



Second Chance To Tax Compliance

Kenya Revenue Authority is giving you a new lease of life at being tax compliant through the Voluntary Tax Disclosure Programme.



Highlights Of The Voluntary Tax Disclosure Programme

The Voluntary Tax Disclosure Programme (VTDP), aims at waiving accrued penalties and interest from non-compliance with tax obligations. VTDP will be applicable for the period 1 July 2015 to 30 June 2020. 100%, 50% and 25% waiver of penalties and interest will be granted where the disclosure is made and principal tax liability is paid in the first (2021), second (2022) and third (2023) year of the programme respectively. The programme was effective from 1 January 2021 and will run up to 31 December 2023.

VTDP Covers The Following Tax Heads

- Individual Income Tax
- Corporate Tax
- Pay As You Earn
- Withholding Tax
- Capital Gains Tax
- Value Added Tax (VAT)
- Withholding VAT
- Excise Duty
- Turnover Tax
- Monthly Rental Income Tax

Benefits Of Taking Up The VTDP

- Immunity from prosecution for previous tax liabilities.
- Waiver of interest and penalties.

Note:

The payment of the disclosed tax liability shall be made within one year after disclosure and upon reaching an agreement with the Commissioner.

Who Is Not Eligible For The VTDP?



A taxpayer who:

- is under audit or investigation for the undisclosed tax; or
- has been served with a notice of intention to investigate or carry out an audit/compliance check for the undisclosed tax; or
- is a party to an ongoing litigation in respect of the tax liability or any matter relating to the tax liability.

Taxpayer Requirements

- Determination of unpaid taxes for the period 1 July 2015 to 30 June 2020;
- Willingness to disclose the unpaid taxes to the Commissioner; and
- Ability to pay up taxes in arrears within one year upon disclosure for one to enjoy a waiver of the penalties and interest.

How Can PKF Taxation Services Assist?



We have a seasoned and diversified team to help you determine your past tax liabilities by:

- Carrying out an in-depth review to determine your level of tax compliance;
- Highlighting instances of non-compliance;
- Quantifying tax liabilities, penalties and interest arising from non-compliance;
- Assisting you with the online application for the VTDP; and
- Following up with KRA to ensure that you enter into an agreement for the waiver of penalties and interest after settlement of the past tax liabilities.



Reach Out To Us

For more information on VTDP and how we can help you, please feel free to reach out to any of the below contacts;

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