

Kenya tax overview and compliance calendar

Kenya tax and compliance

Documentation version 1.0
Published 17 November 2026
https://www.hesabuerp.co.ke/documentation/

Kenya tax and compliance

Kenya tax overview and compliance calendar

The taxes a Kenyan business deals with, when each is due and where Hesabu ERP helps.

Beginner · About 15 minutes · Version 1.0 · Updated 17 November 2026

Overview

This chapter explains the main Kenyan taxes and how to record and report them in Hesabu ERP. Hesabu ERP keeps your records and calculates the amounts. You still file and pay through KRA's iTax and other portals, and your accountant remains responsible for advice.

> **Always check the current rules.** Tax rates, thresholds and deadlines change, often with each Finance Act. The Finance Act 2026 changes took effect mostly from 1 July 2026, with some filing timelines from 1 January 2027. Confirm everything with KRA or your tax adviser before relying on it.

The main taxes

Tax	Applies to	Where in Hesabu ERP
VAT	Sales of taxable goods and services by VAT-registered businesses	VAT
PAYE	Employees' income tax, withheld by the employer	Kenyan statutory deductions
NSSF, SHIF, Housing Levy, NITA	Employer and employee contributions	Kenyan statutory deductions
Withholding tax	Certain payments to suppliers, such as professional fees and rent	Withholding and turnover tax
Turnover tax	Small businesses within the threshold who are not VAT-registered	Withholding and turnover tax
Corporation or income tax	Profits of companies and individuals	Your financial reports. Prepared by your accountant
Electronic tax invoices	Invoices that KRA can validate	eTIMS

A monthly calendar

Confirm each date with KRA. This is a typical monthly pattern:

By the	What
9th	PAYE, SHIF and NSSF for the previous month
9th working day	Affordable Housing Levy for the previous month (counted in working days, not calendar days)
20th	VAT return and payment; withholding tax; turnover tax
End of month	Reconcile bank and M-Pesa, review payroll, check eTIMS invoices
Annually	Income tax return (end of June for individuals and, for most companies, six months after the year end), plus annual employer returns

How Hesabu ERP helps

1. Set tax accounts and tax templates once. See Sales taxes and VAT.
2. Record every sale and purchase with the right tax, and keep supplier invoices.
3. Run tax reports and payroll reports for each filing period.
4. Pay the authority and record the payment, so your liability clears.

Important notes

- Keep records for at least the period KRA requires (currently at least five years).
- Late filing and late payment carry penalties and interest. A reminder set in Calendar costs nothing.
- Ask your accountant to review your set-up once.

Next steps

Read VAT.

Related documentation

- VAT: setting up, recording and returning
- Electronic tax invoices and eTIMS
- Withholding tax and turnover tax
- Kenyan statutory deductions