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**THE NATIONAL ASSEMBLY**

**THIRTEENTH PARLIAMENT – FIFTH SESSION – 2026**

**DIRECTORATE OF DEPARTMENTAL COMMITTEES**


**DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL PLANNING**

**REPORT ON:**

**THE CONSIDERATION OF THE INCOME TAX (AMENDMENT) BILL  
(NATIONAL ASSEMBLY BILL NO. 20 OF 2026)**

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<b>CLERK AT THE TABLE:</b>	INZOPU MWALE APRIL 2026

## TABLE OF CONTENTS

<b>ANNEXURES</b> .....	4
<b>CHAIRPERSON'S FOREWORD</b> .....	5
<b>CHAPTER ONE</b> .....	6
<b>I PREFACE</b> .....	6
<b>1.1 ESTABLISHMENT AND MANDATE OF THE COMMITTEE</b> .....	6
<b>1.2 COMMITTEE MEMBERSHIP</b> .....	7
<b>1.3 COMMITTEE SECRETARIAT</b> .....	8
<b>CHAPTER TWO</b> .....	9
<b>2.0 OVERVIEW OF THE INCOME TAX (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 20 OF 2026)</b> .....	9
<b>2.1 Background</b> .....	9
<b>2.2 Summary of Legal Provisions</b> .....	9
<b>CHAPTER THREE</b> .....	11
<b>3. PUBLIC PARTICIPATION AND STAKEHOLDER ENGAGEMENT ON THE BILL</b> .....	11
<b>3.1 LEGAL FRAMEWORK ON PUBLIC PARTICIPATION</b> .....	11
<b>3.2 MEMORANDA RECEIVED ON THE BILL</b> .....	11
<b>CHAPTER FOUR</b> .....	30
<b>4 COMMITTEE OBSERVATIONS</b> .....	30
<b>CHAPTER FIVE</b> .....	31
<b>5 COMMITTEE RECOMMENDATION</b> .....	31

## **LIST OF ABBREVIATIONS AND ACRONYMS**

COK	-	Constitution of Kenya
ICPAK	-	Institute of Certified Public Accountants of Kenya
IPF	-	Institute of Public Finance
KISM	-	Kenya Institute of Supplies Management
LSK	-	Law Society of Kenya
MP	-	Member of Parliament
OCOB	-	Office of the Controller of Budget
ODM	-	Orange Democratic Movement
PWC	-	PricewaterhouseCoopers
UDA	-	United Democratic Alliance

## CHAPTER ONE

### I PREFACE

#### I.1 ESTABLISHMENT AND MANDATE OF THE COMMITTEE

1) The Departmental Committee on Finance and National Planning is one of twenty departmental committees of the National Assembly established under **Standing Order 216** whose mandate pursuant to the **Standing Order 216 (5)** is as follows:

- a) *To investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned ministries and departments;*
- b) *To study the programme and policy objectives of ministries and departments and the effectiveness of the implementation;*
- c) *To, on a quarterly basis, monitor and report on the implementation of the national budget in respect of its mandate;*
- d) *To study and review all legislation referred to it;***
- e) *To study, assess and analyse the relative success of the ministries and departments as measured by the results obtained as compared with their stated objectives;*
- f) *To investigate and inquire into all matters relating to the assigned ministries and departments as they may deem necessary, and as may be referred to them by the House;*
- g) *To vet and report on all appointments where the Constitution or any law requires the National Assembly to approve, except those under Standing Order 204 (Committee on Appointments);*
- h) *To examine treaties, agreements and conventions;*
- i) *To make reports and recommendations to the House as often as possible, including recommendations of proposed legislation;*
- j) *To consider reports of Commissions and Independent Offices submitted to the House pursuant to the provisions of Article 254 of the Constitution; and*
- k) *To examine any questions raised by Members on a matter within its mandate.*

2. The Second Schedule to the National Assembly Standing Orders assigns the Committee the mandate to consider matters in relation to public finance, public audit policies, monetary policies, financial institutions, economy, investment policies, competition, banking, insurance, national statistics, population, revenue policies including taxation, national planning and development, digital finance, including digital currency.

3. In executing its mandate, the Committee oversees the following Ministries/Departments:

- i) The National Treasury.
- ii) State Department for Economic Planning.
- iii) State Department for Public Investments and Asset Management.
- iv) The Commission on Revenue Allocation (CRA)
- v) Office of the Controller of Budget

## **I.2 COMMITTEE MEMBERSHIP**

I. The Departmental Committee on Finance and National Planning was constituted by the House on 27<sup>th</sup> October 2022 and reconstituted on Wednesday, 5<sup>th</sup> March 2025 and comprises the following Members:

### **Chairperson**

Hon. FCPA Kuria Kimani, CBS, MP  
Molo Constituency  
**UDA Party**

### **Vice-Chairperson**

Hon. (Amb.) FCPA Langat Benjamin Kipkirui, CBS, MP  
Ainamoi Constituency  
**UDA Party**

### **Members**

Hon. Peter Kaluma, CBS, MP  
Homa Bay Town Constituency  
**ODM Party**

Hon. Sunkuyia, R. George, MP  
Kajiado West Constituency  
**UDA Party**

Hon. FCPA Oyula, Joseph H. Maero, MP  
Butula Constituency  
**ODM Party**

Hon. Betty N. Maina, MP  
Murang'a County  
**UDA Party**

Hon. Mboni, David Mwalika, MP  
Kitui Rural Constituency  
**WDM Party**

Hon. Sheikh Umul Sheikh, MP  
Mandera County  
**UDM Party**

Hon. Okuome Adipo Andrew, MP  
Karachuonyo Constituency  
**ODM Party**

Hon. (Dr.) Shadrack Mwiti, MP  
South Imenti Constituency  
**Jubilee Party**

Hon. Chiforomodo, Munga, MP  
Lunga Lunga Constituency  
**UDM Party**

Hon. (Dr.) Ariko John Namoit, MP  
Turkana South Constituency  
**ODM Party**

Hon. CPA Rutto Julius Kipletting, MP  
Kesses Constituency  
**UDA Party**

Hon. Machele M. Soud, MP  
Mvita Constituency  
**ODM Party**

Hon. Paul Biego, MP  
Chesumei Constituency  
**UDA Party**

### **I.3 COMMITTEE SECRETARIAT**

4. The Committee is facilitated by the following staff:

Ms. Tracy Chebet  
**Principal Clerk Assistant II**

Ms. Jennifer Ndeto  
**Deputy Director Legal Services**

Mr. Benson Kamande  
**Clerk Assistant III**

Mr. Salem Lorot  
**Senior Legal Counsel**

Ms. Winfred Kambua  
**Clerk Assistant III**

Mr. George Ndenjeshe  
**Fiscal Analyst II**

Ms. Nelly W. Ondieki  
**Research Officer III**

Mr. Eugene Luteshi  
**Audio Officer III**

Mr. James Macharia  
**Media Relations Officer**

Mr. Benson Muthuri  
**Assistant Serjeant-At-Arms**

Ms. Joyce Wachera  
**Hansard Reporter II**

Mr. Allan Ngugi  
**Administrative Officer III**

## CHAPTER TWO

### 2.0 OVERVIEW OF THE INCOME TAX (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO. 20 OF 2026)

#### 2.1 Background

5. The Income Tax (Amendment) Bill (National Assembly Bill No. 20 of 2026) is a Bill sponsored by Hon. FCPA Kuria Kimani, CBS, MP. The Bill was published on 2<sup>nd</sup> April 2026 vide Kenya Gazette Supplement No. 100 of 2026. The Bill was then committed to the Committee for its consideration and tabling of the report to the House pursuant to Standing Order 127.

