Maina Mugo of Nyeri County on measures to eliminate usage of counterfeit Kenya Revenue Authority (KRA) stamps in the alcoholic industry in the country.

Petitions referred to the relevant Departmental Committees pursuant to Standing Order 227(1)

5. **PAPERS LAID**

The following Papers were laid on the Table –

- (i) Report of the Select Committee on National Government Constituencies Development Fund on its consideration of the National Government Constituencies Development Fund (Amendment) Bill (National Assembly Bill No. 20 of 2016).

(Chairperson, Select Committee on the National Government Constituencies Development Fund)

- (ii) Report of the Departmental Committee on Justice and Legal Affairs on the Petition for removal of the Chairperson of the Ethics and Anti-Corruption Commission (EACC).

(Chairperson, Departmental Committee on Justice and Legal Affairs)

6. NOTICES OF MOTION

The following Notices of Motion were given -

- (i) MOTION - APPROVAL OF THE REPORT ON THE PETITION FOR THE REMOVAL OF THE CHAIRPERSON OF THE ETHICS AND ANTI-CORRUPTION COMMISSION
(Chairperson, Departmental Committee on Justice and Legal Affairs)

THAT, this House adopts the Report of the Departmental Committee on Justice and Legal Affairs on a Petition for removal of the Chairperson of the Ethics and Anti-Corruption Commission (EACC), laid on the Table of the House, today, Tuesday, August 30, 2016, and pursuant to Standing Order 230(5) finds that the Petition as submitted **DOES** disclose sufficient grounds as contemplated under Article 251 of the Constitution for removal of the Chairperson of the Ethics and Anti-Corruption Commission (EACC).

- (ii) MOTION - MERGER OF LAPTRUST AND LAPFUND
(Hon. Roba Duba, M.P.)

THAT, aware that Article 43(1)(e) of the Constitution entitles every Kenyan to social security; **cognizant** of the fact that the Local Authority Pension Trust (LAPTRUST) the Local Authority Provident Fund (LAPFUND) were originally set up to cater for the senior cadre staff of local authorities and the rest of the staff, respectively; **recalling that** later, both the LAPTRUST and LAPFUND allowed both senior and junior staff of local authorities to join their preferred scheme, implying that the two funds were offering similar services to their clientele; **noting that** the creation of County Governments by the Constitution of Kenya, 2010 effectively scrapped local authorities under which the two funds operates; **further aware that**, the whereas the two funds are being enforced by County Governments, plans are underway to create a tailor-made retirement benefits Scheme for County Government Workers; **considering that** these two funds and the envisaged retirement benefits scheme for County Governments will all serve the same employees and employers; this House urges the Government, through the National Treasury, to merge and restructure the administration of LAPTRUST and LAPFUND so as to accord with the devolved system of government rather than creating a parallel fund, so as to eliminate unhealthy competitions, duplication of roles and loss of public funds through multiple retirement benefits funds.

7. PROCEDURAL MOTION - REDUCTION OF PUBLICATION PERIOD OF BILLS

Motion made and Question proposed -

THAT, pursuant to the provisions of Standing Order 120, this House resolves to reduce the publication period of the Election Laws (Amendment) Bill (National Assembly Bill No.37 of 2016), and the Election Offences Bill (National Assembly Bill No.39 of 2016) and from fourteen (14) to four (4) days.

(The Leader of the Majority Party)

There being no debate arising;

Question put and agreed to.

8. **THE ELECTION LAWS (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 37 OF 2016)**

(The Leader of Majority Party and the Leader of Minority Party)

Order for First Reading read;

Bill read a First Time and referred to the relevant Departmental Committee pursuant to Standing Order 127(1)

9. **THE ELECTION OFFENCES BILL (NATIONAL ASSEMBLY BILL NO.39 OF 2016)**

(The Leader of Majority Party and the Leader of Minority Party)

Order for First Reading read;

Bill read a First Time and referred to the relevant Departmental Committee pursuant to Standing Order 127(1)

10. **COMMITTEE OF THE WHOLE HOUSE**

Order for Committee read

IN THE COMMITTEE

The Second Chairperson in the Chair

(i) **The Finance Bill (National Assembly Bill No. 20 of 2016)**

Clauses 3, 4 and 5 - agreed to

Clause 6 - amendment proposed –

THAT, clause 6 of the Bill be deleted and substituted therefor the following new clause –

Amendment of
section 35 of
Cap. 470.

6. Section 35 of the Income Tax Act is amended –

(a) in subsection (1) by deleting paragraph (j);

(b) in subsection (3) –

(i) by inserting the words “subject to subsection (3A)” at the beginning thereof;

(ii) by deleting paragraph (i);

(iii) by inserting the following new paragraph immediately after paragraph (i) –

(j) rent, premium or similar consideration for the use or occupation of immovable property;

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

“3A. Notwithstanding the provisions of subsection (3), only a person appointed for that purpose by the Commissioner, in writing, shall deduct tax under paragraph (j) of that subsection.

(d) by deleting subsection (6).

C

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 6 - as amended agreed to

Clauses 7, 8, 9, 10, 11, 12 and 13 - agreed to

Clause 14 - amendment proposed –

THAT, clause 14 of the Bill be amended –

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

(c) in paragraph (2) by inserting the following new subparagraph immediately after paragraph (h)–

(i) in the case of a company that constructed at least four hundred residential units annually, fifteen percent for that year of income subject to approval by the Cabinet Secretary responsible for housing:

provided that where a company is engaged in multiple activities which include the ones specified in subparagraph (i), the rate of twenty percent shall be applied proportionately to the extent of the turnover arising from the housing activity.

(b) by inserting the following new paragraph immediately after paragraph (d)–

(e) Head B of the Third Schedule to the Income Tax Act is amended–

(i) in paragraph 3 by deleting subparagraph (m);

(ii) in paragraph 5 by deleting subparagraph (j).

