



REPUBLIC OF KENYA

PARLIAMENT



SENATE BILLS
(Bill No. 10 of 2026)

THE COUNTY ALLOCATION OF REVENUE BILL, 2026

(A Bill published in the Kenya *Gazette* Supplement No. 107 of 30th April, 2026 and passed by the Senate, with amendments, on 17th June, 2026.)

THE COUNTY ALLOCATION OF REVENUE BILL, 2026

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 GOVERNMENT'S
EQUITABLE SHARE OF REVENUE RAISED
NATIONALLY IN THE FY 2026/2027**

**SECOND SCHEDULE: COUNTY GOVERNMENT BUDGET CEILINGS FOR
RECURRENT EXPENDITURE IN FY 2026/2027**

THE COUNTY ALLOCATION OF REVENUE BILL, 2026

A Bill for

AN ACT of Parliament to provide for the equitable allocation of revenue raised nationally among the county governments for the 2026/2027 financial year; the responsibilities of national and county governments pursuant to such allocation; and for connected purposes.

ENACTED by the Parliament of Kenya, as follows—

- Short title. **1.** This Act may be cited as the County Allocation of Revenue Act, 2026.
- 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 2026/27; 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 government’s 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 2026/27, shall be as set out in Column F of

the First Schedule.

(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.

Cap 412A.

Budget ceilings
for recurrent
expenditure.

5. The budget ceilings for recurrent expenditure for county governments for the financial year 2026/2027 shall be as set out in the Second Schedule.

Funding of
transferred
functions.

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.

Report on actual
transfers.

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

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Books of accounts to reflect National Government transfers.

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.

Cap. 412A.

(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.

Financial misconduct.

Cap. 412A

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.

Applicable revenue-sharing formula.

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 fourth 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)

Allocation of Each County Government's Equitable Share of Revenue Raised Nationally in the FY 2026/27.

SN	County	FY 2025/26						FY 2026/27		
		Total Equitable Share	*Baseline Allocation of Ksh.387.425 billion		**Affirmative Action Allocation of Ksh.4.46 billion	***Additional equitable share above Ksh.391.885 billion (Ksh.36.115 billion)		Total Equitable Share		
			Allocation Ratio	Equitable share		Allocation Index	Equitable Share			
		A	B	C	D	E	F	G=C+D+F		
1	Baringo	7,083,683,384	1.72520	6,683,873,223		1.72966	624,665,541	7,308,538,764		
2	Bomet	7,447,200,499	1.81070	7,015,121,755		1.86926	675,082,148	7,690,203,903		
3	Bungoma	11,838,054,666	2.88331	11,170,673,599		2.88722	1,042,719,759	12,213,393,358		
4	Busia	7,956,564,058	1.93971	7,514,935,582		1.91057	690,002,699	8,204,938,281		
5	Elgeyo/Marakwet	5,515,146,712	1.24585	4,826,732,019	371,666,667	1.37031	494,888,815	5,693,287,501		
6	Embu	6,077,441,672	1.38605	5,369,896,832	371,666,667	1.45307	524,777,860	6,266,341,359		
7	Garissa	8,877,784,676	2.13988	8,290,447,365		2.54094	917,658,965	9,208,106,330		
8	Homa Bay	8,646,376,063	2.10887	8,170,280,800		2.05968	743,853,792	8,914,134,592		
9	Isiolo	5,631,357,298	1.27083	4,923,507,187	371,666,667	1.45440	525,254,817	5,820,428,671		
10	Kajiado	8,894,254,886	2.15397	8,345,013,610		2.37612	858,137,516	9,203,151,126		
11	Kakamega	13,674,848,566	3.35046	12,980,503,320		3.00387	1,084,848,738	14,065,352,058		
12	Kericho	7,178,668,356	1.73930	6,738,465,302		1.90440	687,775,612	7,426,240,914		
13	Kiambu	13,071,817,986	3.17318	12,293,696,674		3.36630	1,215,740,912	13,509,437,586		