#### 2.2 Summary of Legal Provisions

6. The principal object of this Bill is to amend the Income Tax Act to provide for exemption of capital gains tax in the transfer of property by a company to its shareholders as part of an internal reorganization, or on the transfer of property to the company by the shareholders as consideration for the transfer.
7. Currently, under the Eighth Schedule to the Income Tax Act, transfers of property between a company and its shareholders are generally subject to Capital Gains Tax where such transfers result in a disposal for tax purposes. This means that even where a company undertakes internal restructuring involving the transfer of assets within the same economic group, such transactions may still attract Capital Gains Tax if they fall within the definition of a chargeable transfer.
8. The proposed amendment introduces a new exemption under item 6 of the Eighth Schedule to address this gap. It provides that transfers of property between a company and its shareholders, as part of an internal reorganisation, shall not be subject to Capital Gains Tax, provided certain conditions are met. These conditions include that the property must be distributed in proportion to the shareholders' existing shareholding immediately before the transfer, and where shares are involved, they must relate to a subsidiary of the company undertaking the reorganisation.
9. At present, the Income Tax Act does not define the term "internal reorganisation" for purposes of the Eighth Schedule. This lack of definition creates uncertainty in determining which transactions qualify for tax relief and may expose taxpayers to differing interpretations by tax authorities. In some cases, this ambiguity may lead to disputes regarding whether a particular restructuring qualifies for exemption or constitutes a taxable disposal.
10. The Bill also defines "internal reorganisation." Under the proposed Bill, internal reorganisation is defined as any restructuring of the ownership, control, or assets of a company that does not involve a transfer of property to a third party. The effect of this definition is to limit the exemption strictly to intra-group transactions, thereby ensuring that only genuine internal restructuring exercises qualify for relief while excluding transactions involving external parties.

11. Under the current provisions of Section 7 of the Income Tax Act, certain distributions made by a company to its shareholders may be treated as dividends for income tax purposes and therefore subject to taxation. In situations where a company undertakes restructuring involving the transfer of assets to shareholders, such transfers could potentially be reclassified as dividends, depending on their nature and structure.
12. The proposed amendment to Section 7 provides that transfers of property made under the new exemption in the Eighth Schedule, as part of an internal reorganisation, shall not be treated as distributions for purposes of income tax. The effect of this provision is to prevent such transactions from being classified as dividends, thereby ensuring that they are not subjected to income tax under Section 7.

## CHAPTER THREE

### 3. PUBLIC PARTICIPATION AND STAKEHOLDER ENGAGEMENT ON THE BILL

#### 3.1 LEGAL FRAMEWORK ON PUBLIC PARTICIPATION

13. Article 118 (1)(b) of the Constitution provides that:

*“Parliament shall facilitate public participation and involvement in the legislative and other business of Parliament and its Committees.”*

14. The National Assembly Standing Order 127 (3) and (3A) stipulates that:

*“(3) The Departmental Committee to which a Bill is committed shall **facilitate public participation on the Bill** through an appropriate mechanism including-*

- (a) inviting submission of memoranda;*
- (b) holding public hearings;*
- (c) consulting relevant stakeholders in a sector; and*
- (d) consulting experts on technical subjects.*

*(3A) The Departmental Committee shall take into account the views and recommendations of the public under paragraph (3) in its report to the House.”*

#### 3.2 MEMORANDA RECEIVED ON THE BILL

15. Pursuant to the aforementioned provisions of law, the Clerk of the National Assembly placed an advertisement in the print media on 17<sup>th</sup> April 2026 inviting the public to submit memoranda on the Bill. Further, the Clerk of the National Assembly vide letter Ref NA/DDC/F&NP/2026/069 dated 20<sup>th</sup> April 2026 invited key stakeholders to submit views on the Bill and attend a public participation forum on 24<sup>th</sup> April 2026 respectively.

16. The Committee received twelve memoranda from the following stakeholders:

- i) PricewaterhouseCoopers (PWC);
- ii) KPMG;
- iii) Bowmans;
- iv) SKM Africa;
- v) The Law Society of Kenya (LSK);
- vi) WeCare CBO;
- vii) Westminster Consulting LLP;
- viii) Oxfam Kenya;
- ix) Deloitte & Touche LLP;
- x) Ernest and Associates;
- xi) Kenya Institute of Supplies Management (KISM); and
- xii) Office of the Controller of Budget (OCOB).

## Clause 2

17. **KPMG** supported the proposal noting that this provides welcome cash-flow relief for entities undergoing internal reorganizations by exempting deemed dividends from withholding tax (WHT) where a company transfers assets, including shares, to its shareholders. This exemption allows companies to simplify their operational or ownership structures without triggering an immediate tax liability. The amendment directly addresses a long-standing concern that Kenya's tax framework has historically discouraged legitimate intra- group restructurings by treating such transfers as taxable distribution events.
18. **Bowmans** supported the proposal noting that this is an important clarification as it would make it easier for group companies to undertake internal restructurings and other separations of assets, without creating a dividend tax cost merely because property moves from the company to its existing shareholders in proportion to their existing interests.
19. **SKM Africa** supported the proposal. They observed that this a timely amendment as it ensures that internal reorganisations will no longer trigger deemed dividend treatment, eliminating withholding tax costs where no shareholder enrichment occurs. It also aligns tax treatment with economic substance by recognising that internal restructurings do not constitute profit distributions to shareholders.
20. **LSK** noted that the amendment works in tandem with proposed changes to the Eighth Schedule exempting qualifying internal reorganisations from Capital Gains Tax. The Law Society of Kenya supported the amendment to the Income Tax Act. The proposed amendment represents a positive step toward facilitating corporate reorganizations by introducing exemptions intended to remove immediate tax barriers.
21. They proposed expressly excluding transfers that qualify for the reorganization exemption from the application of Paragraph 8(4A) of The Eighth Schedule to the Income Tax Act. This ensures neutrality by not deferring or shifting the burden to the transferee and removes the commercial constraint.

