

THE FINANCE ACT 1967

No. 20 of 1967

Date of Assent: 18th August 1967

Date of Commencement: See Section 1

An Act of Parliament to amend the Customs Tariff Act, the Excise Tariff Act, the Income Tax (Allowances, Reliefs and Rates) Act, the Estate Duty Act and the Betting, Lotteries and Gaming Act and for purposes incidental thereto or connected therewith

ENACTED by the Parliament of Kenya, as follows:—

PART I—PRELIMINARY

1. (1) This Act may be cited as the Finance Act 1967.

Short title and commencement.

(2) Section 4 of this Act shall come into operation on the 1st January 1968 and shall apply in respect of assessments for the year of income 1968 and for each subsequent year of income.

(3) The amendment introduced by paragraph (a) of section 5 of this Act shall be deemed to have come into operation on 1st January 1967 in respect of the year of income 1967 and subsequent years of income.

(4) The amendment introduced by paragraph (b) of section 5 of this Act shall,—

(a) for the purposes of section 58 (b) of the East African Income Tax (Management) Act 1958 of the Organization (hereinafter in this subsection referred to as “the Management Act”), be deemed to have come into operation on 1st January 1966 in respect of the year of income 1966 and subsequent years of income;

10 of 1958.

(b) for the purposes only of deduction of tax under sections 65 (1), 66 (1) and 67 (1) of the Management Act, come into operation on 1st July 1967.

(5) The amendment introduced by paragraph (c) of section 5 of this Act shall,—

(a) for the purposes of section 58 (c) of the East African Income Tax (Management) Act 1958 of the Organization (hereinafter in this subsection referred to as

10 of 1958.

“the Management Act”), be deemed to have come into operation on 1st January 1966 in respect of the year of income 1966 and subsequent years of income;

(b) for the purposes only of deduction of tax under sections 65 (1), 66 (1) and 67 (1) of the Management Act, come into operation on 1st July 1967.

PART II—CUSTOMS TARIFF

Amendment of
First Schedule
to Cap. 472.

2. (1) The First Schedule to the Customs Tariff Act is amended, in relation to the items specified in the first column of the Schedule to this Act and relating to the articles respectively specified in the second column of the Schedule to this Act, in the manner respectively specified in the third column of the Schedule to this Act.

(2) The First Schedule to the Customs Tariff Act is further amended—

(a) in item 13 thereof (which relates to foods, etc.), by inserting therein, in its appropriate alphabetical position, the following sub-item—

<i>Article</i>	<i>Import Duty</i>	<i>Suspended Duty</i>
13 (d) Food preparations, n.e.s.	<i>Ad valorem</i> 50%.	

(b) in items 31, 32, 33 and 34 (which relate to cigars, cigarettes, snuff and tobacco, etc.), by deleting the proviso thereto;

(c) in item 40 thereof (which relates to fabrics, etc.), by inserting therein, in its appropriate alphabetical position, the following sub-item—

<i>Article</i>	<i>Import Duty</i>	<i>Suspended Duty</i>
40 (e) Lace, tulle and net fabrics, n.e.s.	<i>Ad valorem</i> 40%.	

(d) by substituting for item 61 (c) thereof (which relates to passenger-carrying motors, n.e.s., including estate cars, etc.), the following item—

<i>Article</i>	<i>Import Duty</i>	<i>Suspended Duty</i>
61 (c) Passenger-carrying motor-cars, n.e.s., including motor-vehicles commonly known as estate cars, station wagons, motor-caravans, mini-buses and similar dual purpose or general purpose vehicles—		
(i) of an engine capacity not exceeding 1,200 cubic centimetres	<i>Ad valorem</i> 30%.	

<i>Article</i>	<i>Import Duty</i>	<i>Suspended Duty</i>
61 (c) (ii) of an engine capacity exceeding 1,200 cubic centimetres but not exceeding 1,800 cubic centimetres	<i>Ad valorem</i> 40%.	
(iii) of an engine capacity exceeding 1,800 cubic centimetres but not exceeding 2,250 cubic centimetres	<i>Ad valorem</i> 50%.	
(iv) of an engine capacity exceeding 2,250 cubic centimetres	<i>Ad valorem</i> 70%.	
(v) parts of such vehicles imported for local assembly into complete vehicles by a vehicle manufacturer approved by the Minister for the purpose of this sub-item	<i>Ad valorem</i> 15%.	

(e) by substituting for item 137 (e) thereof (which relates to paper, other, n.e.s.), the following items—

<i>Article</i>	<i>Import Duty</i>	<i>Suspended Duty</i>
137 (e) Wrapping paper, unprinted	<i>Ad valorem</i> 15%.	
(f) Other, n.e.s.	<i>Ad valorem</i> 30%.	

(f) by inserting in its proper numerical order, the following new item—

<i>Article</i>	<i>Import Duty</i>	<i>Suspended Duty</i>
156A. Mechanical Lighters—		
(a) Portable lighters, complete or incomplete (including bodies) being portable mechanical, chemical, electrical or similar contrivances intended to provide a means of ignition whether by sparks, flame or otherwise	Each Sh. 2 (or <i>Ad valorem</i> 45% whichever is the greater).	
(b) parts of portable lighters not specified above, gas refills and accessories for portable lighters, including flints, wicks and batteries specially designed for use with portable lighters, when imported separately	<i>Ad valorem</i> 45%.	
(c) other lighters and parts thereof	<i>Ad valorem</i> 30%.	

