

**SPECIAL ISSUE**

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REPUBLIC OF KENYA

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***KENYA GAZETTE SUPPLEMENT***

**NATIONAL ASSEMBLY BILLS, 2025**

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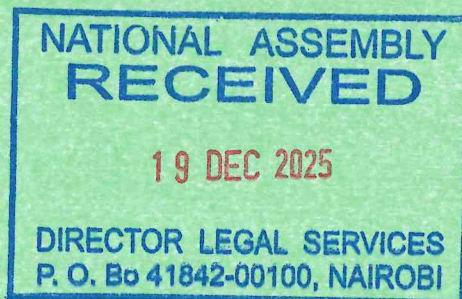
**NAIROBI, 19th December, 2025**

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DIRECTOR GENERAL  
OFFICE OF THE  
SECRETARY OF DEFENSE

**THE MISCELLANEOUS FEES AND LEVIES  
(AMENDMENT) BILL, 2025**

**A Bill for**

**AN ACT of Parliament to amend the Miscellaneous Fees and Levies Act, and for connected purposes**

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

1. This Act may be cited as the Miscellaneous Fees and Levies (Amendment) Bill, 2025.

Short title.

2. The Miscellaneous Fees and Levies Act (hereinafter referred to as “the principal Act”) is amended in section 3(1) by inserting the expression “unless otherwise provided for” immediately after the expression “The Commissioner shall”.

Amendment of section 3 of Cap. 469C.

3. The principal Act is amended in section 8, by—

Amendment of section 8 of Cap. 469C.

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

“(3) The purpose of the levy shall be to provide funds for—

- (a) financing the development and construction of railway transport infrastructure;
- (b) the safety and economic regulation of railway infrastructure; and
- (c) on the approval of the Cabinet Secretary and the Cabinet Secretary responsible for matters relating to railway transport, rehabilitation of railway transport infrastructure.”

(b) deleting subsection (4) and substituting therefor the following new subsection—

“(4) There is established a fund known as the Railway Development Levy Fund, into which the proceeds of the levy shall be paid, and which shall vest in the Board established under subsection (4A).”

- (c) inserting the following new subsections immediately after subsection (4)—

“(4A) There is established a board known as the Railway Development Levy Fund Board which is a body corporate with perpetual succession and a common seal and shall, in its corporate name, be capable of—

- (a) suing and being sued;
- (b) taking, purchasing, charging and disposing of movable and immovable property;
- (c) entering into contracts; and
- (d) doing or performing all other things necessary for the proper discharge of its functions under this Act which may be lawfully done or performed by a body corporate.

“(4B) The Railway Development Levy Fund Board shall consist of—

- (a) a chairperson appointed by the President from among the members appointed under paragraph (e);
- (b) the Principal Secretary responsible for matters relating to railway transport;
- (c) the Principal Secretary responsible for matters relating to finance;
- (d) the Attorney-General;
- (e) five other members, who shall not be public officers, appointed by the Cabinet Secretary responsible for matters relating to railway transport, with expertise in infrastructure finance, law, investment or public-private partnerships; and
- (f) the Secretary to the Railway Development Levy Fund Board

who shall be an *ex-officio* member without any right to vote at the meetings of the Board.

“(4C) The Cabinet Secretary shall make regulations to provide for—

- (a) the recruitment and appointment of the Secretary to the Railway Development Levy Fund Board and other officers and staff of the Fund;
- (b) the management and administration of the Railway Development Levy Fund; and
- (c) the usage and apportionment of monies from the Railway Development Levy Fund for the purposes for which the Fund is established.

“(4D) The regulations under subsection (4C) shall be made under and in accordance with section 24 of the Public Finance Management Act.

“(4E) For the purposes of subsection (4C)(c), a proportion of the Railway Development Levy Fund not exceeding ninety per cent of the Fund may be used to secure additional funds for the purposes provided under subsection (3)(a).

“(4F) The administrative costs of the Fund shall not exceed zero point five per cent of the Fund.

“(4G) All monies accruing to the Fund shall be paid into the following accounts established by the Board with the approval of the Cabinet Secretary—

- (a) a Fund account;
- (b) a general account, which shall be applied towards the ordinary purposes of the Fund; and

(c) a special account, into which shall be paid and from which shall be disbursed the additional funds secured pursuant to subsection (4E).