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Question of the amendment proposed;

Debate arising;

Further amendment proposed -

THAT, the proposed amendment be further amended in part (a), subparagraph (c)(i) by deleting the words “twenty percent” appearing after the words “the rate of” and substituting therefor the words “fifteen percent”

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Question of the further amendment proposed;

Debate arising;

Question of the further amendment put and agreed to;

Debate on the amendment as further amended resumed;

Question of the amendment put and agreed to;

Clause 14 - as amended agreed to

Clauses 15, 16, 17, 18, 19 and 20 - agreed to

Clause 21 - amendment proposed –

THAT, clause 21 of the Bill be amended –

(a) in paragraph (d) by inserting the words “excluding locally assembled motor vehicles” immediately after the words “motor vehicles”;

(b) by inserting the following new paragraph immediately after paragraph (d)–

“(da) by inserting the words “and locally assembled motor cycles” immediately after the words “motor cycles ambulances” appearing in item titled “Motor cycles of tariff 87.11 other than motor cycle ambulances”;

(c) by deleting paragraph (e);

(d) by inserting the following new paragraph after paragraph (e) –

“(f) by deleting the formula “**AxB**” in paragraph 2 (2) and substituting therefor with the formula “**A(1+B)**”.

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Question of the amendment proposed;

Debate arising;

Further amendment proposed -

THAT, clause 21 of the Bill be amended by inserting the following new paragraph immediately after paragraph (d) –

(da) by inserting the words “*excluding school buses for use by public schools*” immediately after the word “vehicles” appearing in the item entitled “motor vehicles of tariff heading 87.02, 87.03 and 87.04.”

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Question of the further amendment proposed;

Debate arising;

Question of the further amendment put and agreed to;

Debate on the amendment as further amended resumed;

Question of the amendment put and agreed to;

Clause 21 - as amended agreed to

Clause 22 - amendment proposed –

THAT clause 22 of the Bill be deleted and substituted therefor the following new clause –

Amendm
ent of
the
Second
Schedul
e to No.
23 of
2015.

22. The Second Schedule to the Excise Duty Act, 2015 is amended –

(a) in Part A by inserting the following new paragraphs immediately after paragraph 8 –

“9. Excisable goods imported or purchased locally for direct and exclusive use in the implementation of an Official Aid-Funded Project, to the extent provided for under the financing agreement.

10. Excisable goods imported for direct use in the manufacture of sanitary towels.

11. Excisable goods to the national carrier and local airlines for both local and international supplies upon recommendation by the Cabinet Secretary responsible for transport.

12. Excisable kerosene for industrial use.

13. All goods including materials supplies, equipment, machinery and motor vehicles for the official use by the Kenya Defence Forces and the National Police Service.

(b) in Part B by inserting the following new paragraph immediately after paragraph (1) (b) –

“(c) Excisable services supplied to the national carrier and local airlines for both local and international supplies upon approval by the Cabinet Secretary responsible for transport”.

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Proposed amendments to insert subparagraphs 10, 11 and 12 in paragraph (a), and insertion of paragraph 22 (b) withdrawn;

Question of the amendment proposed;

Debate arising;

Question put and negatived;

Clause 22 - Motion- Rescinding of decision

Rising in his place, the Member for Matungulu (Hon. Stephen Mule) moved “*THAT, pursuant to provisions of Standing Order 49, the Committee of the whole House rescinds its decision on Clause 22*”

Question put and agreed to;

Decision to negative amendments to Clause 22 rescinded

Clause 22 - amendment proposed –

THAT, clause 22 of the Bill be deleted and substituted therefor the following new clause –

Amendm
ent of
the
Second
Schedul
e to No.
23 of
2015.

22. The Second Schedule to the Excise Duty Act, 2015 is amended –

(a) in Part A by inserting the following new paragraphs immediately after paragraph 8 –

"9. Excisable goods imported or purchased locally for direct and exclusive use in the implementation of an Official Aid-Funded Project, to the extent provided for under the financing agreement.

10. Excisable goods imported for direct use in the manufacture of sanitary towels.

13.All goods including materials supplies, equipment, machinery and motor vehicles for the official use by the Kenya Defence Forces and the National Police Service.

(Chairperson, Departmental Committee on Finance, Planning and Trade)

(Proposed amendments to insert subparagraphs 11 and 12 in paragraph (a) and the proposed insertion of paragraph (b) withdrawn)

Question of the amendment proposed;

Debate arising;

Further amendment proposed –

THAT, clause 22 be further amended by inserting subparagraph (10) immediately after subparagraph (9) in paragraph (a), as follows-

(10) Excisable goods imported for direct use in the manufacture of sanitary towels"

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Question of the further amendment proposed;

Debate on the further amendment arising;

Question of the further amendment put and agreed to;

Debate on the amendment as further amended resumed;

Question put and agreed to;

Clause 22 - as amended agreed to

Clause 23 - amendment proposed -

THAT, clause 23 of the Bill be amended in paragraph (f) by inserting the following new definition in the proper alphabetical sequence –

“computer” has the meaning assigned to it under section 2 of the Kenya Information and Communications Act;

(Hon. Jared Opiyo)

Question of the amendment proposed;

Debate arising;

Proposed amendment withdrawn;

Clause 23 - agreed to

Clauses 24, 25 and 26 - agreed to

Clause 27 - amendment proposed –

THAT, clause 27 of the Bill be amended –

(a) in paragraph (a) –

- (i) by deleting subparagraph (i) and substituting therefor the following subparagraph –
 - (i) by inserting the tariff numbers 2302.10.00, 2302.30.00, 2303.30.00, 2304.00.00, 2306.10.00, 2306.20.00, 2306.30.00, 2306.41.00, 2306.49.00, 2306.50.00, 2306.60.00, 2306.90.00, 2835.25.00 and 2835.26.00 at the end of paragraph 43;
- (ii) by deleting subparagraph (iv) and substituting therefor the following new subparagraph-
 - (iv) by deleting the words “and recreational parks of one hundred acres or more approved by the Cabinet Secretary for the National Treasury upon recommendation by the Cabinet Secretary responsible for Industrialization” appearing in paragraph 55 and substituting therefor the words “of one hundred acres or more including those outside special economic zones approved by the Cabinet Secretary for the National Treasury”;
- (iii) by deleting subparagraph (v) and substituting therefor the following new subparagraph-
 - (v) by deleting paragraph 57 and substituting therefor the following new paragraph-
 - 57. All goods including material supplies, equipment, machinery and motor vehicles for official use by the Kenya Defence Forces and the National Police Service.

(iv) in subparagraph (vi) by deleting paragraph 59;

(v) in subparagraph (vi) by deleting the word “recreational parks” appearing in the proposed paragraph 63 and substituting therefor the words “tourism,

- (vi) recreational parks of fifty acres or more, convention and conference facilities”
(v) in subparagraph (vi) by inserting the following new paragraphs immediately after the proposed paragraph 65 -

“66. Taxable goods locally purchased or imported by manufacturers or importers of clean cook stoves for direct and exclusive use in the assembly, manufacture or repair of clean cook stoves approved by the Cabinet Secretary upon recommendation by the Cabinet Secretary for the time being responsible for matters relating to energy.

