**Tax Collection Strategy**

Tax Administration in Kenya has continued to improve its efficiency by adopting and employing technological advances to track potential revenue even before it is remitted to KRA. This has led to the now famous quote “I can see the money and I’m going for it”, known to have come from the taxman, and widely publicized by the Kenyan media.

Tax Collection Strategy in Kenya currently entails:

1. Facilitative approach – to enhance voluntary compliance
2. Enforcement – a multi-agency approach to deter potential non-compliance and illicit trade
3. Debt collection – using enforcement tools including agency notices and distraint action
4. Robust Dispute Resolution mechanism – with independence from revenue departments
5. Prosecution and publicity of tax evasion cases – including high profile individuals

**Facilitation**

Facilitation is implemented through Relationship Management in Large and Medium Taxpayer Offices and Account Management for the small taxpayers. It involves normal monitoring to ensure registration as applicable, on-time filing of tax returns, on-time payment and full disclosure of transactions for tax purposes.

KRA has also built a modern taxpayer Contact Centre handling taxpayer enquiries as and when they arise. This has significantly reduced queues at our Tax Service Offices.

Facilitation also entails taxpayer education activities and recognition for compliant taxpayers.

**Data-Driven Compliance**

Data driven compliance detects potential avoidance at minimal cost to the administration, resulting in improved tax compliance, debt collection and increased numbers of taxpayers proposing payment plans to clear their outstanding tax debts.

**Enforcement**

KRA is a member of the larger Multi-Agency Taskforce (MAT) that deals with the proliferation of illicit products in the Kenyan market. The team works through a market surveillance approach under the leadership of the Interior Ministry.

**Debt Collection**

Tax Administration in Kenya aggressively pursues outstanding tax debt, and employs debt recovery tools. In recent times, KRA has issued Departure Prohibition orders on non-compliant individuals at country’s exit points.

On public entities, the Agency Notice approach has so far worked well with significant support from the National Treasury and Central Bank.

**Dispute Resolution**

KRA has established a Tax Dispute Resolution Division (separate from revenue departments) to facilitate arbitration between the taxpayer and KRA where tax assessments are disputed. This precedes the Tax Appeals Tribunal and other judicial mechanisms.

**Prosecution**

Tax Administration is trying to change the culture of tax evasion, especially by high profile individuals and their connected entities.

To this end, KRA has partnered with the Directorate of Public Prosecution (DPP) and the Directorate of Criminal Investigations (DCI) to investigate and prosecute tax evaders.

**Closing Remarks**

Looking forward, focus is on improving tax compliance by more effective data analytics. KRA is seeking partnerships to increase capacity in data analysis, systems audits and big data.

KRA’s renewed enthusiasm in Tax Administration and political support from the Country’s President, recently seen during the 2019 Taxpayer Awards Ceremony held in Nairobi, has served to send a message to the general public that no one is unassailable when it comes to taxes. Everyone must pay taxes.