THE DAIRY INDUSTRY ACT

(Cap. 336)

IN EXERCISE of the powers conferred by section 19 of the Dairy Industry Act, the Minister for Livestock and Fisheries Development, on the advice of the Kenya Dairy Board, makes the following Regulations:

THE DAIRY INDUSTRY (IMPOSITION OF CESS AND Levy) REGULATIONS, 2004


2. (1) A dairy farmer, who produces milk for sale or converts milk to any other dairy produce for sale, shall pay cess on the milk sold or converted at the rate of twenty cents per litre.

   (2) A dairy farmer, shall pay cess, in accordance with paragraph (1)—

   (a) to the Board through the producer, if the dairy farmer sells the milk of other dairy produce to a producer; and

   (b) directly to the Board, if the dairy farmer sells the milk or other dairy produce to a person other than a producer.

3. A person who is required under these regulations to pay or remit cess to the Board, shall do so on a monthly basis and in each case within a period of ten days after the last day of the month during which the milk or dairy produce in respect of which the cess is payable was sold or purchased.

4. A person who imports milk or any other dairy produce shall pay to the Board a levy of seven per centum of gross cost, insurance and freight (landed value) of the milk or dairy produce at the port of entry prior to the release of the milk or dairy produce.

5. (1) A person who fails to pay or remit the cess to the Board as provided under regulation 3 shall, in addition to the cess, be liable to pay interest of twelve percent for the first or part of the month in which the cess remains unpaid and six percent compound interest for each subsequent month or part of a month in which the cess remains unpaid.

   (2) A person who fails to pay the levy to the board prior to the release of the imported milk or dairy produce as provided under regulation 4 shall, in addition to the levy, be liable to pay interest of twenty five percent for the first month or part of a month in which the levy remains unpaid and twelve percent compound interest for each subsequent month or part of a month in which the levy remains unpaid.
(3). The interest rates set out in paragraphs (1) and (2) are monthly interest rates and not annual interest rates.

6. The Board may require monthly returns, reports and estimates indicating the quantities of milk sold or quantities of milk converted to any other dairy produce and sold.

7. The cess and levy that is due to the Board shall be a civil debt due from the person on whom it is imposed.

8. The following are revoked—

(a) the Dairy Industry (Imposition of Cess) Regulations;

(b) the Dairy Industry (Cess) Non-Scheduled Areas Regulations.


J. K. MUNYAO,

Minister for Livestock and Fisheries Development.