



REPUBLIC OF KENYA

PARLIAMENT

SENATE BILLS
(Bill No. 25 of 2024)

THE COUNTY ALLOCATION OF REVENUE BILL, 2024

(A Bill published in the Kenya *Gazette* Supplement No. 95 of 3rd May, 2024 and passed by the Senate, with amendments, on 11th June, 2024.)



The County Allocation of Revenue Bill, 2024

THE COUNTY ALLOCATION OF REVENUE BILL, 2024

ARRANGEMENT OF CLAUSES

Clause

- 1—Short title.
- 2—Interpretation.
- 3— Object.
- 4— Equitable allocation of county governments' share of revenue.
- 5— Budget ceilings for recurrent expenditure.
- 6— Funding of transferred functions.
- 7— Report on actual transfers.
- 8— Books of accounts to reflect National Government transfers.
- 9— Financial misconduct.
- 10— Applicable revenue - sharing formula.

FIRST SCHEDULE: ALLOCATION OF EACH COUNTY GOVERNMENTS' EQUITABLE SHARE OF REVENUE RAISED NATIONALLY IN THE FINANCIAL YEAR 2024/2025

SECOND SCHEDULE: COUNTY GOVERNMENT BUDGET CEILINGS OF RECURRENT EXPENDITURE IN THE FINANCIAL YEAR 2024/2025

THE COUNTY ALLOCATION OF REVENUE BILL, 2024

A Bill for

AN ACT of Parliament to provide for the equitable allocation of revenue raised nationally among the county governments for the 2024/2025 financial year; the responsibilities of national and county governments pursuant to such allocation; and for connected purposes.

ENACTED by Parliament of Kenya, as follows—

Short title.

1. This Act may be cited as the County Allocation of Revenue Act, 2024.

Interpretation.

2. In this Act —

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

Cap. 428.

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

Object.

3. The object of this Act is to —

(a) provide, pursuant to Article 218(1)(b) of the Constitution, for the allocation of an equitable share of revenue raised nationally among the county governments, in accordance with the resolution approved by Parliament under Article 217 of the Constitution for the financial year 2024/25; and

(b) facilitate the transfer of allocations made to counties under this Act from the Consolidated Fund to the respective County Revenue Funds.

Equitable
allocation of
county
governments'
share of revenue.

4. (1) Each county governments' equitable share of revenue raised nationally, on the basis of the revenue sharing formula approved by Parliament in accordance with Article 217 of the Constitution in respect of the financial year 2024/25 shall be as set out in Column F of the First Schedule.

The County Allocation of Revenue Bill, 2024

Cap 412A.

Budget ceilings
for recurrent
expenditure.

Funding of
transferred
functions.

Report on actual
transfers.

(2) Each county government's allocation under subsection (1) shall be transferred to the respective County Revenue Fund in accordance with a payment schedule approved by the Senate and published in the *Gazette* by the Cabinet Secretary in accordance with section 17 of the Public Finance Management Act.

5. The budget ceilings for recurrent expenditure for county governments for the financial year 2024/2025 shall be as set out in the Second Schedule.

6. (1) Where a county government has transferred a function to the National Government pursuant to Article 187 of the Constitution, the respective county executive in consultation with the National Government shall determine the cost of the transferred functions.

(2) The respective county assembly shall appropriate such monies as may be required for the transferred function in accordance with the determination made under subsection (1) and the allocation shall not be less than the amount appropriated by the county assembly in the preceding financial year.

(3) The monies appropriated under subsection (1) shall be transferred to the National Government.

(4) A National Government entity to which a county government function has been transferred shall submit a quarterly report to the Senate and the respective county assembly on the status of the discharge of the devolved function.

(5) The Auditor-General shall, no later than three months after the end of a financial year, prepare a special audit report on the financial and non-financial performance of an entity to which a county government function has been transferred.

(6) The Auditor-General shall submit the report under subsection (5) to the Senate and the respective county assembly.

7. The Cabinet Secretary shall publish a monthly report on actual transfers of all allocations to county governments.

The County Allocation of Revenue Bill, 2024

Books of accounts
to reflect National
Government
transfers.

Cap. 412A.

Financial
misconduct.

Cap.412A

Applicable
revenue-sharing
formula.

8. (1) Each county treasury shall reflect all transfers by the national government to the county governments in its books of accounts.

(2) The estimates of revenue of each county shall separately reflect the total equitable revenue share under section 4 of this Act transferred to the County Revenue Fund.

(3) A county treasury shall as part of its consolidated quarterly and annual reports required under the Public Finance Management Act report on actual transfers received by the county government from the national government, up to the end of that quarter or year in the format prescribed by the Public Sector Accounting Standards Board or in the absence of a format prescribed by the Board, in the format prescribed by the National Treasury.