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		FY 2025/26						FY 2026/27			
SN	County	Total Equitable Share	*Baseline Allocation of Ksh.387.425 billion		**Affirmative Action Allocation of Ksh.4.46 billion	***Additional equitable share above Ksh.391.885 billion (Ksh.36.115 billion)		Total Equitable Share			
			Allocation Ratio	Equitable share		Allocation Index	Equitable Share				
		A	B	C	D	E	F	G=C+D+F			
14	Kilifi	12,813,396,770	3.14121	12,169,843,476		2.78414	1,005,491,119	13,175,334,595			
15	Kirinyaga	6,151,661,892	1.40654	5,449,272,719	371,666,667	1.43077	516,722,618	6,337,662,004			
16	Kisii	9,819,721,768	2.40197	9,305,835,688		2.22317	802,898,369	10,108,734,057			
17	Kisumu	8,902,026,938	2.16954	8,405,328,573		2.14881	776,044,190	9,181,372,763			
18	Kitui	11,503,907,837	2.80983	10,885,968,099		2.67333	965,472,361	11,851,440,460			
19	Kwale	9,078,699,643	2.22634	8,625,411,603		1.96101	708,219,665	9,333,631,268			
20	Laikipia	6,104,082,008	1.39047	5,387,034,732	371,666,667	1.49418	539,624,517	6,298,325,916			
21	Lamu	3,857,621,205	0.84002	3,254,430,723	371,666,667	1.00162	361,734,051	3,987,831,441			
22	Machakos	10,179,132,681	2.47718	9,597,223,940		2.51745	909,177,338	10,506,401,278			
23	Makueni	8,976,335,654	2.19328	8,497,308,272		2.07237	748,434,951	9,245,743,223			
24	Mandera	12,265,064,993	3.01752	11,690,618,560		2.48517	897,518,189	12,588,136,749			
25	Marsabit	8,105,669,078	1.96093	7,597,151,194		2.19995	794,511,071	8,391,662,265			
26	Meru	10,553,946,059	2.56678	9,944,340,480		2.63727	952,451,026	10,896,791,506			
27	Migori	8,883,939,719	2.16431	8,385,076,399		2.15818	779,426,728	9,164,503,127			
28	Mombasa	8,383,385,281	2.03902	7,899,674,038		2.09263	755,753,041	8,655,427,079			

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		FY 2025/26				FY 2026/27			
SN	County	Total Equitable Share	*Baseline Allocation of Ksh.387.425 billion		**Affirmative Action Allocation of Ksh.4.46 billion	***Additional equitable share above Ksh.391.885 billion		Total Equitable Share	
			Allocation Ratio	Equitable share		Allocation Index	Equitable Share		
		A	B	C	D	E	F	G=C+D+F	
29	Murang'a	7,969,464,876	1.93892	7,511,867,031		1.97966	714,953,328	8,226,820,359	
30	Nairobi City	21,417,128,397	5.20842	20,178,711,957		5.35763	1,934,908,489	22,113,620,446	
31	Nakuru	14,455,147,658	3.52765	13,666,997,646		3.40969	1,231,409,806	14,898,407,452	
32	Nandi	7,771,778,066	1.89613	7,346,071,107		1.84169	665,126,837	8,011,197,944	
33	Narok	9,770,317,146	2.38546	9,241,860,519		2.28621	825,663,468	10,067,523,987	
34	Nyamira	6,073,434,356	1.38349	5,359,987,994	371,666,667	1.47861	533,998,429	6,265,653,089	
35	Nyandarua	6,662,675,631	1.53230	5,936,521,652	371,666,667	1.53358	553,852,878	6,862,041,197	
36	Nyeri	6,896,132,673	1.68255	6,518,609,255		1.63324	589,844,614	7,108,453,869	
37	Samburu	6,336,970,364	1.45144	5,623,228,509	371,666,667	1.47988	534,460,109	6,529,355,285	
38	Siaya	7,754,478,885	1.88462	7,301,473,431		1.95979	707,778,152	8,009,251,583	
39	Taita/Taveta	5,760,449,685	1.30764	5,066,138,383	371,666,667	1.39582	504,101,710	5,941,906,759	
40	Tana River	7,222,474,730	1.76156	6,824,718,834		1.72077	621,455,945	7,446,174,779	
41	Tharaka-Nithi	5,058,286,293	1.13558	4,399,508,312	371,666,667	1.24210	448,584,257	5,219,759,236	
42	Trans Nzoia	7,991,120,837	1.94631	7,540,500,922		1.94947	704,050,973	8,244,551,895	
43	Turkana	13,892,577,371	3.41054	13,213,283,320		2.93876	1,061,332,669	14,274,615,989	