67. Inputs or raw materials locally purchased or imported by manufacturers of clean cook stoves approved by the Cabinet Secretary upon recommendation by the Cabinet Secretary for the time being responsible for energy.

68. Stoves, ranges, grates, cookers (including those with subsidiary boilers for central heating) barbeques, braziers, gas-rings, plate warmers and similar non-electric domestic appliances, and parts thereof, or iron or steel of tariff numbers 7321.11.00, 7321.12.00, 7321.19.00, 7321.81.00, 7321.82.00, 7321.83.00 and 7321.90.00.

69. Super absorbent polymer (SAP) of tariff number 39.06.90.0.

70. Carrier tissue white, 1 ply 14.5 GSM of tariff number 4703.21.00.

71. IP super soft fluff pulp – fr-fluff 310 treated pulp 488*125mm (cellose) of tariff number 4703.21.0.

72. Perforated PE film 15-22 gsm of tariff number 3921.190.0.

73. Spunbound non-woven 15-25 gsm of tariff number 56.03.1190.8.

74. Airlid paper with super absorbent polymer 180gsm/67 of tariff number 48.03.00.0.

75. Airlid paper with super absorbent polymer 80gsm/67 of tariff number 48.03.00.0.

76. Airlid paper without super absorbent polymer 180gsm/67 of tariff number 48.03.00.0.

77. Airlid paper without super absorbent polymer 80gsm/67 of tariff number 48.03.00.0.

78. Pressure sensitive adhesive of tariff number 3506.91.90.

79. Plain polythene film/LPDE of tariff number 39.21.190.0.

80. Plain polythene film/PE of tariff number 39.21.190.0.

81. PE white 25-40gsm/release paper of tariff number 48.44.51.10.0.

82. ADL – 25-40gsm of tariff number 56.03.1190.8.

83. Elasticized side tape of tariff number 5402.4410.

84. 12-16 gsm spunbound piyropnonwoven coverstock/12gsm spunbound PP non-woven SMS hydrophobic leg cuffs of tariff number 56.03.1190.8.

85. Polymetric elastic 2/3 strands of tariff number 3919.90.90.10.

86. Plain polythene film/PE of tariff number 39.20.10.10.

87. PE white 25-40gsm/release paper of tariff number 48.10.99.00

88.12-16 gsm spunboundpiyropononwovencoverstock/15gsm spunbound PP non-woven SSMMS hydrophobic leg cuffs of tariff number 56.03.1190.

89. Taxable supplies to the national carrier and local airlines for both local and international purchases upon recommendation by the Cabinet Secretary responsible for transport.

(b) in paragraph (b) –

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

(vii) by deleting the words “and recreational parks of one hundred acres or more approved by the Cabinet Secretary for the National Treasury upon recommendation by the Cabinet Secretary responsible for Industrialization” appearing in paragraph 22 and substituting therefor the words “of one hundred acres or more including those outside special economic zones approved by the Cabinet Secretary for the National Treasury”;

(ii) by inserting the words “and national reserve” immediately after the word “parks” in the proposed paragraph 24 appearing in subparagraph (iii);

(iii) in subparagraph (iv) –

(a) by deleting the proposed paragraph 25 and substituting therefor the following new paragraph –

“25. The brokerage services of tour operators, excluding in-house supplies”;

(b) in subparagraph (iv) by deleting the word “recreational parks” appearing in the proposed paragraph 26 and substituting therefor the words “tourism, recreational parks of fifty acres or more, convention and conference facilities”

(c) by inserting the following new paragraph immediately after the proposed paragraph 27 –

28. Taxable supplies to the national carrier and local airlines for both local and international purchases upon recommendation by the Cabinet Secretary responsible for transport

(c) by inserting the following new paragraph immediately after paragraph (b) -

(c) Section B of Part I of the First Schedule is amended by-

(i) renumbering the existing provision in section B of Part I as paragraph (1);

(ii) inserting the following new paragraph immediately after paragraph (1)-

(2) Notwithstanding paragraph (1), the exemption shall be extended by a further two years from 1st September, 2016.

(Chairperson, Departmental Committee on Finance, Planning and Trade)

(Proposed amendments to insert subparagraph 89 in paragraph (a) of the Clause and the proposed insertion of subparagraph 28 in paragraph (b) of the Clause withdrawn)

Question of the amendment proposed;

Debate arising;

Further amendment proposed –

THAT, the amendment to subparagraph (iv) under paragraph (b)(iii)(a) be amended by deleting the word “brokerage” appearing before the words “services of tour operators”

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Question of the further amendment proposed;

Debate on further amendment arising;

Question of further amendment put and agreed to;

Further amendment proposed -

THAT, clause 27 of the Bill be amended-

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

(iv) by deleting the words “and recreational parks of one hundred acres or more approved by the Cabinet Secretary for the National Treasury upon recommendation by the Cabinet Secretary responsible for Industrialization” appearing in paragraph 55 and substituting therefor the words “of one hundred acres or more including those outside special economic zones approved by the Cabinet Secretary for the National Treasury”;

- (ii) in subparagraph (vi) by deleting the word “recreational parks” appearing in the proposed paragraph 63 and substituting therefor the words “tourism, recreational parks of fifty acres or more, convention and conference facilities”

- (iii) in paragraph (b) by deleting subparagraph (ii) and substituting therefor the following new subparagraph-

(ii) by deleting the words “and recreational parks of one hundred acres or more approved by the Cabinet Secretary for the National Treasury upon recommendation by the Cabinet Secretary responsible for Industrialization” appearing in paragraph 22 and substituting therefor the words “of one hundred acres or more including those outside special economic zones approved by the Cabinet Secretary for the National Treasury”;

(Hon. Kimani Ichung’wah- on behalf of the Hon. Jude Njomo)

Proposed amendment withdrawn;

Further amendment proposed –

THAT, clause 27 of the Bill be amended in paragraph (a) by inserting the following new paragraph immediately after the proposed paragraph 65 appearing in subparagraph (vi) –

“66. Computer”.

(Hon. Jared Opiyo)

Proposed amendment dropped;

Debate on amendment as amended resumed;

Question put and agreed;

Clause 27 - as amended agreed to

Clause 28 - amendment proposed –

THAT, clause 28 of the Bill be amended in paragraph (a) by inserting the following new paragraph immediately after the proposed new paragraph 12.

