



kasneb

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TO ALL TRAINING INSTITUTIONS FOR kasneb COURSES

TO ALL kasneb STUDENTS

TAX RATES APPLICABLE FOR THE APRIL 2021 EXAMINATIONS

We wish to inform students and trainers of kasneb courses that the applicable tax rates for purposes of the April 2021 examinations are enclosed for your attention.

We wish you success as you prepare for the April 2021 examinations.

NOTE: All inactive students are advised to resume their studies. The reactivation fee has been temporarily waved until 30 June 2021. The revised syllabuses will be examined from the December 2021 sitting.

Thank you.

Dr. Nicholas K. Letting', Ph.D
SECRETARY/CHIEF EXECUTIVE OFFICER

Encl.

RATES OF TAX (Including wife's employment, self-employment and professional income rates of tax).

Year of income 2020.

Note that the following rates of tax will be applicable throughout the year of income 2020 for taxation papers:

Monthly taxable pay (Sh.)		Annual taxable pay (Sh.)		Rate of tax % in each Sh.
1	- 24,000	1	- 288,000	10%
24,001	- 40,667	288,001	- 488,000	15%
40,668	- 57,334	488,001	- 688,000	20%
Excess over	- 57,334	Excess over	- 688,000	25%

Personal relief Sh.2,400 per month (Sh.28,800 per annum).

Investment allowance:	Rate of investment allowance	Residual value (per year on reducing balance)
Capital expenditure incurred on:		
(a) Buildings:		
• Hotel building	50% in the first year of use	25%
• Building used for manufacture	50% in the first year of use	25%
• Hospital buildings	50% in the first year of use	25%
• Petroleum or gas storage facilities	50% in the first year of use	25%
• Educational/hostels building	10% per year on reducing balance	
• Commercial building	10% per year on reducing balance	
(b) Machinery:		
• Machinery used for manufacture	50% in the first year of use	25%
• Hospital equipment	50% in the first year of use	25%
• Ships or aircraft	50% in the first year of use	25%
• Motor vehicles and heavy earth moving equipment	25% per year on reducing balance	
• Computer software, calculators, copiers and duplicating machines	25% per year on reducing balance	
• Furniture and fittings	10% per year on reducing balance	
• Telecommunication equipment	10% per year on reducing balance	
• Film equipment by a local producer	25% per year on reducing balance	
• Machinery used to undertake operations on prospecting rights and exploration	50% in the first year of use	25%
• Other machinery	10% per year on reducing balance	
(c) Purchase/acquisition of right to use fibre optic cable by telecommunication operation	10% per year on reducing balance	
(d) Farm works	50% in the first year of use	25%