



REPUBLIC OF KENYA
THE NATIONAL TREASURY & PLANNING

PRESS RELEASE

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FOR IMMEDIATE RELEASE

BUDGET & FINANCE BILL PRESENTED TO PARLIAMENT
KES 3.632 Trillion Budget To Focus on COVID-19 Recovery and Big Four

NAIROBI, 30th April, 2021 – Cabinet Secretary (CS) for the National Treasury & Planning, Hon. (Amb.) Ukur Yatani, on Thursday, 29th April, 2021 in compliance with the Public Finance Management Act, presented the 2021/22 and Medium Term Budget alongside the Finance Bill 2021, to Parliament for consideration.

The KES 3.632 trillion budget proposes to strike a balance between stimulating economic recovery and responding to the health challenges of the COVID-19 pandemic:

“In preparing the estimates we have been very alive to the current challenges of the ongoing pandemic, while ensuring that we continue on a steady path of economic recovery, by investing KES 26.6 billion on the Post COVID-19 Economic Stimulus Programme (PC-ESP) and KES 135.3 billion on the President’s Big Four Agenda covering universal healthcare, food and nutrition, manufacturing and affordable housing”, noted Yatani.

In the proposed budget, the Executive, Parliament and the Judiciary have been allocated KES 1.879 trillion, KES 37 billion and KES 17 billion, respectively, as contained in the 2021 Budget Policy Statement (2021 BPS) approved by Parliament earlier this year.

The Finance Bill 2021 on its part, seeks to amend the Income Tax, the VAT Act, the Excise Duty Act, the Tax Procedures Act, the Miscellaneous Fees and Levies Act, as well as the Capital Markets Act, the Central Depositories Act, the Kenya Revenue Authority Act, the Insurance Act and the Retirement Benefits Act, to facilitate realisation of the budget proposals.



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“We are proposing to introduce VAT exemptions on ventilators, decongestants and supplements in order to boost the health sector by lowering costs, while also supporting youth employment by proposing tax deductions for employers that engage Technical and Vocational Education and Training (TVET) graduates as apprentices. We are also proposing several amendments to enhance tax administration and dispute resolution operations. These proposals alongside others contained in the Finance Bill will help create the legal and policy framework to achieve our medium-term budget goals”, asserted Yatani.

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