Cap. 412A.

Cap. 412B.

“(4H) All transactions relating to the special account established pursuant to subsection (4G)(c) shall be recorded, reported on and audited in accordance with the Public Finance Management Act, the Public Audit Act and any other relevant written law.

“(4I) The Board shall submit to the Cabinet Secretary and the Cabinet Secretary responsible for matters relating to railway transport, at least once every three months reports detailing the inflows, outflows, and balances of the accounts established pursuant to subsection (4G).”

## **MEMORANDUM OF OBJECTS AND REASONS**

The principal object of this Bill is to amend the Miscellaneous Fees and Levies Act (Cap. 469C) to expand the purpose of the Railway Development Levy.

**Clause 1** of the Bill provides for the short title of the Act.

**Clause 2** seeks to amend the Miscellaneous Fees and Levies Act to clarify the role of the of the Commissioner-General of the Kenya Revenue Authority where the Act has conferred mandate on another authority, in order to avoid conflict between the Commissioner and that authority.

**Clause 3** of the Bill seeks to amend section 8(3) of the Act by deleting the existing subsection and substituting it with a new provision that expands the purpose of the Railway Development Levy to include the development, construction, upgrading, rehabilitation and management of railway infrastructure and railway related transport infrastructure.

The proposed amendment also provides for the establishment of the Railway Development Levy Fund into which the proceeds of the levy shall be paid, and the establishment of the Railway Development Levy Fund Board to administer and manage the Fund.

The Bill also proposes to confer on the Cabinet Secretary the power to make regulations for the administration and management of the Fund; allocations from the Fund; and the use of a proportion of the moneys in the Fund to secure additional funds for the development, construction and management of railway infrastructure and railway related transport infrastructure.

Further, the Bill proposes to provide for the establishment of accounts into which the proceeds of the Levy shall be paid and the additional funds secured from the apportioned funds from the Fund, and reporting and auditing on the financial affairs of the accounts.

Dated the 18th December, 2025.

**KIMANI ICHUNGWAH,**  
*Leader of Majority Party.*

*Section 3 of Cap. 469C which it is intended to amend—*

### **3. Functions and powers of the Commissioner and other officers**

(1) The Commissioner shall be responsible for the control and collection of, and accounting for, duties, fees and levies paid under this Act and shall, subject to the direction and control of the Cabinet Secretary, have the superintendence of all matters relating thereto.

(2) The Commissioner shall appoint such officers as may be necessary for the administration of this Act.

(3) The Commissioner may authorize any officer appointed under this section to perform any of the functions of the Commissioner under this Act or the regulations, other than the functions under subsection (2)

(4) Every authorised officer appointed under this section shall enforce, and ensure due compliance with, the provisions of this Act and the regulations, and shall make all due inquiries in relation thereto.

(5) Every authorised officer appointed under this section shall, on demand, produce such documents establishing his or her identity as may be approved by the Commissioner.

(6) Every authorised officer shall, in carrying out the provisions of this Act, regard and deal with all documents and information relating to fees and charges and all confidential instructions in respect of the administration of this Act which may come into his possession or to his knowledge in the course of his duties as confidential.

(7) Any decision made and any notice or communication issued or signed by any authorised officer may be withdrawn or amended by the Commissioner or by the authorised officer concerned, and shall, until it has been so withdrawn, be deemed to have been made, issued or signed by the Commissioner.

*Section 8 of Cap. 469C which it is intended to amend—*

### **8. Railway development levy**

!"# There shall be paid a levy to be known as the railway development levy, on all goods imported into the country for home use.

!\$# The levy shall be at the rate of two per cent of the customs value of the goods and shall be paid by the importer of such goods at the time of entering the goods into the country for home use.

(2A) Deleted by Act No. 4 of 2023, s. 71 (b).

(3) The purpose of the levy shall be to provide funds for the construction and operation of a standard gauge railway network in order to facilitate the transportation of goods.

(4) The Cabinet Secretary shall, by regulations, establish a railway development levy fund into which all the proceeds of the levy shall be paid.

(5) The fund referred to in subsection (4) shall be established, managed, administered or wound up in accordance with section 24 of the Public Finance Management Act (Cap. 412A) and the regulations made under that Act.

(6) No levy shall be charged in respect of the goods specified in Part B of the Second Schedule when imported or purchased before clearance through customs.