### **PricewaterhouseCoopers Limited (PWC)**

22. Amend the proposed section 7(1)(c) to read as follows: -  
*“Notwithstanding paragraphs (a) and (b), a transfer of property by a company to its shareholders under paragraph 6(2)(i) of the Eighth Schedule shall not be deemed to be a dividend distribution for the purposes of this Act.”*
23. They noted that the current drafting does not clearly disapply deemed dividend treatment under section 7, and whereas clarifying the terminology ensures that qualifying internal reorganisations remain tax-neutral, the amendment will enhance drafting precision, reduce interpretive disputes with the Kenya Revenue Authority, and strengthen certainty for taxpayers.

**Committee Observation:**

The Committee noted the proposal seeking to amend the drafting to expressly clarify that “distribution” refers to “dividend distribution” for purposes of section 7 of the Income Tax Act. The Committee agreed with the stakeholder that the proposed amendment is clarificatory in nature and enhances precision in drafting by removing ambiguity in the application of deemed dividend treatment to qualifying internal reorganisations under paragraph 6(2)(i) of the Eighth Schedule.

**WeCare Youth Organization**

24. Amend the proposal as follows: -

*Provided that a transfer under paragraph (c) shall only qualify for non-distribution treatment where the Commissioner is satisfied that:*

- (i) the transfer is undertaken for genuine commercial purposes and not for the avoidance of income tax or CGT*
- (ii) the company has notified the Commissioner of the reorganisation in the prescribed form within a maximum 30 days of completion and*
- (iii) No artificial arrangement has been done to inflate the value of the transferred property.*

25. This amendment is to introduce conditions requiring that qualifying transfers be undertaken for genuine commercial purposes, be reported to the Commissioner within a prescribed timeline, and not involve artificial valuation arrangements, since excluding such transfers from dividend treatment without safeguards may allow shareholders to extract economic value tax-free, thereby undermining equity and eroding the tax base.

**Committee Observation:**

The Committee noted the concerns regarding possible abuse of the exemption. However, the Committee was of the view that these concerns are adequately addressed under existing law, including Section 23 of the Income Tax Act on tax avoidance arrangements and the Tax Procedures Act, 2015, which provides for reporting, compliance and enforcement mechanisms. The Committee observed that embedding additional safeguards within this clause would duplicate existing statutory protections and create unnecessary compliance burdens. The proposal was therefore not adopted.

**Westminster Consulting LLP**

26. Amend the proposal to provide that transactions undertaken pursuant to a qualifying internal reorganisation shall not be deemed to constitute a dividend. This should apply whether the transaction is effected through the transfer of property, cash, or through any accounting entry, credit, allocation or other form of value transfer to shareholders. This amendment is necessary because the current drafting limits relief to physical transfers of property. It does not capture accounting-based restructurings such as the reclassification of reserves or crediting of shareholder accounts. At the same time, the definition of dividend under the Act

already covers such value movements. This creates inconsistent tax outcomes for transactions that are economically identical but differ only in form. Expanding the provision will ensure tax neutrality and eliminate interpretational gaps.

**Committee Observation:**

**The Committee noted the proposal to broaden the scope of the exemption. However, the Committee was of the view that the amendment as drafted, read together with the definition of dividend under Section 2 and Section 7 of the Income Tax Act, provides sufficient interpretive basis for implementation. The Committee further observed that any administrative clarification on the application may be addressed through regulations or guidance by the Commissioner, and therefore, no amendment was necessary.**

**Oxfam Kenya**

27. Amend the clause as shown below: -

- i. Add a wealth/income qualifier. The CGT exemption under this clause should apply only where the total market value of assets transferred to any single shareholder does not exceed Ksh50 million (to be reviewed every 3 years by the Cabinet Secretary on advice of KRA).
- ii. Insert a sunset clause to provide that the provision should lapse 5 years after enactment unless renewed by Parliament following a revenue impact review.
- iii. Add a mandatory disclosure requirement that, companies relying on this exemption must submit a completed reorganisation disclosure Form to KRA within 30 days. (Kenya's Tax Procedures Act, Cap. 469B prescribes 30-day notification windows for several compliance obligations, so it is internally consistent with the existing framework) of the transfer, detailing the nature of the reorganisation, total value transferred, and identities of recipient shareholders.

28. They noted that the current provision applies uniformly regardless of transaction value and may disproportionately benefit high-net-worth individuals, while the absence of periodic review and reporting creates opacity and limits oversight. Incorporating these safeguards will promote progressive taxation, enhance transparency, and enable effective monitoring by the Kenya Revenue Authority.

**Committee Observation**

**The Committee noted the proposal seeking additional safeguards through thresholds, review mechanisms, and disclosures. However, the Committee was of the view that imposing transaction value caps or sunset clauses would undermine certainty and predictability in taxation, contrary to Article 201 of the Constitution, and may reintroduce distortions that discourage legitimate reorganisations and will still cause fragmentation. The Committee further observed that disclosure obligations are already provided for under the Tax Procedures Act, 2015, and need not be duplicated in this amendment. The proposal was therefore not adopted.**

## Westminster Consulting LLP

### Clauses 2 and 3

29. Amend this provision to clarify that the exemption applies to all forms of internal reorganisation. This includes transactions implemented through transfer of property as well as those effected through accounting entries and value reallocations. This clarification is important because modern corporate restructurings are often executed through a combination of legal and accounting mechanisms. Limiting the exemption to form-based transactions creates a disconnect between the law and commercial practice. Extending the scope will ensure consistent treatment of all qualifying reorganisations based on their economic substance. Additionally, adopting a substance-based framework will enhance coherence, reduce complexity, and improve predictability in tax treatment, as well as align the exemption framework with international best practice.

### Committee Observation

**The Committee noted the stakeholder's proposal but was of a different view that the provisions in the Bill were sufficient and that they address the stakeholder's concerns.**

### Clause 3 (a)

30. **KPMG** supported the introduction of a tax-neutral regime for internal reorganisations involving a company and its shareholders. They stated that this proposed exemption extends relief to entities conducting internal restructurings outside a formal group context, provided such restructurings already qualify for Capital Gains Tax (CGT) exemption under Paragraph 13 of the Eighth Schedule to the Income Tax Act.

31. However, they noted that the proposed relief is conditional on property being transferred to shareholders in proportion to their respective shareholdings. Any disproportionate transfer, even within the same group, falls outside the exemption and remains subject to tax. This proportionality requirement must be carefully observed in structuring any reorganization. Where the transferred property consists of shares, those shares must be in a subsidiary of the transferring company. The relief, therefore, does not extend to transfers of shares in unrelated companies or associates.