9. Despite the provisions of any other law, any serious or persistent non-compliance with provisions of this Act constitutes an offence under the Public Finance Management Act.

10. For the avoidance of doubt the allocation of the equitable share of revenue to county governments under section 4 of this Act shall be in accordance with the third determination of the basis of the division of revenue among counties approved by Parliament pursuant to Article 217(7) of the Constitution.

FIRST SCHEDULE (s.4(1))

Allocation of Each County Governments' Equitable Share of Revenue Raised Nationally in the FY 2024/25

		FY 2023/24	FY 2024/25	0.5 (Allocation Ratio*)	Equitable Share Column C	(Equitable Share** - 0.5 Allocation Ratio) *(Formula***)	Equitable Share Column D	Column E	Column F=C+E	Total Equitable Share****
SN	County	Column A		Allocation ratio	Equitable Share Column C	Allocation ratio	Allocation ratio	Equitable Share Column E		
1	Baringo	6,647,771,186	1.61	2,547,825,000	1.80	4,365,102,952	1.80	4,365,102,952	6,912,927,952	
2	Bomet	6,977,924,070	1.74	2,753,550,000	1.86	4,497,578,230	1.86	4,497,578,230	7,251,128,230	
3	Bungoma	11,111,983,608	2.81	4,446,825,000	2.93	7,096,216,769	2.93	7,096,216,769	11,543,041,769	
4	Busia	7,475,585,295	1.9	3,006,750,000	1.97	4,757,851,080	1.97	4,757,851,080	7,764,601,080	
5	Elgeyo/Marakwet	4,801,453,188	1.22	1,930,650,000	1.26	3,056,468,183	1.26	3,056,468,183	4,987,118,183	
6	Embu	5,341,810,744	1.36	2,152,200,000	1.40	3,395,894,359	1.40	3,395,894,359	5,548,094,359	
7	Garissa	8,248,748,101	2.22	3,513,150,000	2.08	5,041,865,575	2.08	5,041,865,575	8,555,015,575	
8	Homa Bay	8,128,387,250	2.13	3,370,725,000	2.09	5,065,355,677	2.09	5,065,355,677	8,436,080,677	
9	Isiolo	4,899,041,209	1.34	2,120,550,000	1.22	2,958,185,614	1.22	2,958,185,614	5,078,735,614	
10	Kajado	8,300,213,576	2.03	3,212,475,000	2.24	5,416,780,865	2.24	5,416,780,865	8,629,255,865	
11	Kakamega	12,912,646,262	3.29	5,206,425,000	3.39	8,204,610,025	3.39	8,204,610,025	13,411,035,025	
12	Kericho	6,703,129,925	1.7	2,690,250,000	1.77	4,272,407,506	1.77	4,272,407,506	6,962,657,506	
13	Kiambu	12,227,552,449	2.98	4,715,850,000	3.31	7,997,509,169	3.31	7,997,509,169	12,713,359,169	
14	Kilifi	12,109,200,498	3.3	5,222,250,000	3.03	7,332,353,733	3.03	7,332,353,733	12,554,603,733	
15	Kinang'o	5,420,217,528	1.34	2,120,550,000	1.45	3,513,069,143	1.45	3,513,069,143	5,633,619,143	
16	Kisii	9,258,588,608	2.46	3,892,950,000	2.36	5,712,654,088	2.36	5,712,654,088	9,605,604,088	
17	Kisumu	8,361,797,770	2.16	3,418,200,000	2.18	5,263,316,388	2.18	5,263,316,388	8,681,516,388	
18	Kitui	10,829,486,936	2.79	4,415,175,000	2.82	6,829,147,462	2.82	6,829,147,462	11,244,322,462	
19	Kwale	8,584,103,693	2.46	3,892,950,000	2.06	4,994,546,757	2.06	4,994,546,757	8,887,496,757	
20	Laukipia	5,358,246,532	1.32	2,088,900,000	1.44	3,480,787,183	1.44	3,480,787,183	5,569,687,183	
21	Lamu	3,237,350,707	0.82	1,297,650,000	0.85	2,065,148,128	0.85	2,065,148,128	3,362,798,128	