13. The supply of liquefied petroleum gas.

(Hon. Kimani Ichung'wah- on behalf of the Hon. Jude Njomo)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 28 - as amended agreed to

Clauses 29, 30, 31, 32, 33, 34, 35, 36 and 37 - agreed to

Clause 38 - amendment proposed –

THAT, clause 38 be amended in the proposed section 42A, by inserting the following new subsection immediately after subsection (4) –

(5) A person who, prior to the commencement of this section, was appointed to withhold tax under section 25A of the Value Added Tax Act, 2013 shall, notwithstanding the repeal of that section, be deemed to be a person appointed under subsection (1):

provided that this provision shall not be construed to impose any penalty whatsoever on any such person who ceased to withhold tax for any period following the repeal of that section up to the 8th June, 2016.

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 38 - as amended agreed to

Clause 39 - amendment proposed –

THAT, clause 39 of the Bill be amended by inserting the following new paragraph immediately after paragraph (b) –

“(c) by inserting the following new subsection after subsection (4) –

(5) The Commissioner shall repay the overpaid tax within a period of two years from the date of application, failure which the amount due shall attract an interest of 1% per month or part thereof of such unpaid amount after the period of two years.

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 39 - as amended agreed to

Clauses 40, 41, 42, 43 and 44 - agreed to

Clause 45 - amendment proposed –

THAT, clause 45 of the Bill be amended –

- (a) in paragraph (a) by inserting the words “institutions registered under the Co-operative Societies Act, Cap. 490” immediately after the words “SACCO Societies Act, 2008”;
- (b) in paragraph (c) (i) by inserting the words “institutions registered under the Co-operative Societies Act, Cap. 490” immediately after the words “SACCO Societies Act, 2008”; and
- (c) in paragraph (c) (ii) by inserting the following new sub-subparagraph immediately after subparagraph (da) –
“(daa) institutions registered under the Co-operative Societies Act, Cap. 490”.

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 45 - as amended agreed to

Clause 46 - amendment proposed –

THAT, clause 46 of the Bill be deleted.

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Proposed amendment withdrawn;

Clause 46 - agreed to

Clause 47 - agreed to

Clause 48 - amendment proposed –

THAT, clause 48 of the Bill be deleted.

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 48 - deleted

Clauses 49 and 50 - agreed to

Clause 51 - amendment proposed –

THAT, clause 51 of the Bill be deleted.

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Proposed amendment withdrawn;

Clause 51 - agreed to

Clauses 52, 53, 54, 55, 56, 57, 58 & 59 - agreed to

New Clause 3A proposed –

THAT, the Bill be amended by inserting the following new clause immediately after clause 3–

Amendment
of section 10
of Cap. 470.

3A. Section 10 of the Income Tax Act is amended by deleting paragraph (g).

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Motion made and Question proposed –

THAT, the New Clause 3A be read a Second Time

Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, the New Clause 3A be part of the Bill

Question put and agreed to.

New Clause 4A proposed –

THAT, the Bill be amended by inserting the following new clause immediately after clause 4 –

Amendment
of section
15 of Cap.
470.

4A. Section 15 of the Income Tax Act is amended in -

(a) subsection (2) by inserting the following new paragraph immediately after paragraph (y)–

“(z) expenditure incurred in that year of income by a person sponsoring sports, with the prior approval of the Cabinet Secretary responsible for sports”;

(b) subsection (3) (b) by deleting the words “one hundred and fifty” and substituting therefor the words “three hundred”.

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Motion made and Question proposed –

THAT, the New Clause 4A be read a Second Time

Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, the New Clause 4A be part of the Bill

Question put and agreed to.

New Clause 5A proposed –

THAT, the Bill be amended by inserting the following new clause immediately after clause 5 –

Amendment
of section 34
of Cap. 470.

5A. Section 34 of the Income Tax Act is amended–

- (a) in subsection (1) by deleting paragraph (m); and
- (b) in subsection (2) by deleting the following paragraph
 - (i) –
 - (i) winnings payable by bookmakers to punters (players).

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Motion made and Question proposed –

THAT, the New Clause 5A be read a Second Time

Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, the New Clause 5A be part of the Bill

Question put and agreed to.

New Clause 18A proposed-

THAT, the Bill be amended by inserting the following new clause immediately after clause 18—

Amendment of
section 7 of No.
23 of 2015.

“18A. Section 7 of the Excise Duty Act, 2015 is amended in subsection (3) by—

- (a) deleting sub-section (2);
- (b) deleting sub-section (3).

(The Hon. Jakoyo Midiwo- on behalf Jude Njomo)

Motion made and Question proposed –

THAT, the New Clause 5A be read a Second Time

Debate arising;

Question put and negatived

Further New Clause 18A proposed –

THAT, the Bill be amended by inserting the following new clause immediately after clause 18—

Amendment of
section 7 of No.
23 of 2015.

“18A. Section 7 of the Excise Duty Act, 2015 is amended in subsection (3) by—

(a) deleting sub-section (2);

(b) deleting sub-section (3).

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Proposed amendment dropped.

New Clauses 39 (A), (B) and (C) proposed –

THAT, the Bill be amended by inserting the following new clauses immediately after clause 39 –

Amendment of
section 48 of No.
29 of 2015.

39A. The Tax Procedures Act, 2015 is amended by deleting section 48 and substituting therefor the following new section –

Erroneous
refund of
tax.

48 (1) Where any tax has been refunded in error, the person to whom the refund has been erroneously made shall, on demand by the Commissioner, pay the amount erroneously refunded.

(2) Where a demand has been made for any amount of tax under subsection (1), that amount shall be deemed to be due from the person liable to pay the tax on the date upon which the demand is served upon him or her and if payment is not made within thirty days of the date of service, an interest equal to 1% per month or part thereof of such unpaid amount shall forthwith be due and payable,

provided that the interest chargeable under this subsection shall not exceed one hundred percent of the tax originally due.

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Motion made and Question proposed –

THAT, the New Clause 39A be read a Second Time

Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, the New Clause 39A be part of the Bill

Question put and agreed to.

New Clause 39B proposed –

Amendment of
section 89 of No.
29 of 2015.

39B. Section 89 of the Tax Procedures Act, 2015 is amended –

- (a) in subsection (6) by inserting the words “or interest” immediately after the word “penalty” wherever it appears;
- (b) by deleting subsection (7) and substituting therefor with the following new subsection –
 - “(7) The Commissioner may, upon an application under subsection (6) or on the Commissioner’s own motion and with the approval of the Cabinet Secretary, remit, in whole or in part, any penalty or interest payable by a person except a penalty imposed under section 85,

Provided that the remission of interest is by reason of –

- (a) uncertainty as to any question of law or fact;
- (b) consideration of hardship or equity; or
- (c) impossibility or undue difficulty or expense, of recovery of tax.