32. **Bowmans** were in support of the provision, noting that it introduces a useful capital gains tax relief for genuine internal reorganisations. They observed that there is a need to provide clarification that the relief applies irrespective of whether the shareholders are related or unrelated, provided the conditions in the clause are met.

33. **SKM Africa** stated that this proposal is a welcome reform that will facilitate efficient internal reorganization within corporate structures. Businesses can restructure, consolidate, or

realign operations without incurring unintended tax outcomes. This enhances flexibility in group structuring, facilitates succession and corporate simplification, and supports ease of doing business. They noted that the proposal is consistent with modern tax policy principles that seek to tax real economic gains.

## **OCOB**

34. The Controller of Budget noted that CGT is a constitutionally sanctioned revenue stream appropriated through Finance Acts. A permanent CGT exemption for internal reorganisations, without a sunset clause or review mechanism, creates an open-ended revenue risk. Additionally, OCOB observed that the reverse transfer limb (shareholders to company) could be susceptible to abuse where property is cycled through a nominally 'internal' reorganisation to achieve a tax-free uplift in the cost base of assets, potentially eroding the CGT base without genuine commercial restructuring.

35. They proposed introducing

- a) a mandatory 3-year post-enactment review of the revenue impact of the exemption;
- b) a requirement that reorganisations exceeding a prescribed threshold (e.g., Kshs 500 million in asset value) obtain an advance ruling from KRA before the CGT exemption applies, and
- c) an anti-avoidance provision requiring that the property transferred back be the same or a directly traceable asset, and that the reorganisation not result in a change of ultimate beneficial ownership within 5 years of completion.

## **Committee Observation**

**The Committee noted the concerns raised by the Office of the Controller of Budget. However, the Committee was of the view that the Income Tax Act (Cap. 470), the Tax Procedures Act, 2015, and existing administrative enforcement mechanisms already provide sufficient safeguards against tax avoidance, including the Commissioner's powers of audit, assessment, and application of anti-avoidance provisions under Section 23 of the Income Tax Act.**

**The Committee further observed that introducing statutory advance ruling thresholds, mandatory post-enactment reviews, and extended ownership continuity tests within this provision would overburden the exemption framework, reduce transaction certainty, and undermine the objective of facilitating efficient corporate restructuring. The Committee was therefore of the view that such safeguards are better addressed through administrative practice and broader fiscal policy review rather than embedded statutory conditions. Accordingly, the Committee did not adopt the proposal.**

## Deloitte & Touche LLP

36. The stakeholder observed that the current drafting restricts legitimate reorganisations and fails to reflect modern business structures. Anchoring the exemption on ownership continuity and proportionality will ensure that only genuine internal reorganisations benefit, thereby preserving the tax base while enhancing flexibility and investment attractiveness. Therefore, they proposed amending the paragraph to read as follows:

- (i) *by the transfer of property—*
- a) *by a company to its shareholders as part of an internal reorganisation or by shareholders to a company as consideration for such a reorganisation; or*
  - b) *by a company in a group to any other company within the group or its underlying owners as part of an internal reorganisation;*
  - c) *by a partnership or limited liability partnership (LLP) to its partners as part of an internal reorganisation, or by partners to a partnership or LLP as consideration for such a reorganisation; or*
  - d) *by a partnership or LLP in a group to another partnership or LLP within the part of an internal reorganisation.*

*provided that—*

- I. *The property is transferred in proportion to the shareholding or ownership interest of the shareholders or Group companies, Partnerships or LLPs, immediately before the transfer.*
- II. *where the property consists of shares, such shares relate to a direct or indirect subsidiary, Partnership, LLP of the entity undertaking the transfer; and*
- III. *The transfer does not result in a change in the underlying ownership of the property.*

## Committee Observation

**The Committee noted the proposal by the stakeholder. However, the Committee further observed that the principle of tax neutrality in genuine reorganisations is already achieved through the interaction of the deemed dividend provisions under Section 7 and the Capital Gains Tax provisions under the Eighth Schedule. Accordingly, codifying detailed transactional permutations and ownership tests within this clause may unnecessarily complicate implementation and narrow legitimate restructuring flexibility. The Committee therefore did not adopt the proposal.**

## **WeCare Youth Organization**

37. Amend the provision to insert additional safeguards like reporting obligations, a minimum holding period, independent valuation of transferred assets, and a restriction where there is a change in underlying beneficial ownership. The absence of such safeguards may enable abuse of the exemption through artificial restructuring and premature disposal of assets, and whereas anchoring the relief on ownership continuity, transparency, and economic substance will ensure that only genuine internal reorganisations benefit, thereby preserving the tax base while enhancing compliance, investor confidence, and fiscal sustainability.

### **Committee Observations**

**The Committee noted the proposal by the stakeholder. However, the Committee was of the view that such safeguards are already adequately provided for under the Tax Procedures Act, 2015 (including reporting and compliance obligations), the Income Tax Act (including anti-avoidance provisions), and valuation requirements under existing tax administration practice and applicable valuation standards.**

**The Committee further observed that introducing additional statutory conditions, such as minimum holding periods and enhanced beneficial ownership tests within this clause, would impose unnecessary rigidity, reduce commercial flexibility, and potentially discourage legitimate business reorganisations. Accordingly, the Committee did not adopt the proposal.**

## **Oxfam Kenya**

38. The current drafting does not adequately address multi-step avoidance arrangements, valuation manipulation, or pre-transaction restructuring designed to meet proportionality conditions. Applying the exemption uniformly across all asset classes exposes high-risk sectors such as land to abuse hence the below proposed amendment.
- i. Expand and strengthen the 'internal reorganisation' definition by adding a step-transaction doctrine clause:  
*“Where a series of transactions are pre-arranged and, viewed together, result in an effective disposal to a third party, the exemption shall not apply to any step in the series.”*
  - ii. Enact a GAAR concurrently where the Finance Bill 2026 should include a comprehensive General Anti-Avoidance Rule applicable to all provisions of the Income Tax Act, including this exemption.
  - iii. Amend the proportionality baseline showing that shareholding should be assessed at the date that is the earlier of (a) immediately before the transfer or (b) 12 months before the commencement of the reorganisation plan.
  - iv. Add an arm's length valuation requirement where all assets transferred under this exemption must be valued by a registered valuer (per the Valuers Act, Cap. 532) and the valuation submitted to KRA.

- v. Apply differentiated treatment by asset class. Land and high-value immovable property transfers should be excluded from this exemption (or subject to a reduced rather than zero CGT rate) given the existing high incidence of land-based wealth accumulation and avoidance in Kenya.