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		FY 2025/26				FY 2026/27			
SN	County	Total Equitable Share	*Baseline Allocation of Ksh.387.425 billion		**Affirmative Action Allocation of Ksh.4.46 billion	***Additional equitable share above Ksh.36.115 billion		Total Equitable Share	
			Allocation Ratio	Equitable share		Allocation Index	Equitable Share		
		A	B	C	D	E	F	G=C+D+F	
44	Uasin Gishu	8,977,014,770	2.18685	8,472,398,961		2.18307	788,414,447	9,260,813,408	
45	Vihiga	6,008,751,224	1.36618	5,292,921,648	371,666,667	1.48892	537,721,976	6,202,310,291	
46	Wajir	10,507,580,683	2.55606	9,902,799,041		2.61640	944,914,081	10,847,713,122	
47	West Pokot	7,002,426,008	1.70607	6,609,735,714		1.69885	613,541,423	7,223,277,137	
	Total	415,000,000,000	100.00000	387,425,000,000	4,460,000,000	100.00000	36,115,000,000	428,000,000,000	

* **The Baseline Allocation Ratio**- This ratio is derived from each county's allocation for FY 2024/25 totalling to Ksh.387.425 billion.

** **The Affirmative Action Allocation**- Ksh. 4.46 billion has been ring-fenced to cater for the 12 counties that are not favoured by the other parameters. Each of the 12 counties shall each receive an additional amount of Ksh.371.7 million.

*** **Additional Equitable Share above Ksh. 391.885 billion** i.e. (Ksh.36.115 billion)- This allocation ratio shares out the difference of Ksh. 36.115 billion using the parameters of the approved Fourth basis for allocating the Share of National Revenue among the county governments- **[(0.45*Population Index) + (0.35*Equal Share Index) + (0.12*Poverty Index) + (0.08* Geographical Size Index)]**

SECOND SCHEDULE (s.5)