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Motion made and Question proposed –

THAT, the New Clause 39B be read a Second Time

Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, the New Clause 39B be part of the Bill

Question put and agreed to.

New Clause 39C proposed –

Amendment of the
Second Schedule
to No. 29 of 2015.

39C. The Second Schedule to the Tax Procedures Act, 2015 is amended –

- (a) in paragraph 2 by deleting the words “section 51 A (a)” and substituting therefor the words “sections 35 (6B), 37 (6) and 51A (a)”;
- (b) in paragraph 3 by deleting the words “section 56” and substituting therefor the words “sections 55 and 56”.

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Motion made and Question proposed –

THAT, the New Clause 39C be read a Second Time

Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, the New Clause 39C be part of the Bill

Question put and agreed to.

New Clause 51A proposed -

THAT, the Bill be amended by inserting the following new clause immediately after clause 51—

Amendment of
section 77 of No.
18 of 2012.

"51A. Section 77 of the Public Finance Management Act, 2012 is amended by inserting the following new paragraph immediately after paragraph (c) —

- (d) the waiver or variation is approved by a resolution of the National Assembly where the waiver or variation relates to taxation or tariff agreements under the East African Community Treaty.

(Hon. Kimani Ichungwa- on behalf of the Hon. Jude Njomo)

Proposed amendment withdrawn;

New Clauses 51B & 51C proposed -

THAT, the Bill be amended by inserting the following new clauses immediately after clause 51—

Amendment of
section 37 of
No. 18 of 2012.

"51B.Section 37 of the Public Finance Management Act, 2012 is amended —

- (a) in subsection (3) by deleting the word "officer" and substituting therefor the words "officers";
- (b) in subsection (5) by deleting the words " officer" and substituting therefor the words "officers".

(The Leader of the Majority Party)

Motion made and Question proposed –

THAT, the New Clause 51B be read a Second Time

Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, the New Clause 51B be part of the Bill

Question put and agreed to.

Amendment of section 66 of No. 18 of 2012. **"51C.** Section 66 of the Public Finance Management Act, 2012 is amended in subsection (1) by deleting the words " officer" and substituting therefor the words " officers";

(The Leader of the Majority Party)

Motion made and Question proposed –

THAT, the New Clause 51C be read a Second Time

Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, the New Clause 51C be part of the Bill

Question put and agreed to.

New Clause 58A proposed –

THAT, the Bill be amended by inserting the following new clause immediately after clause 58-

Amendment of section 4 of No. 6 of 2015.

"58A. Section 4 of the Special Economic Zones Act, 2015 is amended in paragraph (6) by inserting the following new subparagraph immediately after subparagraph (i)-

(j) convention and conference facilities.

(Hon. Kimani Ichung'wah- on behalf of the Hon. Jude Njomo)

Motion made and Question proposed –

THAT, the New Clause 58A be read a Second Time

Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, the New Clause 58A be read part of the Bill

Question put and agreed to.

Further amendment proposed-

THAT, the Bill be amended by inserting the following new clause immediately after clause 58-

Amendment of section 4 of No. 6 of 2015.

"58A. Section 4 of the Special Economic Zones Act, 2015 is amended in paragraph (6)by inserting the following new subparagraph immediately after subparagraph (i)-

(j) convention and conference facilities.

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Proposed amendment dropped;

New Clause 60 proposed –

THAT, the Bill be amended by inserting the following new clauses immediately after clause 59–

Amendment of
section 2 of Cap.
485A.

60. Section 2 of the Capital Markets Act, is amended–

(a) by inserting the following new definitions in their proper alphabetical sequence–

“commodity” means–

- (a) agricultural, livestock, fishery, forestry, mining or energy goods or any product that is manufactured or processed from any such goods;
- (b) financial instruments;
- (c) an index, right, or interest in any such commodity;
- (d) such other thing as the Cabinet Secretary may, by notice in the *Gazette*, determine to be the subject of a commodity contract;

“commodity contract” includes–

- (a) spot commodity contract;
- (b) commodity futures contract; and
- (c) such other contract or class of contracts as the Authority may, by regulations prescribe;

“commodity market” means a market or facility licensed by the Authority or a facility, whether electronic or otherwise at which, offers or invitations to sell, purchase or exchange commodity contracts are regularly made on a centralized basis, being offers or invitations that are intended or may reasonably be expected to result directly or indirectly in the acceptance or making, respectively of offers to sell, purchase or exchange of commodity contracts but does not include–

- (a) the office or facilities of a commodity dealer or broker;
- (b) the office or facilities of a clearing house.

“spot commodity trading” means the purchase or sale of a commodity at its current market or spot price, where it is intended that such transaction results in the physical delivery of the commodity, and “spot commodity contract” shall be construed accordingly.

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Motion made and Question proposed –

THAT, the New Clause 60 be read a Second Time

Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, the New Clause 60 be part of the Bill
Question put and agreed to.

Amendment of
section 11 of
Cap. 485A.

61. Section 11 of the Capital Markets Act is amended–

- (a) in subsection (1) by inserting the word “commodities” immediately after the word “securities” wherever it appears in paragraph (b);
- (b) in subsection (3)–
 - (i) by inserting the words “commodity exchange” immediately after the words “securities exchange” appearing in paragraph (f);
 - (ii) by inserting the following new paragraph immediately after paragraph (f)–
“(fa) regulate spot commodity markets”;

*(Chairperson, Departmental Committee on Finance, Planning
and Trade)*

Motion made and Question proposed –

THAT, the New Clause 61 be read a Second Time
Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, the New Clause 61 be part of the Bill
Question put and agreed to.

Amendment of
section 12 of
Cap. 485A.

62.Section 12 of the Capital Markets Act is amended in subsection (1) by inserting the following new paragraph immediately after paragraph (k)–

(ka) spot commodity trading and commodity markets.

*(Chairperson, Departmental Committee on Finance, Planning
and Trade)*

Motion made and Question proposed –

THAT, the New Clause 62 be read a Second Time
Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, the New Clause 62 be part of the Bill
Question put and agreed to.

Amendment to
Part III of Cap.
485A.