### **Committee Observation**

The Committee noted the extensive anti-avoidance and structural proposals by the stakeholder. However, the Committee was of the view that Kenya's tax legal framework already contains a comprehensive anti-avoidance regime, including Section 23 of the Income Tax Act on tax avoidance arrangements, as well as valuation, enforcement, and compliance mechanisms under the Tax Procedures Act, 2015. The Committee further observed that introducing additional statutory doctrines such as step-transaction rules and asset-class-based exclusions within this provision would create fragmentation in tax law and undermine uniform application of the exemption.

### **Ernst & Young (LLB) (EY)**

39. The stakeholder stated that the paragraph as currently phrased creates ambiguity about what the property is being transferred in exchange for. They noted that there is need to link consideration to the issuance of an interest or claim on the company thereby resolving the ambiguity. They proposed amending the clause to read as follows; -

*“by the transfer of property by a company to its shareholders as part of an internal reorganization, or on the transfer of property to the company by the shareholders consideration for as an Interest or claim -transfer on the company to such shareholders pursuant to this paragraph, provided that....”*

### **Committee Observation**

The Committee noted the concern raised by the stakeholder however it was of the view that, the Income Tax Act already contemplates transfer of property in exchange for shares under recognised reorganisation provisions, and introducing “interest or claim” may create interpretational inconsistencies. Accordingly, the Committee did not adopt the proposal by the stakeholder

40. Additionally, EY noted that there is need to widen the scope of the proposed provision in the bill to include both indirect and direct transfers of property to shareholders. They proposed amending the clause to read as follows;-

*by the transfer of property by a company to its shareholders as part of an internal reorganization, or on the transfer of property to the company by the 9 direct and indirect shareholders consideration for as the transfer pursuant to this paragraph, provided that-*

*(1) the property is transferred to the shareholders in proportion to their shareholding in the company immediately before the transfer; and*

*(II) where the property consists of shares, such shares relate to a subsidiary of the company undertaking the transfer.*

*For the purposes of the subparagraph 6(2)(i) the term shareholders shall include both direct and indirect shareholders*

#### **Committee Observation:**

**The Committee noted the proposal to extend the scope of the provision to include indirect shareholders in addition to direct shareholders. It observes that the Income Tax Act already distinguishes legal and beneficial ownership through defined provisions, and the inclusion of indirect shareholders without a clear statutory framework may create enforcement and tracing challenges; therefore, the Committee did not adopt the proposal by the stakeholder.**

41. Also, EY noted that partnerships of any form, trusts, investment vehicles, cooperative societies, and similar vehicles are widely used in Kenya as income-generating and asset-holding structures and frequently undertake internal restructurings with no change in beneficial ownership. Limiting relief to companies creates form-based distinctions that are not aligned with the substance of such transactions. EY noted that extending both the exemption and the accompanying definition ensures internal consistency within the Eighth Schedule, aligns with the bill's policy objective of facilitating tax-neutral restructurings, avoids incentivising artificial corporate conversions, and supports neutrality, certainty and fairness in the application of capital gains tax.

42. They proposed amending the clause to read as follows;-

*(i) "by the transfer of property by a company, partnership, limited liability partnership, trust, cooperative society, or any body corporate to its shareholders, partners, members, or equivalent stakeholders as part of an internal reorganisation, or on the transfer of property to the entity by such persons as consideration for the issue of shares, partnership interests, membership units, or equivalent rights pursuant to this paragraph, provided that-*

*(I) the property is transferred in proportion to the shareholding, partnership membership interest, units or held immediately before the transfer; and*

*(II) where the property consists of shares or equivalent interests, such relate to a subsidiary or affiliated body corporate undertaking the transfer."*

#### **Committee Observation**

**The Committee noted the concern that restricting the exemption to companies may create unequal treatment between different forms of business vehicles such as partnerships, trusts, and cooperatives. While the Committee acknowledges the importance of tax neutrality across economic actors, it observes that the current structure of the Income Tax Act and the Eighth Schedule is primarily entity-specific and deliberately distinguishes between companies and other forms of associations for purposes of capital gains tax treatment. Expanding the exemption to all entities would require a comprehensive overhaul of the capital gains tax framework and may have unintended fiscal implications. Accordingly, the Committee did not adopt the proposal by the stakeholder.**

### Clause 3 (b)

43. **KPMG** supported the proposal. They noted it provides clarity on what qualifies as an internal reorganization and aligns with international best practice, which requires that a reorganization reflect a genuine commercial rationale beyond tax exemption.

### OCOB

44. The stakeholder observed that the definition of 'internal reorganisation' is minimalist and relies solely on the absence of a third-party transfer. It does not address the treatment of related parties who may not be shareholders, cross-border reorganisations involving foreign subsidiaries and reorganisations effected through trusts or nominee arrangements. This definitional gap may result in inconsistent application and revenue leakage.
45. They proposed expanding the definition to expressly exclude related-party non-shareholder transactions, require that the reorganised entities remain tax-resident in Kenya for a minimum of 3 years post-restructuring, and exclude arrangements structured through trusts or nominees not disclosed to KRA.

### Committee Observation

**The Committee noted the concerns raised by the OCOB. However, the Committee was of the view that the Income Tax Act (Cap. 470), together with the Tax Procedures Act, 2015, already provides a comprehensive framework for addressing residence, beneficial ownership, and anti-avoidance concerns. The Committee further observed that introducing restrictive statutory conditions such as mandatory post-reorganisation residency requirements and exclusions for trusts or nominees may unduly narrow the scope of legitimate reorganisations and create interpretational complexity. Accordingly, the Committee did not adopt the proposal.**

### Deloitte & Touche LLP

46. They observed that the current absence of definitions creates ambiguity and reliance on external statutes such as the Companies Act. Embedding these definitions within the Income Tax Act will enhance legal certainty, promote uniform application, and reduce disputes between taxpayers and the Kenya Revenue Authority. Therefore, amend Paragraph I of the Eighth Schedule to the Income Tax Act (ITA) to consolidate all the definitions relevant to corporate reorganization as follows: -

*“Internal reorganization” means a restructuring of the ownership or control of a company or its assets which does not involve a transfer of property to a third party.*

*“group” in relation to a body corporate, means the body corporate, any other body corporate that is its holding company or subsidiary and any other body corporate that is a subsidiary of that holding company.*

*“Underlying ownership” in relation to a person, means an interest in the person held directly, or indirectly through an interposed person or persons, by an individual or by a person not ultimately owned by the individuals.*

*“Control” means the capacity to exercise power over the Board of Directors, hold more than half of the voting rights in that other company, or hold more than half of that other company's issued share capital.*

*“Holding company” is defined as company that (a) controls the composition of that other company's board of directors, (b) controls more than half of the voting rights in that other company, (c) holds more than half of that other company's issued share capital; or (d) is a holding company of a company that is that other company's holding company.*

*“Subsidiary” is defined as a company of which another company is its holding company.*

### **Committee Observation**

**The Committee noted the proposal by the stakeholder. However, the Committee was of the view that while clarity in interpretation is important, the proposed extensive definitional framework is already substantially addressed through existing provisions of the Companies Act, 2015, and the Income Tax Act. The Committee further observed that importing detailed corporate law definitions into the tax statute may create duplication, rigidity, and potential inconsistencies with evolving corporate law. Accordingly, the Committee did not adopt the proposal.**

### **WeCare Youth Organization**

47. Amend the proposal to refine the definition of internal reorganisation by narrowing its scope and introducing a threshold for changes in ultimate beneficial ownership, since the current definition is overly broad and may capture transactions that effectively result in a disposal. Aligning the definition with principles of clarity, transparency, and international practice will reduce ambiguity, prevent misuse, and ensure that only transactions that do not materially alter ownership qualify for relief.

