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**THE KISUMU COUNTY FINANCE BILL, 2023**

**ARRANGEMENT OF CLAUSES**

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**PART I—PRELIMINARY**

1—Short title and commencement.

2—Interpretation.

**PART II—TAXES, FEES, LICENSES AND CHARGES PAYABLE  
AND RATES APPLICABLE**

3—Charges.

4—Licence Fees and Permit Fees.

5—General Fees.

6—Plot and House Rent.

7—Cess and Market fees.

8—General.

9—Tax Waivers and Variations.

**PART III—PAYMENT**

10—Payments to the County.

11—Appointment and duties of an agent.

**PART IV—OFFENCES AND PENALTIES**

12—General penalty.

13—Offences by staff of the County.

**PART V—MISCELLANEOUS**

14—Savings.

15—Cessation.

16—Regulations.

**SCHEDULES**

**APPENDIX**

Schedule for Trade License Fees

**THE KISUMU COUNTY FINANCE BILL, 2023**

**AN ACT of the Kisumu County Assembly to provide for the various taxes, fees and charges for services and for the other revenue raising measures by the County Government; and for the matter's incidental thereto**

ENACTED by the Kisumu County Assembly of as follows—

**PART I—PRELIMINARY**

**Short title and commencement**

1. This Bill may be cited as the Kisumu County Finance Bill, 2023 and shall come into operation on the date of publication in the *Kenya Gazette*.

**Interpretation**

2. (1) In this Bill, unless the context otherwise requires—

“authorized channel” means the channel through which persons to whom this Bill is applicable shall effect payment to the County, including but not limited to a person appointed as a County Revenue Collector by the County to collect revenue or any other mode of payment as may be prescribed by the County Government from time to time;

“Business” means -

- (a) trade, commerce or manufacture, profession, vocation or occupation;
- (b) any other activity in the nature of trade, commerce or manufacture, profession, vocation or occupation;
- (c) any activity carried on by a person continuously or regularly, whether or not for gain or profit and which involves, in part or in whole, the supply of goods or services for consideration;

“Cess” means tax or fees chargeable on goods under section 7;

“County Government” means the County Government of Kisumu;

“County public officer” means a county public officer within the meaning of section 2 of the County Governments Act, 2015;

“County Receiver of Revenue” mean the persons appointed pursuant to section 157 of the Public Finance Management Act, 2012;

“County Revenue Collector” means the county public officer appointed pursuant to section 158 of the Public Finance Management Act, 2012 for the purpose of collecting revenue for the County Government and remitting it to the County Receiver of Revenue; and

“Person” shall mean a natural or juristic person.

**PART II—TAXES, FEES AND CHARGES PAYABLE AND RATES  
APPLICABLE**

**Charges**

**3.** (1) The Taxes, Fees and Charges set out in the “New Charges” column of the schedule shall apply for the respective items listed in the “Item Description” column at the rate set out therein.

(2) For greater certainty, the taxes, fees and charges applicable are payable to the County Government of Kisumu at the commencement of this Act, but which are not included in the schedule to this Act, shall continue to apply under the existing legislation of County Government of Kisumu.

**License Fees and Permit Fees**

**4.** (1) All directions, resolutions, orders and authorizations on or relating to financial management, including the collection and administration of taxes, fees and charges given or issued by the Defunct Local Authorities and subsisting or valid immediately before the cessation of the application in the Local Government Act, Cap. 265 of Laws of Kenya (now repealed) shall be deemed to have been given, issued or made by or under the authority of the County Assembly until expiry, amendments or repeal of this directions, resolution, orders, authorization on financial management shall continue with the necessary modification, apply both to the payment and administration of the taxes, fees, charges and other levies under this Act.

(2) Subsection (1) does not apply to the specific respective amounts payable in respect of the taxes, fees, charges or other levies and, in that regard, the amount provided shall be applicable as provided for in the “New Charges” columns in the Schedule.