63. The heading to Part III of the Capital Markets Act is amended by deleting the word "securities".

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Motion made and Question proposed –

THAT, the New Clause 63 be read a Second Time

Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, the New Clause 63 be part of the Bill

Question put and agreed to.

Amendment of
section 19 of
Cap. 485A.

64. The Capital Markets Act is amended by inserting the words "commodities exchange" immediately after the words "securities exchange" wherever they appear.

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Motion made and Question proposed –

THAT, the New Clause 64 be read a Second Time

Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, the New Clause 64 be part of the Bill

Question put and agreed to.

Amendment of
section 19A of
Cap. 485A.

65. The Capital Markets Act is amended by –

(a) inserting the words "commodities exchange" immediately after the words "securities exchange";

(b) deleting the words "a securities exchange licence" and substituting therefor the words "an exchange licence".

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Motion made and Question proposed –

THAT, the New Clause 65 be read a Second Time

Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, the New Clause 65 be part of the Bill

Question put and agreed to.

Amendments of
section 20 of
Cap. 485A.

- 66.** Section 20 of the Capital Markets Act is amended by inserting the words "commodities exchange" immediately after the words "securities exchange" wherever they appear.

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Motion made and Question proposed –

THAT, the New Clause 66 be read a Second Time

Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, the New Clause 66 be part of the Bill

Question put and agreed to.

Amendment of
section 21 of
Cap. 485A.

- 67.** Section 21 of the Capital Markets Act is amended by inserting the words "commodities exchange" immediately after the words "securities exchange" wherever they appear.

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Motion made and Question proposed –

THAT, the New Clause 67 be read a Second Time

Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, the New Clause 67 be part of the Bill

Question put and agreed to.

Amendment of
section 22A of
Cap. 485A.

- 68.** Section 22A of the Capital Markets Act is amended–
- (a) by inserting the words "commodities exchange" immediately after the words "securities exchange" wherever they appear;
 - (b) by inserting the words "commodities markets" immediately after the words "securities markets" wherever they appear.

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Motion made and Question proposed –

THAT, the New Clause 68 be read a Second Time

Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, the New Clause 68 be part of the Bill

Question put and agreed to.

Amendment of
section 23 of
Cap. 485A.

69. Section 23 of the Capital Markets Act is amended-

- (a) in subsection (1) by inserting the words "commodity dealer", "commodity broker" immediately after the words "authorized depository";
- (b) in subsection (2) by inserting the words "commodities exchange" immediately after the words "securities exchange".

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Motion made and Question proposed –

THAT, the New Clause 69 be read a Second Time

Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, the New Clause 69 be part of the Bill

Question put and agreed to.

Amendment of
section 25A of
Cap. 485A.

70. Section 25A of the Capital Markets Act is amended in subsection (1) by inserting the words "commodities or derivatives" immediately after the word "securities" wherever it appears.

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Motion made and Question proposed –

THAT, the New Clause 70 be read a Second Time

Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, the New Clause 70 be part of the Bill

Question put and agreed to.

Amendment of
section 2 of Cap.
131.

71. Section 2 of the Betting, Lotteries and Gaming Act is amended by inserting the following new definitions in their proper alphabetical sequence –

"Collector" means the Commissioner-General appointed under the Kenya Revenue Authority Act;

"gaming revenue" means gross turnover less the amount paid out to customers as winnings;

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Motion made and Question proposed –

THAT, the New Clause 71 be read a Second Time
Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, the New Clause 71 be part of the Bill
Question put and agreed to.

Insertion of new
section 29A in
Cap. 131.

72. The Betting, Lotteries and Gaming Act is amended by inserting the following new section immediately after section 29–

29A.(1) There shall be a tax to be known as betting tax chargeable at the rate of seven point five per cent of the gaming revenue.

(2) The tax shall be paid to the Collector by the licensed bookmaker on the 20th day of the month following the month of collection.

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Motion made and Question proposed –

THAT, the New Clause 72 be read a Second Time
Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, the New Clause 72 be part of the Bill
Question put and agreed to.

Amendment of
section 37 of
Cap. 131.

73. Section 37 of the Betting, Lotteries and Gaming Act is amended–

(a) in subsection (2) by deleting paragraph (a);

(b) by deleting subsection 3.

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Motion made and Question proposed –

THAT, the New Clause 73 be read a Second Time
Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, the New Clause 73 be part of the Bill
Question put and agreed to.

Insertion of
section new 44A
in Cap. 131.

74. The Betting, Lotteries and Gaming Act is amended by inserting the following new section immediately after section 44–

44A. (1) There shall be a tax to be known as lottery tax chargeable at the rate of five per cent of the lottery turnover.

(2) The tax shall be paid to the Collector by a person authorized to promote the lottery on the 20th day of the month following the month of collection.

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Motion made and Question proposed –

THAT, the New Clause 74 be read a Second Time

Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, the New Clause 74 be part of the Bill

Question put and agreed to.

Insertion of
section 55A in
Cap. 131.

75. The Betting, Lotteries and Gaming Act is amended by inserting the following new section immediately after section 55–

55A. (1) There shall be a tax to be known as gaming tax chargeable at the rate of twelve per cent of the gaming revenue.

(2) The tax shall be paid to the Collector by a person carrying on a gaming business on the 20th day of the month following the month of collection.

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Motion made and Question proposed –

THAT, the New Clause 75 be read a Second Time

Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, the New Clause 75 be part of the Bill

Question put and agreed to.

Insertion of new
section 59B in
Cap. 131.

76. The Betting, Lotteries and Gaming Act is amended by inserting the following new section immediately after section 59A–

59B.(1) There shall be a tax to be known as prize competition tax chargeable on the cost of entry to a competition which is premium rated at the rate of fifteen per cent of the total gross turnover.

(2) The tax shall be paid to the Collector by the licensed person on the 20th day of the month following the month of collection.

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Motion made and Question proposed –

THAT, the New Clause 76 be read a Second Time

Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, the New Clause 76 be part of the Bill

Question put and agreed to.

Amendment of
section 975 of
No. 17 of 2015.

77. Section 975 of the Companies Act is amended in subsection (2) by deleting paragraph (b).

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Motion made and Question proposed –

THAT, the New Clause 77 be read a Second Time

Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, the New Clause 77 be part of the Bill

Question put and agreed to.

Amendment of
section 62 of No.
46 of 2012.

78. Section 62 of the Consumer Protection Act is amended by inserting the words “or where the lender is either a bilateral or multilateral foreign financial institution” at the end of subsection (5)

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Motion made and Question proposed –

THAT, the New Clause 78 be read a Second Time

Debate arising;

Question put and agreed to;

Motion made and Question proposed –

THAT, the New Clause 78 be part of the Bill

Question put and agreed to.

