



The Kenya Alliance of Resident Associations

**MEMORANDUM ON THE NAIROBI CITY COUNTY FINANCE BILL, 2019
PRESENTED TO NAIROBI CITY COUNTY ASSEMBLY FINANCE, BUDGET AND
APPROPRIATIONS COMMITTEE. THURSDAY, 8TH AUGUST 2019 AT COMMITTEE
ROOM**

General Comments:

The Kenya Alliance of Resident Associations (KARA) calls upon Nairobi City County Government to reconsider some of the clauses in the County's Finance Bill 2019 relating to taxes, fees and charges for services. We urge the County Government to lay more emphasis on proper utilization of the revenue they are currently collecting from City residents before introducing new taxes, fees or charges.. There are loopholes for corruption and poor management of County revenues which need to be fixed before contemplating burdening taxpayers with more taxes.

We take note of the County Assembly effort to reach out to various stakeholders across the City by organizing public participation forums at the sub-county level. However, some of the forums didn't materialize like the one in Langata sub-county and plans should be made to have the residents of that sub-county give their views. We also urge the County that in future, adequate information and notice for the County participation forums should be given to County residents to enable them prepare properly.

While we agree with some of the proposed amendments, we are concerned that some of the taxes, fees and charges being proposed are punitive and/or unnecessary. For instance most estates/households have hired private sector to manage their solid waste because the County Government has failed to provide the service. It is therefore not logical to levy taxes for services the County Government is not providing. Introduction of fire certificate charges for households is punitive and unnecessary besides the fact that a uniform fee of Kshs.2,000 has been proposed without taking into consideration various aspects of the houses.

Below are some of the specific clauses that we propose to be reconsidered:

Clause	Provision	Proposed Amendment	Remarks/Justification
3 (a)	Charges for annual fire certificate for	Delete the provision in its entirety	Besides the charges being high, there is no justification for its introduction as the County Government cannot guarantee any service that

	households – Kshs.2,000		will accrue to the households as a result of paying the charges. Additionally, currently the County Government is not able to carry out inspections on the businesses that exist and therefore will not be able to do the inspection for households.
	Fire inspection fee per visit	Delete the requirement even for commercial entities	County Government should not charge a fee for carrying out inspection or ensuring compliance to the law since this is part of their job
	Increment of occupation certificates charges	Rationalize the charges to Kshs.10,000 for all sizes of buildings	Increment is steep and having different charges for different sizes of buildings doesn't make sense as occupation certificates are only meant to certify a building's compliance with applicable building codes and other laws
Part III	Solid waste management charges for residential houses	Delete the charges and activate Section 6 of the Solid Waste Management Act, 2015	County Government has failed to provide waste management services in most neighbourhoods and majority of households in the City pay private waste collectors to manage their waste. The charges proposed in the Bill will amount to double taxation.
4	Slaughter Fee	Delete	Not enforceable especially at residential/household level
5	On street parking	Clarify that the parking charges in zones referred to only apply to commercial centers/properties	Lack of clarification may mean that the charges may be applied to residential areas – meaning people may be charged for parking outside their houses
	Slaughter Fee	Delete	Not enforceable especially at residential level
6	Rates charged per floor for high rise buildings	Change to rates charged on the land	Rates should be based on Unimproved Site Value for the land and not building.
8	Landscape permit (frontage)	Exempt residential areas	Should not apply to residential areas to allow residents maintain their compound without any hindrances