

No. 17 of 2024.

Income Tax, Dividend (Withholding) Tax and Interest (Withholding) Tax Rates (2025 Budget) (Amendment) Act 2024.

Certified on : 13/12/2024



No. of 2024.

***Income Tax, Dividend (Withholding) Tax and Interest (Withholding) Tax Rates
(2025 Budget)(Amendment) Act 2024.***

ARRANGEMENT OF SECTIONS.

1. General rates of income tax on taxable income payable by non-resident persons other than companies (Amendment of Schedule 1A).
 2. Rates of income tax payable by a company other than a company in the capacity of a trustee (Amendment of Schedule 4).
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No. of 2024.

AN ACT

entitled

***Income Tax, Dividend (Withholding) Tax and Interest (Withholding) Tax Rates
(2025 Budget)(Amendment) Act 2024,***

Being an Act to amend the *Income Tax, Dividend (Withholding) Tax and Interest (Withholding) Tax Rates Act* (Chapter 111),

MADE by the National Parliament to come into operation on 1 January 2025.

1. GENERAL RATES OF INCOME TAX ON TAXABLE INCOME PAYABLE BY NON-RESIDENT PERSONS OTHER THAN COMPANIES (AMENDMENT OF SCHEDULE 1A).

Schedule 1A of the Principal Act is amended -

- (a) in Table 4 by repealing the words “and onwards” and replacing them with the following:

“31 December 2024”; and

- (b) by inserting after Table 4, the following:

“TABLE 5. - Rates of Tax for the period 1 January 2025 and onwards.

COLUMN 1 PARTS OF TAXABLE INCOME	COLUMN 2 PERCENTAGE
The part of the taxable income that - does not exceed K33,000.00.	30
exceeds K33,000.00 but does not exceed K70,000.00.	35
exceeds K70,000.00 but does not exceed K250,000.00.	40
exceeds K250,000.00.	42

2. RATES OF INCOME TAX PAYABLE BY A COMPANY OTHER THAN A COMPANY IN THE CAPACITY OF A TRUSTEE (AMENDMENT OF SCHEDULE 4).

Schedule 4 of the Principal Act is amended by repealing Subschedule 4.11 and replacing it with the following new subschedule:

“SCHEDULE 4.11. COMMERCIAL BANKS.

In the case of a company that is a financial institution licensed to operate as a commercial bank under the *Banks and Financial Institutions Act 2000*, the rate of income tax is as shown below -

(a)

Rate of Income Tax	
Rate	Year
40% of the taxable income under K300 million	In fiscal year 2025
35% of the taxable income under K300 million	In fiscal year 2026 and future fiscal years

; and

(b)

Rate of Income Tax	
Rate	Year
44% on the taxable income over K300 million	In fiscal year 2025
43% on the taxable income over K300 million	In fiscal year 2026
42% on the taxable income over K300 million	In fiscal year 2027
41% on the taxable income over K300 million	In fiscal year 2028
40% on the taxable income over K300 million	In fiscal year 2029
39% on the taxable income over K300 million	In fiscal year 2030
38% on the taxable income over K300 million	In fiscal year 2031
37% on the taxable income over K300 million	In fiscal year 2032
36% on the taxable income over K300 million	In fiscal year 2033
35% on the taxable income over K300 million	In fiscal year 2034 and future fiscal years

”.

I hereby certify that the above is a fair print of the *Income Tax, Dividend (Withholding) Tax and Interest (Withholding) Tax Rates (2025 Budget)(Amendment) Act 2024* which has been made by the National Parliament.

Clerk of the National Parliament.

I hereby certify that the *Income Tax, Dividend (Withholding) Tax and Interest (Withholding) Tax Rates (2025 Budget)(Amendment) Act 2024* was made by the National Parliament on 4 December 2024.

Speaker of the National Parliament.