Clause 2 - agreed to

Title - agreed to

Clause 1 - agreed to

Bill to be reported with amendments;

11. **HOUSE RESUMED** – the Fourth Chairperson in the Chair

The Finance Bill (National Assembly Bill No. 20 of 2016)

Bill reported with amendments;

Motion made and Question proposed-

THAT, the House do agree with the Committee in the said Report

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Question put and agreed to;

Motion made and Question proposed-

THAT, the Finance Bill (National Assembly Bill No. 20 of 2016) be now read a Third Time

(Chairperson, Departmental Committee on Finance, Planning and Trade)

Debate arising;

Question of the Third Reading deferred to another day.

12. **PROCEDURAL MOTION – EXTENSION OF SITTING TIME**

Motion made and Question proposed –

THAT, pursuant to the provisions of Standing Order 30(3)(a), this House resolves to extend its sitting until the conclusion of Business appearing under Order No.11(ii)

(The Majority Party Whip)

There no being no debate arising;

Question put and agreed to;

Thereupon, the House resolved into Committee.

13. **COMMITTEE OF THE WHOLE HOUSE**

Order for Committee read;

IN THE COMMITTEE

The Third Chairperson in the Chair

The Warehouse Receipts System Bill (National Assembly Bill No.12 of 2015)

Clause 3 - amendment proposed –

THAT, clause 3 of the Bill be amended by—

(a) deleting sub-clause 3 and substituting therefor the following new sub-clause —

“(3) The Council shall consist of—

- (a) the Principal Secretary for the time being responsible for matters related to agriculture or a representative;
- (b) the Principal Secretary for the time being responsible for matters related to finance or a representative;
- (c) one person nominated by Council of Governors;
- (d) the Director General of Agriculture, Food and Fisheries Authority or a representative;
- (e) the chief executive officer of the Council;
- (f) one person nominated by Financial Sectors Regulators Forum;
- (g) one person nominated by Kenya Farmers Association;
- (h) one person nominated by Kenyan members of the East African Grain Council ; and
- (i) one person nominated by Consumer Federation of Kenya.

(b) inserting the following sub-clauses immediately after sub-clause (3)—

“(3A) A person appointed as a member of the Council by the Cabinet Secretary under subsection (a) to (i) shall be—

- (a) persons who have the relevant expertise qualification and experience in the agricultural sector and any other relevant sector; and
- (b) appointed through a competitive and transparent process.”

(3B) The Council shall at its first sitting elect a chairperson and vice-chairperson from amongst its members.

(3C) The Chairperson and Vice-Chairperson shall be of the opposite gender.

(3D) A decision of the Council shall not be invalid by reason of a vacancy in the Council.”

(c) inserting the following phrase “ to (i)” immediately after the phrase “under subsection (3) (e)” in subsection (4).

(Vice Chairperson, Departmental Committee on Agriculture, Livestock and Cooperatives)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 3 - as amended agreed to

Clause 4 - amendment proposed –

THAT, clause 4 of the Bill be amended in sub-clause (1) by—

(a) renumbering the second paragraph (a) as (b);

(b) deleting paragraph (b) and substituting therefor the following new paragraph—

“(b) establish and maintain a warehouse receipts system that contributes towards structured trading in agricultural commodities;”

- (c) deleting paragraph (c) and substituting therefore the following new paragraph—
“(c) establish and maintain a central registry for management of warehouse receipt transactions under the Act;”
- (d) deleting the word “licenced” appearing in paragraph (e) and substituting therefor the word “operating”;
- (e) deleting paragraph (h) and substituting therefor the following new paragraph—
“(h) may issue, suspend or revoke registration or licenses issued under this Act; ”
- (f) renumbering the existing clause 4(1) as clause (4); and
- (g) renumbering the existing paragraphs.

(Vice Chairperson, Departmental Committee on Agriculture, Livestock and Cooperatives)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 4 - as amended agreed to

Clauses 5 and 6 - agreed to

Clause 7 - amendment proposed –

THAT, clause 7 of the Bill be amended by inserting the words “in consultation with the Salaries and Remuneration Commission” immediately after the word “Secretary”.

(Vice Chairperson, Departmental Committee on Agriculture, Livestock and Cooperatives)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 7 - as amended agreed to

Clause 8 - amendment proposed –

THAT, clause 8 of the Bill be amended—

- (a) in sub-clause (4) by deleting the word “five” wherever it appears and substituting therefor the word “three”.
- (b) in sub-clause (5) by deleting paragraph (c) subparagraph (v) and substituting therefor the following new sub paragraph—
“(v) conducts himself in a manner deemed to be inconsistent with this Act.”

(Vice-Chairperson, Departmental Committee on Agriculture, Livestock and Cooperatives)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 8 - as amended agreed to

Clause 9 - amendment proposed –

THAT, the Bill be amended by deleting clause 9.

(Vice-Chairperson, Departmental Committee on Agriculture, Livestock and Cooperatives)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 9 - as amended agreed to

Clause 10 - amendment proposed –

THAT, clause 10 of the Bill be amended by deleting the words “, with the approval of the Cabinet Secretary”

(Vice-Chairperson, Departmental Committee on Agriculture, Livestock and Cooperatives)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 10 - as amended agreed to

Clause 11 - agreed to

Clause 12 - amendment proposed –

THAT, clause 12 of the Bill be amended in paragraph (b) by deleting the word “Service” and substituting therefor the word “Council”.

(Vice-Chairperson, Departmental Committee on Agriculture, Livestock and Cooperatives)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 12 - as amended agreed to

PART III

THAT, the title to Part III of the Bill be amended by inserting the word “Registration” immediately before the word “Licensing”.

(Vice-Chairperson, Departmental Committee on Agriculture, Livestock and Cooperatives)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Part III - as amended agreed to

Clauses 13, 14, 15 and 16 - agreed to

Clause 17 - amendment proposed –

THAT, clause 17 of the Bill be amended in sub clause (1) by deleting the word “may” and substituting therefor the word “shall”.

(Vice-Chairperson, Departmental Committee on Agriculture, Livestock and Cooperatives)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 17 - as amended agreed to

Clause 18 - amendment proposed –

THAT, clause 18 of the Bill be amended—

(i) in sub-clause 1 by deleting paragraph (c);

(ii) by inserting the following new sub- clause immediately after sub-clause (5)—

“(5A) Where a license has been suspended or revoked, the Council shall appoint an independent warehouse manager to operate the warehouse in the interim until the matter is resolved.”