### **Committee Observation**

**The Committee noted the proposal by the stakeholder. However, the Committee was of the view that introducing ownership thresholds and restrictive definitional limitations may undermine the objective of tax neutrality in genuine internal reorganisations and introduce unnecessary complexity in administration. Accordingly, the Committee did not adopt the proposal.**

## Oxfam Kenya

48. Clause 3(b) should be amended to adopt a positive and functional definition of “*internal reorganisation*”, define “*control*”, introduce a minimum holding period, incorporate a main purpose test, and align the provision with the Companies Act, since the current definition is framed negatively and relies on undefined concepts, creating ambiguity and interpretive uncertainty. The absence of ownership thresholds and purpose tests creates room for abuse. Therefore, a clear, substance-based definition will enhance legal certainty, ensure consistency, and prevent misuse of the exemption.

### Committee Observation

The Committee noted the concerns raised by stakeholder. However, the Committee was of the view that the Income Tax Act already incorporates sufficient safeguards against tax avoidance under Section 23, and that the introduction of purpose tests and holding periods within this clause would risk subjective interpretation and reduce certainty in tax administration. The Committee further observed that alignment with the Companies Act is already achieved through existing cross-references in corporate and tax law. Accordingly, the Committee did not adopt the proposal.

## PWC

### Clauses 3(a) and 3(b)

49. Amend the clauses because the current corporate-centric drafting excludes partnerships, trusts, and LLPs despite their increasing commercial relevance, while undefined concepts such as “third party” and overly broad phrases like “restructuring of assets” create ambiguity and overreach, and provided that the revised provisions adopt a substance-over-form approach anchored on continuity of economic ownership, the following proposed amendments will align the law with modern business structures, improve clarity, and prevent unintended tax exposure.

(A) Insert the following definitions in Paragraph 1(1) of the Eighth Schedule: -

*“person undertaking a reorganisation” means a company, partnership, limited liability partnership, trust or other body of persons;*

*“interest holders” means, as the case may be, the shareholders of a company, the partners of a partnership or limited liability partnership, the beneficiaries of a trust, or the members of any other body of persons;*

(B) Amend the proposed Paragraph 6(2)(i) of the Eighth Schedule to read as follows:

*“(i) by the transfer of property by a person undertaking a reorganisation to its interest holders, or by the interest holders to such person, as part of an internal reorganisation, provided that —*

*(I) the property is transferred to the interest holders in proportion to their respective interests immediately before the transfer; and*

(II) where the property consists of shares or comparable interests, such shares or interests relate to a company, partnership, limited liability partnership, trust or other body of persons in which the person undertaking the transfer controls.”

- (C) Replace the proposed Paragraph 6(2A) of the Eighth Schedule with the following:
- “(2A) For the purposes of this Schedule, ‘internal reorganisation’ means any transaction or series of transactions that results in a change in the manner in which the property of a person undertaking a reorganisation, or the shares or interests held in or by such person, are held among that person and its interest holders, and includes without limitation —
- (a) the distribution of property, including shares or comparable interests, by a person undertaking a reorganisation to its interest holders;
  - (b) the transfer of property by interest holders to a person undertaking reorganisation in exchange for shares, interests or other consideration;
  - (c) the consolidation, division or rearrangement of property, shares or interests between a person undertaking a reorganisation and its interest holders provided that the transaction does not involve a transfer of property to any person who was not an interest holder of the person undertaking the reorganisation immediately before the transaction.”

### **Committee Observation**

**The Committee noted the comprehensive restructuring proposals by the stakeholder. The Committee was of the view that the Income Tax Act, when read together with the Eighth Schedule and relevant provisions on chargeable income and capital gains, already provides sufficient coverage for qualifying reorganisations. The Committee further observed that introducing expanded statutory definitions across multiple entity types may significantly broaden the scope of the exemption and create interpretational challenges in administration. Therefore, the Committee did not adopt the proposal.**

### **Ernst & Young**

50. The stakeholder noted that many corporate groups operate through complex multi-layered ownership structures comprising a mix of companies, partnerships of any form, limited liability partnerships (LLPs), limited liability companies (LLCs), trusts, cooperative societies and other entities. Internal reorganisations within such groups are often undertaken for operational, regulatory or investment structuring purposes without any change in ultimate beneficial ownership. Limiting relief to companies alone may therefore result in otherwise tax-neutral group restructurings attracting capital gains tax solely due to the difference in the body corporates used within the same corporate group.

51. They proposed amending the definition of "internal reorganisation" to read as follows:

*"For the purposes of this subparagraph, reorganisation means internal a restructuring of the ownership or control of a company, limited liability partnership, trust, cooperative society or any body corporate, or its assets, which does not involve a transfer of property to a third party."*

### **Committee Observation**

The Committee noted the comprehensive restructuring proposals by the stakeholder. The Committee was of the view that the Income Tax Act, when read together with the Eighth Schedule and relevant provisions on chargeable income and capital gains, already provides sufficient coverage for qualifying reorganisations. The Committee further observed that introducing expanded statutory definitions across multiple entity types may significantly broaden the scope of the exemption and create interpretational challenges in administration. Therefore, the Committee did not adopt the proposal.

### **New Proposals**

52. **Bowmans** observed that there is a need to provide for a similar provision in the Stamp Duty Act. They proposed amending the existing stamp duty exemption so that it also covers the transfer of property by shareholders to the company as consideration in the same internal reorganisation, subject to the same conditions and safeguards. That would ensure consistency and fully give effect to the policy of facilitating tax-efficient internal reorganisations.

### **Committee Observation**

The Committee noted the proposal by the stakeholder. However, the Committee was of the view that stamp duty is governed under a distinct legal and fiscal framework under the Stamp Duty Act (Cap. 480), and any amendments to exemptions therein should be considered within that specific statutory context.