County Government Budget Ceilings for Recurrent Expenditure in FY 2026/27 (Figures in Kenya Shillings)					
SN	County	County Assemblies		County Executives	
		FY 2025/26	FY 2026/27	FY 2025/26	FY 2026/27
1	Baringo	847,469,122	847,626,854	496,161,163	528,170,814
2	Bomet	755,816,719	731,537,286	468,730,626	498,289,418
3	Bungoma	1,074,221,694	976,506,613	562,059,982	601,422,211
4	Busia	859,603,045	869,947,142	514,728,802	549,189,312
5	Elgeyo/Marakwet	682,127,598	684,431,351	445,655,740	472,763,673
6	Embu	653,997,909	651,091,348	445,585,855	472,693,787
7	Garissa	1,010,212,868	1,083,206,383	510,888,235	544,919,368
8	Homa Bay	901,349,007	913,968,214	538,863,664	575,775,034
9	Isiolo	571,957,767	515,234,218	376,492,992	398,239,140
10	Kajiado	797,493,878	833,655,216	459,200,063	488,452,144
11	Kakamega	1,440,150,864	1,410,784,461	631,900,264	678,615,072
12	Kericho	801,439,308	808,829,560	491,924,215	523,933,866
13	Kiambu	1,332,680,576	1,325,843,597	642,094,266	688,809,074
14	Kilifi	871,651,828	867,147,393	528,153,096	562,613,607
15	Kirinyaga	667,134,062	666,664,869	436,378,706	463,333,283
16	Kisii	1,051,143,180	1,061,001,255	569,351,784	608,714,014
17	Kisumu	993,261,872	899,826,065	522,102,171	638,237,442
18	Kitui	1,025,218,850	1,037,669,946	556,906,939	593,818,310
19	Kwale	667,152,528	675,305,556	447,387,205	474,495,138
20	Laikipia	511,501,082	600,630,878	406,459,778	430,810,140
21	Lamu	502,735,064	479,609,506	373,334,857	395,081,004
22	Machakos	957,194,136	970,874,933	540,775,483	577,686,853
23	Makueni	964,631,315	847,824,561	494,768,774	526,778,425
24	Mandera	917,936,058	974,349,992	511,948,091	543,957,742
25	Marsabit	741,494,088	859,562,104	458,101,332	490,972,864
26	Meru	1,033,230,263	1,040,373,863	565,023,558	604,385,788
27	Migori	936,954,113	1,059,223,492	538,507,125	575,418,495
28	Mombasa	862,807,953	736,274,590	497,268,190	529,277,841
29	Murang'a	813,710,947	851,528,548	515,207,988	549,668,499
30	Nairobi City	1,603,909,510	1,775,901,135	775,756,999	834,726,105
31	Nakuru	1,121,659,233	1,139,437,714	622,626,699	666,890,648
32	Nandi	811,140,379	797,267,097	492,132,433	524,142,084
33	Narok	878,624,509	927,319,735	499,621,001	531,630,652
34	Nyamira	689,414,409	698,351,387	444,949,706	472,057,639
35	Nyandarua	758,345,693	785,219,049	469,042,680	498,601,472
36	Nyeri	760,288,009	763,643,931	492,365,209	524,374,860
37	Samburu	569,616,860	605,962,163	400,557,424	633,218,705
38	Siaya	759,893,500	770,412,462	491,970,700	523,980,352

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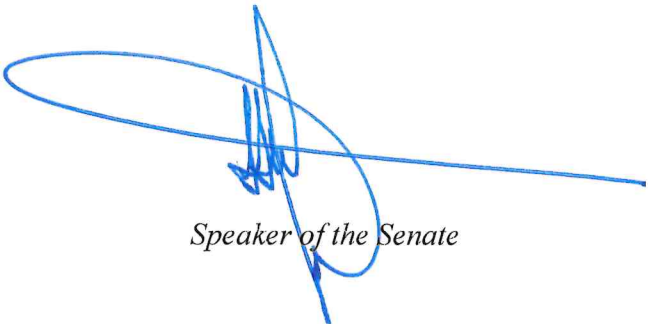
County Government Budget Ceilings for Recurrent Expenditure in FY 2026/27(Figures in Kenya Shillings)					
SN	County	County Assemblies		County Executives	
		FY 2025/26	FY 2026/27	FY 2025/26	FY 2026/27
39	Taita/Taveta	706,797,720	724,468,044	450,325,811	477,433,743
40	Tana-River	710,218,891	612,807,695	422,272,274	446,775,992
41	Tharaka-Nithi	508,533,605	513,863,636	404,731,372	429,081,734
42	Trans Nzoia	664,759,854	663,677,259	474,454,626	504,013,417
43	Turkana	863,842,883	946,217,760	510,888,235	551,543,287
44	Uasin Gishu	887,273,308	852,346,325	498,842,007	530,851,658
45	Vihiga	703,918,304	704,103,951	467,917,374	497,476,165
46	Wajir	992,853,943	937,865,189	502,524,835	542,527,721
47	West Pokot	699,024,354	711,194,510	447,670,353	474,778,286
	Total	39,936,392,658	40,210,588,835	23,414,610,682	25,250,626,877

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I certify that this printed impression is a true copy of the Bill as passed by the Senate on Wednesday, 17th June, 2026.


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

PRINTED BY THE CLERK OF THE SENATE

