agreement under the Petroleum (Exploration and Production) Act, unless duty is paid;

(e) the companies shall notify the Treasury of the identity of any sub-contractor to whom this Order shall apply; and

(f) “petroleum operations” means all or any of the operations related to the exploration for, development, extraction, production, separation and treatment, storage, transportation and sale or disposal of petroleum up to the point of export or the agreed delivery point in Kenya or the point of entry into a refinery, and includes natural gas processing operations, but does not include petroleum refining operations.

Made on the 16th February, 2005.

DAVID MWIRARIA,
Minister for Finance.

LEGAL NOTICE NO. 14
THE VALUE ADDED TAX ACT
(Cap. 476)
IN EXERCISE of the powers conferred by section 23 of the Value Added Tax Act, the Minister for Finance makes the following Order:

THE VALUE ADDED TAX (REMISSION) ORDER, 2005
1. This Order may be cited as the Value Added Tax (Remission) Order, 2005, and shall be deemed to have come into operation on the 1st January, 2005, and shall unless otherwise advised remain in force.

2. The entire of the duties payable on materials, supplies, consumable items, plant, machinery, motor vehicles or equipment imported by Woodside Energy (K) Limited, Dana Petroleum Limited and Global Petroleum Limited (hereinafter referred to as “the Companies”) and all non-resident person(s) with whom they are in contract (whether by way of direct contract or sub-contract) solely for the purpose of carrying out petroleum operations (hereinafter referred to as the “sub-contractors”) in accordance with the Production Sharing Contracts dated the 11th July, 2000 and 6th November, 2001 entered into between the Government of Kenya and Star Petroleum PLC, and in accordance with the provisions of the Petroleum (Exploration and Production) Act, is remitted:

Provided that—

(a) the Minister for the time being responsible for matters relating to energy, or such person as may be authorized by him, certifies to the Treasury that any goods to be imported are to be used solely in connection with the petroleum operations carried out under the Production Sharing Contract;
2. Any premises referred to as “cottage/villa, home stay, host farm/farm stay, private game ranch, tented camp, game lodge, time share, holiday/service apartment or flat, boarding and lodging, resort or health spa, retreat lodge, guest house, motel” and all other similar establishments.

3. For purposes of the catering training and tourism development levy—

(a) any hotel at which the minimum total charge for accommodation per night, including provision of breakfast or any other meal or service, is KSh. 250 per person; and

(b) any restaurant at which the minimum gross receipts derived from all sales amount to KSh. 3,000,000 per annum, or, in the case of a restaurant which has not previously traded, minimum average of KSh. 250,000 per month for the first three months of trading.

4. For the purposes of paragraph 3, the amount of gross receipts shall be determined by reference to the accounts kept by the restaurant for the period of twelve months, or three months, as the case may be, ending at the end of the month immediately before a lawful request under section 25 (1) for their production, and by reference to such other information lawfully required under that section as the Authority may deem fit:

Provided that nothing in this paragraph shall prevent the Authority from disputing those accounts or other information, or calling evidence, in the course of proceedings for an offence under this Act, tending to disprove such accounts or information.

**Premises Excluded:**

1. Any premises run by the Government or a charitable organization registered for charitable purposes.

2. Any premises operated by an educational or training institution approved by the Minister for the use of staff and students of that institution.

3. Any premises operated by a medical institution approved by the Minister for the use of staff and students of that institution:

Provided that the provisions of paragraph 1, 2 and 3 above, shall not preclude the Authority from issuing certificates of approval to operate within specified minimum standards under the Act.

Made on the 14th February, 2005.

**Raphael Tuju,**

*Minister for Tourism and Wildlife.*

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**LEGAL NOTICE NO. 16**

**THE HOTELS AND RESTAURANTS ACT**

*(Cap. 494)*

IN EXERCISE of the powers conferred by section 29 (2) (i) of the Hotels and Restaurants Act, the Minister for Tourism and Wildlife makes the following Regulations—

**THE HOTELS AND RESTAURANTS (AMENDMENT) REGULATIONS, 2005**

1. These Regulations may be cited as the Hotels and Restaurants (Amendment) Regulations, 2005.

2. The Second Schedule to the Hotels and Restaurants Regulations is repealed and replaced with the Schedule hereto:

**SECOND SCHEDULE**

1. For the purposes of licensing, hotels shall be divided into categories and according to their size, bed capacity and extent of the services they provide.

2. On the grant of a hotel manager’s licence, the licencee shall pay a fee equivalent to 10 per cent of the annual licence fee payable by the hotel the licensee intends to manage.

<table>
<thead>
<tr>
<th>HOTEL</th>
<th>Hotel Fees</th>
<th>Managers (10% of Hotel Fees)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Conventional vacation, town and countryside hotels in which services provided include provision of breakfast and other meals—</td>
<td></td>
</tr>
<tr>
<td>(i)</td>
<td>with bed capacity of one to ten beds and/or maximum total charge for accommodation per night is less than KSh. 1,500</td>
<td>5,000</td>
</tr>
<tr>
<td>(ii)</td>
<td>with bed capacity of one to ten beds and/or minimum total charge for accommodation per night is over KSh. 1,500</td>
<td>7,500</td>
</tr>
<tr>
<td>(iii)</td>
<td>with or without at least one restaurant and/or bed capacity of between 11 to 40 beds and maximum total charge for accommodation per night is less than KSh. 1,500</td>
<td>10,000</td>
</tr>
<tr>
<td>(iv)</td>
<td>with or without at least one restaurant and/or bed capacity of between 11 to 40 beds and minimum total charge for accommodation per night is over KSh. 1,500</td>
<td>15,000</td>
</tr>
<tr>
<td>(v)</td>
<td>with more than one restaurant and bar outlets and/or bed capacity of between 41 to 80 beds in addition to function room facility</td>
<td>20,000</td>
</tr>
</tbody>
</table>

Sub. Leg.