The County Allocation of Revenue Bill, 2024

SN	County	FY 2023/24		FY 2024/25		(Equitable Share**. 0.5 Allocation Ratio) *(Formula***)	Equitable Share Allocation ratio	Equitable Share Allocation ratio	Column E	Column F=C+E
		Column A	Column B	Column C	Column D					
22	Machakos	9,547,295,309	2.45	3,877,125,000	2.50	6,036,878,936	9,914,003,936			
23	Makueni	8,455,460,962	2.34	3,703,050,000	2.09	5,059,766,136	8,762,816,136			
24	Mandera	11,633,191,646	3.23	5,111,475,000	2.87	6,943,499,661	12,054,974,661			
25	Marsabit	7,560,398,412	2.14	3,386,550,000	1.84	4,443,784,637	7,830,334,637			
26	Meru	9,892,625,172	2.54	4,019,550,000	2.59	6,252,907,095	10,272,457,095			
27	Migori	8,341,446,108	2.14	3,386,550,000	2.18	5,275,346,842	8,661,896,842			
28	Mombassa	7,861,523,820	2.23	3,528,975,000	1.91	4,612,750,357	8,141,725,357			
29	Murang'a	7,473,786,703	1.99	3,149,175,000	1.90	4,604,299,531	7,753,474,531			
30	Nairobi	20,072,059,115	5.03	7,959,975,000	5.33	12,895,415,632	20,855,390,632			
31	Nakuru	13,593,424,693	3.31	5,238,075,000	3.68	8,895,720,185	14,133,795,185			
32	Nandi	7,305,294,033	1.69	2,674,425,000	2.04	4,930,362,567	7,604,787,567			
33	Narok	9,196,276,899	2.54	4,019,550,000	2.28	5,511,524,923	9,531,074,923			
34	Nyamira	5,334,198,486	1.52	2,405,400,000	1.29	3,118,214,355	5,523,614,355			
35	Nyandarua	5,905,976,056	1.54	2,437,050,000	1.53	3,693,274,412	6,130,324,412			
36	Nyeri	6,485,331,051	1.71	2,706,075,000	1.66	4,023,674,120	6,729,749,120			
37	Samburu	5,594,312,489	1.46	2,310,450,000	1.45	3,496,242,471	5,806,692,471			
38	Siaya	7,263,019,462	1.83	2,895,975,000	1.92	4,649,475,410	7,545,450,410			
39	Taita/Taveta	5,040,427,430	1.34	2,120,550,000	1.29	3,108,716,247	5,229,266,247			
40	Tana River	6,790,702,542	1.85	2,927,625,000	1.70	4,112,915,708	7,040,540,708			
41	Tharaka Nithi	4,378,234,821	1.24	1,962,300,000	1.06	2,572,180,732	4,534,480,732			
42	Trans Nzoia	7,499,822,440	1.82	2,880,150,000	2.03	4,918,443,372	7,798,593,372			
43	Turkana	13,143,946,933	3.33	5,269,725,000	3.47	8,383,475,352	13,653,200,352			
44	Uasin Gishu	8,426,072,635	2	3,165,000,000	2.32	5,601,325,224	8,766,325,224			
45	Vihiga	5,267,026,885	1.47	2,326,275,000	1.29	3,130,941,386	5,457,216,386			
46	Wajir	9,853,656,422	2.7	4,272,750,000	2.46	5,941,842,219	10,214,592,219			
47	West Pokot	6,573,866,403	1.58	2,500,350,000	1.79	4,336,964,170	6,837,314,170			

The County Allocation of Revenue Bill, 2024

		FY 2023/24	FY 2024/25				
SN	County	Column A	Column B	Allocation ratio	Equitable Share	(Equitable Share**. 0.5 Allocation Ratio) *(Formula***)	Total Equitable Share****
	Total	385,424,616,067	100	100	158,250,000,000	100	241,866,788,147
							400,116,788,147

* This is the Ksh. 316.5 billion allocations as Equitable Share to counties in the financial year 2019/20. Thus, the allocation to county governments under this component is one half of Ksh. 316.5 billion, amounting to Ksh. 158.25 billion.

** This is the Equitable Share of revenue raised nationally allocated to county governments in FY2024/25 amounting to Ksh. 400.117 billion. Once you net out one half of the amount of Allocation Ratio or Ksh. 158.25 billion from the Equitable Share of Ksh. 400.117 billion, the resulting balance of Ksh. 241.867 billion shall be allocated among county governments using the Formula.

*** Formula= 0.18*Population Indexi+0.10* Agriculture Indexi+0.05*Urban Indexi+0.14* Poverty Indexi+0.08*Land Area Indexi+0.08*Roads Indexi +0.20* Basic Share Index.

****Total Equitable Share to County Governments = 0.5 (Allocation Ratio) + ((Equitable Share-(0.5 Allocation Ratio)) * (Formula)).

