

Implementation of the Industrial Training Levy and PAYE Unified Payroll Return

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2020

TruQuantum Consulting would like to inform you that the Kenya Revenue Authority (KRA) in collaboration with the National Industrial Training Authority (NITA) has announced the commencement of the unified payroll with the National Industrial Training Levy.

The unified payroll implies that there will be a joint declaration and payment of Pay as You Earn and the NITA levy deductions through the iTax system. This is in an effort to improve the ease of doing business in Kenya by reducing compliance costs and efforts.

The industrial training levy was introduced under the Industrial Training (Training Levy) Order, 2007 which requires every person who is an employer to register and remit to the Industrial Training Authority, a total fee of KES 600 for each employee per annum. This contribution is made to facilitate the National Industrial Training Authority to organize industry-oriented trainings targeting workers in the formal and informal sector.

How it works

The Industrial Training Levy Deductions will now be paid annually together with the PAYE on or before the 9th of the subsequent month following the end of the employer's accounting period, at the rate of KES 600 per employee per annum.

Employers who pay NITA levy can claim reimbursement of training costs paid to different

Commencement date

The unified PAYE/NITA payroll shall commence in the month of December 2020, when filing the PAYE and payment shall be due on or before the 9th of January 2021.

All applicable employers are therefore advised to file their December 2020 PAYE and Industrial Training Levy returns through the unified payroll returns available on the iTax system.

Our Value Addition.

Should you seek further information on the topic or need assistance with the process you are welcome to contact us through our contacts below. We would be happy to walk with you through the process.

Contact us

Website: www.truquantum.co.ke

TruQuantum Consulting

Nas Apartments No. 1, Milimani Road

P.O. Box 72516-00200 Nairobi, Kenya.

Tel: +254 20 440 8504/ 722 296 536

Email: Eric.Knoti@truquantum.co.ke

Hellen.Achieng@truquantum.co.ke