### **PWC**

#### **New Provision**

53. Amend the existing Paragraph 13 (c) of the Eighth Schedule by deleting the words “which has existed for at least twenty-four months” to read as follows:  
*“(c) an internal restructuring within a group which does not involve a transfer of property to any person who is not a member of the same group”*
54. This proposal is to eliminate reliance on the undefined concept of “third party”, since the time-based condition imposes an arbitrary and economically unjustifiable barrier to genuine post-acquisition restructuring, and whereas the existing clawback mechanism under Paragraph 8(4A) already safeguards revenue by ensuring deferred gains are taxed upon subsequent disposal, removing the restriction will facilitate business integration, improve cash flow efficiency, and enhance Kenya’s investment attractiveness, while aligning the provision with the Bill’s broader objective of ensuring tax neutrality for internal reorganisations that do not alter beneficial ownership.

## **Committee Observation**

The Committee noted the proposal by the stakeholder. However, the Committee was of the view that the existing framework under the Eighth Schedule, including clawback provisions under Paragraph 8(4A), already provides adequate safeguards to preserve the tax base while allowing deferred taxation on qualifying transactions. The Committee further observed that the proposed removal of the time-based restriction could increase exposure to tax planning risks in short-term restructuring arrangements. Therefore, the Committee did not adopt the proposal.

## **WeCare Youth Organization**

### **New Provision**

55. The stakeholder proposed a new provision should be introduced to clarify that the exemption does not limit the application of the general anti-avoidance rule and to require disclosure and reporting of reorganisation transactions, since tax exemptions constitute foregone public revenue and must be subject to oversight. Enhanced transparency and integration with existing anti-avoidance frameworks will strengthen accountability, safeguard fiscal sustainability, and ensure alignment with constitutional principles of equitable tax burden sharing.

### **Committee Observation:**

The Committee noted the proposal by the stakeholder. However, the Committee was of the view that the application of the General Anti-Avoidance Rule under Section 23 of the Income Tax Act is already of general application and applies to all provisions of the Act without requiring repetition in specific clauses. The Committee further observed that disclosure and reporting obligations are adequately provided for under the Tax Procedures Act, 2015. Accordingly, the Committee did not adopt the proposal.

## **General Submissions**

### **Earnest And Associates LLP**

56. The stakeholder supported the Income Tax (Amendment) Bill, 2026, since the proposed amendments promote consistency within Kenya's tax framework by aligning the Income Tax Act with Section 117(1)(r) of the Stamp Duty Act (Kenya), which similarly provides for exemption of transfers undertaken as part of internal reorganisations. Such harmonisation reduces interpretive ambiguity, enhances predictability, and minimizes compliance disputes, the Bill will facilitate more efficient and orderly corporate restructuring.

57. The stakeholder further noted that the amendments play a critical role in resolving long-standing shareholder disputes, particularly in land-holding companies, since such disputes often result in idle or underutilised land, prolonged litigation, and stalled corporate decision-making, and whereas enabling tax-neutral restructuring provides a practical pathway for

unlocking the economic value of such assets, the reforms will support improved utilisation and governance outcomes.

58. In addition, the stakeholder observed that the Bill enables the reversion of land to individual shareholders, since individual ownership allows for more efficient and timely decision-making regarding the use, development, or disposal of land, and whereas corporate ownership structures have in some cases contributed to inactivity and inefficiency, the proposed framework will enhance the productivity of land assets and stimulate investment.
59. The stakeholder also supported the exemption of such transfers from dividend taxation, since imposing dividend tax on non-cash reorganisations would compel shareholders to liquidate assets, incur debt, or utilise limited liquidity to meet tax obligations, and whereas this would undermine the objective of preserving asset value during restructuring, the exemption ensures that internal reorganisations do not erode shareholder wealth and that land remains available for productive use.

### **Kenya Institute of Supplies Management**

60. The stakeholder supported the proposed exemption of internal reorganisations from Capital Gains Tax, since it facilitates business restructuring, enhances continuity, and aligns with the need to promote efficient corporate reorganisation frameworks. Such exemptions are consistent with international best practice and the proposal is considered progressive and supportive of economic activity.
61. The stakeholder, however, recommended that the Bill be amended to incorporate anti-abuse safeguards, since the absence of clear guidelines on what constitutes an internal reorganisation may create opportunities for tax avoidance schemes such as dividend stripping, and whereas providing a precise and legally robust definition will enhance clarity, prevent misuse, and ensure that only genuine restructuring transactions benefit from the exemption.
62. The institute further suggested the introduction of a claw-back mechanism, since tax exemptions granted at the point of reorganisation may be abused where assets are subsequently disposed of to third parties within a short period, and whereas reversing the exemption in such cases will protect the tax base and ensure that the relief is not used to facilitate disguised disposals. In addition, the stakeholder noted that the Bill require asset transfers to be conducted at fair market value based on independent professional valuation, since undervaluation or overvaluation of assets may distort tax outcomes and create opportunities for abuse.
63. The stakeholder also recommended that disposal processes be guided by transparent and competitive principles, since the absence of structured processes may undermine fairness and value for money, and whereas aligning such transactions with procurement principles will enhance accountability, equity, and efficiency in the handling of assets.

### **Committee Observations**

The Committee noted the support expressed by the stakeholder. However, the Committee was of the view that the Income Tax Act (Cap. 470) and the Eighth Schedule already provide a sufficient legal framework for determining chargeable gains, and the tax treatment of qualifying internal reorganizations. The Committee further observed that existing provisions under the Tax Procedures Act, 2015, together with general anti-avoidance provisions under Section 23 of the Income Tax Act, adequately address concerns relating to tax avoidance, including dividend stripping and artificial restructuring.

With regard to proposals for claw-back mechanisms, mandatory independent valuation, and procurement-aligned disposal processes, the Committee was of the view that introducing such procedural and valuation-specific requirements within this exemption clause would overcomplicate tax administration and potentially undermine the objective of facilitating efficient corporate restructuring. . Therefore, the Committee did not adopt the proposed additional safeguards.

#### **Oxfam Kenya**

##### **New Provision**

64. Introduce a new proposal to establish countervailing measures including a high-net-worth individual surcharge, an increase in capital gains tax rates on non-reorganisation transfers, and a minimum wealth-based contribution. The Bill introduces a tax exemption without corresponding revenue measures, thereby shifting the burden to other taxpayers, while existing gaps in high-net-worth taxation remain unaddressed. Implementing progressive offsets will enhance equity, strengthen domestic resource mobilisation, and safeguard fiscal sustainability.

##### **Committee Observations**

The Committee noted the proposal by the stakeholder. However, the Committee was of the view that the Finance Bill operates within a targeted policy framework and that the introduction of new tax surcharges or wealth-based levies within this provision would amount to a broader tax policy shift that extends beyond the scope of the amendment under consideration.