(iii) by inserting the following new sub-clause immediately after sub-clause (6)—

“(7) The Cabinet Secretary shall in consultation with the Council make regulations to provide for management of a warehouse whose license has been suspended or revoked and commodities stored therein.”

(Vice-Chairperson, Departmental Committee on Agriculture, Livestock and Cooperatives)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 18 - as amended agreed to

Clause 19 - agreed to

Clause 20 - amendment proposed –

THAT, clause 20 of the Bill be amended —

(i) deleting the words “the Chairperson, Chief Executive Officer, and one other member of the Council selected by the Council” appearing in subsection (1).

(ii) by inserting the following new sub-clauses immediately after sub-clause (1)—

“(1A) The Warehouse Receipts Appeals Committee shall consist of—

(a) the Chairperson of the Council; and

- (b) two other persons appointed by the Cabinet Secretary with experience in dispute adjudication”.

(2B) The term of office of the Warehouse Receipts Appeals Committee shall be for a period of three years.”

(Vice-Chairperson, Departmental Committee on Agriculture, Livestock and Cooperatives)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 20 - as amended agreed to

Clause 21 - amendment proposed –

THAT, clause 21 of the Bill be amended by deleting the word “calibrated” appearing in sub-clause (1) and substituting therefor the word “certified”.

(Vice-Chairperson, Departmental Committee on Agriculture, Livestock and Cooperatives)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 21 - as amended agreed to

Clause 22 - agreed to

Clause 23 - amendment proposed –

THAT, clause 23 of the Bill be amended by—

- (a) deleting the words “and bonded”; and

- (b) deleting the word “persons” and substituting therefor the word “operators”

(Vice-Chairperson, Departmental Committee on Agriculture, Livestock and Cooperatives)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 23 - as amended agreed to

Clause 24 - agreed to

Clause 25 - amendment proposed –

THAT, clause 25 of the Bill be amended by deleting the word “of” and substituting therefor the word “for”.

(Vice-Chairperson, Departmental Committee on Agriculture, Livestock and Cooperatives)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 25 - as amended agreed to

Clause 26 - amendment proposed –

THAT, clause 26 of the Bill be amended in sub-clause (3) by inserting the words “crop year and season” immediately after the word “grade” appearing in paragraph (h).

(Vice-Chairperson, Departmental Committee on Agriculture, Livestock and Cooperatives)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 26 - as amended agreed to

Clauses 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39 and 40 - agreed to

Clause 41 - amendment proposed –

THAT, clause 41 of the Bill be amended by deleting the words “or bonded” appearing after the word “licensed”.

(Vice-Chairperson, Departmental Committee on Agriculture, Livestock and Cooperatives)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 41 - as amended agreed to

Clause 42 - amendment proposed –

THAT, clause 42 of the Bill be amended by inserting the word “of” immediately after the word “issuing”.

(Vice-Chairperson, Departmental Committee on Agriculture, Livestock and Cooperatives)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 42 - as amended agreed to

Clause 43 - amendment proposed –

THAT, clause 43 of the Bill be amended by deleting the words “such fine and imprisonment” appearing after the words “or to both”.

(Vice-Chairperson, Departmental Committee on Agriculture, Livestock and Cooperatives)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 43 - as amended agreed to

Clause 44 - amendment proposed –

THAT, clause 44 of the Bill be amended in sub-clause (1) by deleting the word “relevant” and substituting therefor the word “the”.

(Vice-Chairperson, Departmental Committee on Agriculture, Livestock and Cooperatives)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 44 - as amended agreed to

Schedule - amendment proposed –

PARAGRAPH 1

THAT, paragraph 1 of the Schedule be amended by—

- (a) inserting the words “or any other designated venue” immediately after the word “offices” appearing in sub-paragraph (1);
- (b) deleting the words “three quarters” appearing in sub-paragraph (3) and substituting therefor the words “two thirds”
- (c) deleting the word “one-third” and substituting therefor the words “two thirds” appearing in sub paragraph (5) .

(Vice-Chairperson, Departmental Committee on Agriculture, Livestock and Cooperatives)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Schedule - as amended agreed to

Clause 2 - amendment proposed –

THAT, clause 2 of the Bill be amended by inserting the following new definition in its proper alphabetical sequence—

“warehouse receipt system” means part or the whole of the process of depositing commodities in a licensed warehouse, the issuance of a warehouse receipt reflecting the quantity and quality of the deposited commodity, the management of the transfer of the receipts as a document of title and includes but not limited to, the regulation of warehouses and actors associated in the processes.

(Vice-Chairperson, Departmental Committee on Agriculture, Livestock and Cooperatives)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 2 - as amended agreed to

Title - amendment proposed –

THAT, the title of the Bill be amended by deleting the word “receipts” and substituting therefor the word “receipt”.

(Vice-Chairperson, Departmental Committee on Agriculture, Livestock and Cooperatives)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Title - as amended agreed to

Clause 1 - amendment proposed –

THAT, clause 1 of the Bill be amended by deleting the words “on such date as the Cabinet Secretary may, by notice in the *Gazette* may appoint”.

(Vice-Chairperson, Departmental Committee on Agriculture, Livestock and Cooperatives)

Question of the amendment proposed;

Debate arising;

Question put and agreed to;

Clause 1 - as amended agreed to

Bill to be reported with amendments;

14. **HOUSE RESUMED** – the Fourth Chairperson in the Chair

The Warehouse Receipts System Bill (National Assembly Bill No.12 of 2015)

Bill reported with amendments;

Motion made and Question proposed-

THAT, the House do agree with the Committee in the said Report

(Chairperson, Departmental Committee on Agriculture, Livestock and Co-operatives)

Question put and agreed to

Motion made and Question proposed-

THAT, the Warehouse Receipts System Bill (National Assembly Bill No.12 of 2015) be now read a Third Time

(Chairperson, Departmental Committee on Agriculture, Livestock & Co-operatives)

Debate arising;

Question of Third Reading deferred to another day

And the time being twenty minutes to Seven O'clock, the Fourth Chairperson interrupted the proceedings and adjourned the House without Question put pursuant to the Standing Orders.

15. HOUSE ROSE - at twenty minutes to Seven O'clock

M E M O R A N D U M

The Speaker will take the Chair on
Wednesday, August 31, 2016 at 9.30 a.m.

--X--