(3) All directions, resolutions, orders, authorizations and provisions that are contained in the Rating Act (Cap. 267), County Revenue Administration Act, County Tax Waiver Administration Act, Kisumu County Trade Licensing Act 2015, Kisumu County Alcoholic Drinks Control Act 2014, Public Financial Management Act, 2012 and other related laws and subsidiary legislations that are concerned with revenue administration in the county shall be deemed to be part of this Act.

**General Fees**

**5.** (1) A person shall not carry out any business or service within the County without a valid license or permit issued by the relevant County

office.

(2) A person who intends to carry out any of the businesses listed in the or under the schedule or the single business permit regulation shall apply for a license or permit from any of the County offices or such other designated agents as shall be prescribed by the County Government from time to time.

(3) A person who applies for license under subsection (2) shall be issued with a license on the payment of the applicable fee, depending on the location and size of the business as specified in the schedule or the single business permit regulation.

(4) Licenses and permits issued under subsection (3) must be visibly displayed at the business premise at all times.

(5) A person who contravenes any of the provisions of this section commits an offence.

#### **Plot and House Rent**

6. (1) A person occupying any plot, stall or house leased or rented out by the County Government shall pay rent or rates, whichever is applicable, at the rate specified in the Schedule

(2) A penalty of three percent per month shall be charged for any outstanding amount of rent or rates for a plot that remains unpaid for after the 31st day of March, every year.

(3) A person who contravenes the provisions of subsections (1) may be evicted and shall be evicted if he or she fails to pay house rent for three consecutive months.

(4) The County Government shall repossess the plot if a person fails to pay the rent for more than one year.

#### **Cess and Market fees**

7. (1) Market fee shall be charged on the goods specified in the Schedule.

(2) A person who fails or hinders other person to pay the cess or market fee set under the schedule shall commit an offence.

#### **General**

8. (1) All persons operating single business permits shall be required to pay the relevant licenses, fees and charges as prescribed in the single business permit.

(2) Any person operating a business who fails to pay the said fees, charges or licenses set under the schedule and the single business permit

regulations commits an offence.

### **Tax Waivers and Variations**

9. (1) The County Executive Committee Member may by order published in the gazette amend any additional fees, tax, license, cess and fees schedules to supplement the current schedule.

(2) Any order made under subsection (1) shall be laid before the County Assembly without unreasonable delay, and unless a resolution approving the order is passed by the County Assembly within twenty-one days when the Assembly next sits after the order is so laid, the order shall lapse, but without prejudice to anything previously done there under.

## **PART III—PAYMENT**

### **Payments to the County**

10. (1) All payments to the County Government made under this Act shall be paid through an authorized channel which include, direct deposits through the county bank account and electronic pay bill channels.

(2) A County Revenue Collector authorized by the County Government to collect revenue shall have an identification card issued by the County Government which shall be worn visibly by such County Revenue Collector.

(3) An official receipt shall be issued for all payments made to the County Government.

(4) Every person who makes a payment through an authorized channel shall demand an official receipt for each such payment and every payment made through an authorized channel shall be evidenced by an official receipt.

(5) A person shall not receive or collect any money on behalf of the County Government unless he or she has been appointed to do so or has authority as the receiver and collector of County Government Revenue.

(6) A person who contravenes the provisions of this section commits an offence.

### **Appointment and Establishment of Kisumu County Revenue Board**

11. (1) There is established a Board to be known as the Kisumu County Revenue Board. The Board shall be a body corporate with perpetual succession and a common seal and shall, subject to this Act, be capable in its corporate name of-

- a) Sue and being sued
- b) Taking, purchase or otherwise acquiring, holding, charging or

- disposing of movable and immovable property
- c) Borrowing or lending money
  - d) Doing or performing all other things or acts for the furtherance of the provisions of this Act, which may be lawfully done or performance by a body corporate
- (2) The Board shall, under the general supervision of the County Executive Member be an agency of the County Government for the collection and receipt of all County Revenue
- (3) In performance of its function, the Board shall-
- a) Administrate and enforce
  - b) Appoint Sub-County Revenue collectors and such heads of division
  - c) Be the principal Revenue Collector for the County Government
  - d) Advise the CEC Member on all matters related to administration and revenue collection
  - e) To perform any function related to County Revenue as CEC Member may direct

#### **PART IV—OFFENCES AND PENALTIES**

##### **General penalty**

**12.** Any person who commits an offence under this Act for which no penalty is provided shall be liable, on conviction, to a fine not exceeding two hundred thousand shillings or to imprisonment for a term not exceeding one year or both.