The County Allocation of Revenue Bill, 2024

SECOND SCHEDULE (S.5)

County Government Budget Ceilings on Recurrent Expenditure in FY 2024/25 (Figures in Kenya Shillings)					
SN	County	County Assembly Ceilings		County Executive Ceilings	
		2023/24	2024/25	2023/24	2024/25
1	Baringo	828,250,102	880,134,270	628,507,168	811,330,131
2	Bomet	826,903,256	748,458,555	525,981,274	675,271,762
3	Bungoma	1,030,966,304	1,166,950,433	593,145,551	794,269,934
4	Busia	890,557,352	891,698,127	565,353,297	740,954,156
5	Elgeyo/Marakwet	688,567,522	731,876,015	540,143,817	682,571,452
6	Embu	655,164,072	696,347,072	470,665,205	599,617,223
7	Garissa	928,822,377	1,034,099,730	517,163,240	693,214,915
8	Homa Bay	951,617,005	967,160,105	612,652,603	807,946,650
9	Isiolo	539,314,722	556,240,773	384,717,582	483,811,987
10	Kajiado	836,365,718	825,532,961	543,625,285	705,785,753
11	Kakamega	1,400,821,103	1,482,723,167	702,976,417	954,360,037
12	Kericho	828,466,755	829,314,633	574,171,331	742,119,652
13	Kiambu	1,352,347,776	1,354,132,186	689,615,145	937,949,817
14	Kilifi	942,241,093	901,685,828	552,882,777	732,390,410
15	Kirinyaga	673,319,674	685,609,542	463,453,685	591,357,406
16	Kisii	1,112,890,743	1,114,637,995	635,010,868	842,938,395
17	Kisumu	827,121,358	1,008,619,656	548,429,020	720,990,566
18	Kitui	1,042,409,957	1,062,587,992	787,239,883	1,034,274,047
19	Kwale	667,712,409	685,501,295	436,816,651	561,039,626
20	Laikipia	545,809,049	548,716,069	429,430,142	543,968,003
21	Lamu	493,148,394	507,472,589	349,978,277	439,219,777
22	Machakos	1,021,331,660	1,094,313,264	618,887,863	817,384,477
23	Makueni	882,052,960	870,638,166	597,330,868	772,648,310
24	Mandera	983,911,204	955,086,307	537,192,934	709,410,958
25	Marsabit	714,092,325	765,337,855	477,791,217	620,635,223
26	Meru	1,105,946,626	1,110,234,818	802,472,137	1,046,885,894
27	Migori	1,003,508,709	1,006,160,215	609,089,597	803,308,177
28	Mombasa	837,169,783	773,735,933	414,726,825	550,949,872
29	Murang'a	830,709,033	841,956,442	633,050,405	822,212,796
30	Nairobi City	1,924,120,608	1,925,111,836	640,180,465	924,648,890
31	Nakuru	1,160,413,432	1,189,221,758	703,777,688	949,692,125
32	Nandi	796,999,461	881,813,047	647,212,948	829,614,196
33	Narok	911,202,495	912,668,217	545,667,285	715,936,269
34	Nyamira	746,578,493	709,762,663	458,194,685	584,106,355
35	Nyandarua	770,438,804	783,592,426	533,107,285	683,959,845
36	Nyeri	776,126,610	854,822,168	605,347,631	779,895,747
37	Samburu	593,254,286	611,949,367	482,789,720	611,274,116
38	Siaya	775,678,151	784,422,102	540,322,777	701,924,604
39	Taita/Taveta	681,840,554	706,520,871	439,488,905	567,140,475

The County Allocation of Revenue Bill, 2024

County Government Budget Ceilings on Recurrent Expenditure in FY 2024/25 (Figures in Kenya Shillings)					
SN	County	County Assembly Ceilings		County Executive Ceilings	
		2023/24	2024/25	2023/24	2024/25
40	Tana River	677,653,973	733,643,957	436,641,663	558,967,389
41	Tharaka-Nithi	517,563,626	545,776,919	445,463,668	561,403,884
42	Trans Nzoia	685,259,476	700,394,742	427,107,865	557,198,937
43	Turkana	966,834,859	895,679,650	526,961,505	704,903,707
44	Uasin Gishu	796,524,510	805,657,536	474,407,171	623,694,943
45	Vihiga	714,071,318	724,667,651	487,678,963	628,658,777
46	Wajir	992,922,326	992,609,870	599,569,960	791,932,190
47	West Pokot	683,634,469	720,096,706	589,135,145	743,044,332
	Total	40,612,656,492	41,575,373,479	25,825,556,393	33,756,814,187

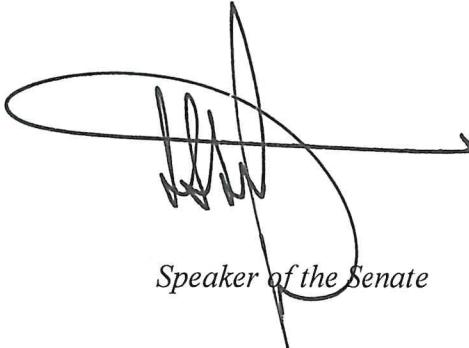
The County Allocation of Revenue Bill, 2024

I certify that this printed impression is a true copy of the Bill as passed by the Senate on Tuesday, 11th June, 2024.



Clerk of the Senate

Endorsed for presentation to the National Assembly in accordance with the provisions of standing order 161(1) of the Senate Standing Orders.



Speaker of the Senate