The Committee further observed that matters relating to progressive taxation and wealth redistribution are appropriately addressed through comprehensive fiscal policy and annual budgetary processes rather than being embedded in specific exemption clauses. Accordingly, the Committee did not adopt the proposal.

#### **Westminster Consulting LLP**

##### **New Provision**

65. Amend Section 15 to empower the Commissioner to prescribe or apply allowable expense margins, ratios or safe-harbour thresholds for specified sectors, classes of taxpayers or categories of transactions. The current reliance on electronic invoicing systems may result in the disallowance of genuine business expenses. This occurs where documentation does not fully comply with system requirements. Introducing safe-harbour mechanisms will ensure that taxation reflects actual economic activity. It will reduce disputes, ease compliance burdens, and improve administrative efficiency while maintaining revenue integrity.

#### **Committee Observation**

**The Committee noted the proposal by the stakeholder. However, the Committee was of the view that Section 15 of the Income Tax Act, together with the Tax Procedures Act, 2015, already provides sufficient legal basis for the Commissioner to assess allowable deductions based on actual expenditure and supporting documentation.**

**The Committee further observed that introducing sector-specific safe-harbour ratios or presumptive margins within the statute may undermine the principle of taxation based on actual income and expenditure, and could create inconsistencies in tax treatment across sectors. The Committee also noted that administrative guidance and practice notes issued by the Kenya Revenue Authority are better suited to address implementation challenges arising from evolving digital tax systems. Accordingly, the Committee did not adopt the proposal.**

## CHAPTER FOUR

### 4 COMMITTEE OBSERVATIONS

66. The Committee made the following observations:

#### 1) Object of the Bill

The Bill seeks to amend the Income Tax Act to provide for the exemption of capital gains tax in the transfer of property by a company to its shareholders as part of an internal reorganization, or on the transfer of property to the company by the shareholders as consideration for the transfer.

The proposed amendment introduces a new exemption under item 6 of the Eighth Schedule to the Income Tax Act to provide that transfers of property between a company and its shareholders, as part of an internal reorganisation, shall not be subject to Capital Gains Tax, provided certain conditions are met. These conditions include that the property must be distributed in proportion to the shareholders' existing shareholding immediately before the transfer, and where shares are involved, they must relate to a subsidiary of the company undertaking the reorganisation.


#### 2) Support for the Bill

The majority of the stakeholders who either made oral submissions or submitted memoranda expressed support for the Bill. The amendments proposed sought to further clarify the intention of the amendments, provide necessary safeguards, or expand its scope. The Committee noted the proposals but was of the view that additional proposals could be addressed through a different Bill, preferably in a Finance Bill or a tax Bill.

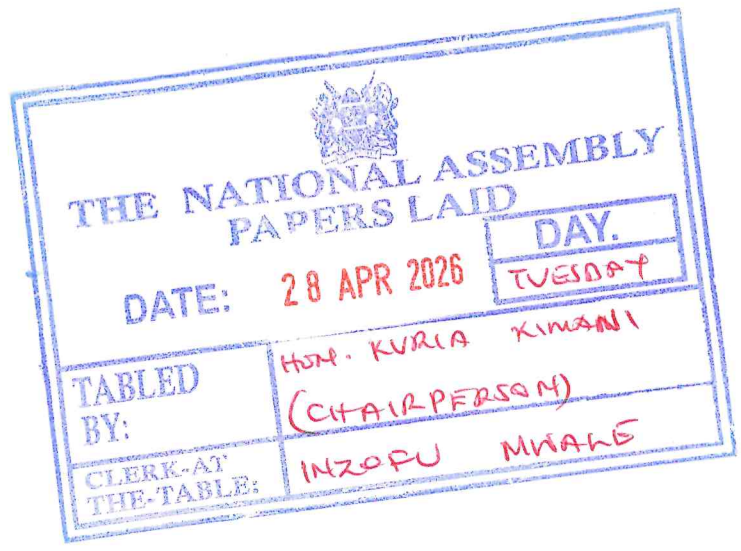
**CHAPTER FIVE**

**5. COMMITTEE RECOMMENDATION**

67. The Committee, having considered the Income Tax (Amendment) Bill (National Assembly Bill No. 20 of 2026), recommends that the House **approves** the Bill with amendments.

SIGNED..........DATE.....*28<sup>th</sup> April, 2026*.....

**HON. FCPA KURIA KIMANI, CBS, MP  
CHAIRPERSON  
DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL PLANNING**



## CHAPTER SIX

### 6.0. SCHEDULE OF AMENDMENTS

Income Tax (Amendment) Bill (National Assembly Bill No. 20 of 2026) Committee proposes the following amendment:

#### CLAUSE I

*THAT, clause 1 of the Bill be amended by inserting the words “and shall come into operation upon publication” at the end of the clause.*

#### Justification

The proposed amendment seeks to provide for the commencement of the provisions of the Act upon publication so as to correct an anomaly occasioned after passage of the Finance Act, 2025. The amendment seeks to align the provisions to amendments passed in the Finance Act, 2025.



THE NATIONAL ASSEMBLY  
THIRTEENTH PARLIAMENT - FIFTH SESSION - 2026

DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL PLANNING.  
ADOPTION LIST

REPORT ON THE INCOME TAX (AMENDMENT) BILL (NATIONAL ASSEMBLY BILL NO.  
20 OF 2026)

We, the Members of the Departmental Committee on Finance and National Planning have pursuant to Standing Order 199, adopted this Report and affix our signatures to affirm our approval and confirm its accuracy, validity and authenticity today, Tuesday, 28<sup>th</sup> April 2026.

S/NO.	NAME	SIGNATURE
1.	HON. FCPA KURIA KIMANI, CBS, MP - <b>CHAIRPERSON</b>	
2.	HON. FCPA (AMB). BENJAMIN KIPKIRUI LANGAT, MP – <b>VICE CHAIRPERSON</b>	
3.	HON. KALUMA PETER OPONDO, CBS, MP	
4.	HON. GEORGE SUNKUYIA RISA, MP	
5.	HON. (FCPA) JOSEPH MAERO OYULA, OGW, MP	
6.	HON. ANDREW ADIPO OKUOME, MP	
7.	HON. DAVID MWALIKA MBONI, MP	
8.	HON. CHIFOROMODO MANGALE MUNGA, MP	
9.	HON. MAINA BETTY NJERI, MP	
10.	HON. (CPA) JULIUS KIPLETING RUTTO, MP	
11.	HON. PAUL KIBICHIY BIEGO, MP	
12.	HON. UMUL KER SHEIKH KASSIM, MP	
13.	HON. DR. SHADRACK MWITI ITHINJI, MP	
14.	HON. DR. JOHN ARIKO NAMOIT, MP	
15.	HON. MOHAMED SOUD MACHELE, MP	