##### **Offences by staff of the County**

**13.** A member of staff of the County government or any other person having a duty to perform under this Act who—

- (a) makes, in any record, or document required to be kept or made by that person, an entry which he or she knows or has reasonable cause to believe not to be true or to be false;
- (b) Wilfully refuses to do anything which he or she knows or has reasonable cause to know is required to be done;
- (c) interferes with any other person or process under this Act, so as to defeat the provisions, requirements or purposes of this Act
- (d) Where required under this Act to do anything to give effect to the provisions of this Act, fails to do such thing;

- (e) Without reasonable cause omits to do something in breach of his or her duty under this Act;
- (f) Wilfully contravenes the provisions of this Act to give undue advantage or favour to another person;
- (g) Fails to prevent or report to the County Government or any other relevant authority, the commission of an offence committed under this Act;

Commits an offence and is liable on conviction, to a fine not exceeding two hundred thousand shillings or to imprisonment for a term not exceeding one year, or both.

## **PART V—MISCELLANEOUS**

### **Savings**

14. (1) Any charges, permit fees, licence fees, rent, cess and such other fees payable to the County Government at the commencement of this Act by any business operating within the county which are not included in any of the Schedules to this Act, shall continue to be chargeable by, and payable to the County Government unless they are repealed by an Act of the County Government or until an Act of the County Government on such charges, permit fees, licence fees, rent, cess and such other fees is enacted.

(2) All business within the jurisdiction of the county shall be required to pay licenses, charges, fees, cess, rent or other prescribed fees unless specifically exempted by any relevant legislation or authority.

(a) All levies, charges, tax, cess, fees and licenses that were payable under the repealed Local Government Act shall continue to be paid and administered under this Act: provided that this sub-section shall also apply to such fees and charges levied by various ministries and departments of the national government in respect of functions devolved to the county governments under part 2 of the Fourth Schedule of the Constitution of Kenya which fees and charges shall be levied by the County Government on transfer of the devolved functions.

(b) Crop cess to be done in accordance with 1998 Local Authority Act and to be done under PFM Act.

(3) All references to Councils shall include all Local Authorities as were defined under the now repealed Local Government Act, Cap.265 of the laws of Kenya.

(4) All references to Councils shall include all Local Authorities as were defined under the now repealed Local Government Act, Cap, 265 of

the laws of Kenya.

**Cessation**

**15.** Unless otherwise provided in this Act, the rates for fees, charges, licences, cess or rent, applicable before the commencement of this Act in respect of any business, activity, goods or services listed in the schedules, shall cease to apply.

**Regulations**

**16.** The County Executive Committee Member may make regulations for the better carrying out of the purposes and provisions of this Act.



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**DEPARTMENT**

1. AGRICULTURE, FISHERIES, LIVESTOCK DEVELOPMENT & IRRIGATION
2. CITY OF KISUMU
3. INFRASTRUCTURE, ENERGY & PUBLIC WORKS
4. EDUCATION, TECHNICAL TRAINING, INNOVATION & SOCIAL SERVICES
5. MEDICAL SERVICES, PUBLIC HEALTH & SANITATION
6. PUBLIC SERVICE, COUNTY ADMINISTRATION & PARTICIPATORY DEVELOPMENT, OFFICE OF THE GOVERNOR.
7. SPORTS, CULTURE, GENDER & YOUTH AFFAIRS
8. LANDS, PHYSICAL PLANNING, HOUSING & URBAN DEVELOPMENT
9. TRADE, TOURISM, INDUSTRY & MARKETING
10. WATER, ENVIRONMENT, NATURAL RESOURCES & CLIMATE CHANGE