PART III—EXCISE TARIFF

3. The Schedule to the Excise Tariff Act is amended—
 (a) in item I thereof (which relates to beer), by substituting for the sum of “Sh. 306.00” appearing in the Rate of Duty Column, the sum of “Sh. 342.00”;

Amendment of
 Schedule to
 Cap. 474.

(b) by inserting therein, after item 11 thereof, the following items—

<i>Item</i>	<i>Goods</i>	<i>Quantity</i>	<i>Rate of Duty</i>
			<i>Sh. cts.</i>
12	Fabrics, woven, of which the length or breadth exceeds 24 inches, including fabrics made by further manufacturing process from imported woven fabrics but not including sacking, matting or blanket fabrics	per sq. yd.	00 25
13	(a) Paints, varnishes, lacquers and enamels but not including cosmetic preparations	per Imperial gallon	4 00
	(b) Distemper	per hundred-weight	9 60

PART IV—INCOME TAX

4. The First Schedule to the Income Tax (Allowances, Reliefs and Rates) Act 1966 is amended by substituting for the figure “£600”, which appears in paragraph 1 thereof, the figure “£480”.

5. The Third Schedule to the Income Tax (Allowances, Reliefs and Rates) Act 1966 is amended—

(a) by substituting for paragraph 1 (b) thereof the following paragraph—

1. (b) The surtax rate shall be—

on the first £1,000 nil;

on the next £1,000 at Sh. 3 in the pound;

on the next £1,000 at Sh. 5 in the pound;

on the next £1,000 at Sh. 7 in the pound;

on the next £1,000 at Sh. 8 in the pound;

on the next £1,000 at Sh. 9 in the pound;

on the next £1,000 at Sh. 10 in the pound;

on the next £3,000 at Sh. 11 in the pound;

on the next £5,000 at Sh. 12 in the pound;

and on every pound after £15,000 at Sh. 13 in the pound;

(b) by substituting for paragraph 2 thereof the following paragraph—

2. The higher standard rate shall be eight shillings in respect of each pound.;

Amendment of First Schedule to Act No. 8 of 1966.

Amendment of Third Schedule to Act No. 8 of 1966.

Section of the Management Act 58 (b), 65 (1) (b), 66 (1) (b) and 67 (1) (b).

(c) by substituting for paragraph 3 thereof the following paragraph—

3. The corporation rate shall be eight shillings in respect of each pound, save in the case of—

(a) that part of the chargeable income of an insurance company which relates to its life insurance business, when the rate shall be seven shillings and fifty cents in respect of each pound of such chargeable income; and

(b) that part of the chargeable income of a company which relates to income derived from the mining of specified minerals, when the rate shall be four shillings and fifty cents in respect of each pound of such chargeable income.

Section of the
Management
Act
58 (c),
65 (1) (c),
66 (1) (c) and
67 (1) (c).

PART V—ESTATE DUTY

6. The First Schedule to the Estate Duty Act is amended by substituting for paragraph (a) thereof the following paragraphs—

Amendment of
First Schedule
to Cap. 483.

- (a) (i) Where the value of the estate does not exceed £1,000, no estate duty shall be payable.
- (ii) Where the value of the estate exceeds £1,000 but does not exceed £1,500, estate duty shall be £5.
- (iii) Where the value of the estate exceeds £1,500 but does not exceed £2,000, estate duty shall be £10.
- (iv) Where the value of the estate exceeds £2,000 but does not exceed £2,500, estate duty shall be £15.
- (v) Where the value of the estate exceeds £2,500 but does not exceed £5,000, the rate of estate duty shall be one per cent.

PART VI—POOL BETTING

7. Section 32 (1) of the Betting, Lotteries and Gaming Act 1966 is amended by substituting for the expression “ten per centum”, which appears therein, the expression “twenty per centum”.

Amendment of
section 32 of
Act No. 9 of
1966.

SCHEDULE

(s. 2 (1))

<i>Item</i>	<i>Relating to</i>	<i>Amendment</i>
13 (c)	Prepared cereals, including preparations known as breakfast foods	for "37½%" substitute "50%".
14 ..	Ghee, being clarified butter, margarine, vegetable fats, etc.	for "cents 30 or 30%" substitute "cents 60 or 50%".
15A ..	Jams, pickles, fruits, etc. ..	in sub-items (a) to (f) inclusive, for "37½%" substitute "50%".
16 ..	Macaroni, etc.	for "37½%" substitute "50%".
25A ..	Tomato puree	for "37½%" substitute "50%".
28 (a)	Spirits, perfumed	for "Sh. 142 (or 75%) substitute "Sh. 200 (or 100%".
30 (a) (i)	Still wines imported in bottles	for "Sh. 16" substitute "Sh. 20".
30 (a) (ii)	Still wines imported in casks, etc.	for "Sh. 12" substitute "Sh. 16".
40 (a) (i)	Cotton, grey and unbleached	for "Sh. 1" substitute "Sh. 1/25".
40 (a) (ii)	Cotton, other	for "Sh. 1/25" substitute "Sh. 1/50".
40 (a) (iii)	Man-made fibres	for "Sh. 1/25" substitute "Sh. 1/50."
59 ..	Ball and roller bearings ..	for "Free" substitute "ad valorem 30%".
98 ..	Petroleum, crude, etc. ..	for "Sh. 1/50" substitute "Sh. 1/65".
99 (b)	Motor spirit, other	for "Sh. 1/50" substitute "Sh. 1/65".
140A (a)	Cameras and accessories	for "Free" substitute "ad valorem 30%".
140A (b)	Photographic films and plates, unexposed ..	for "Free" substitute "ad valorem 30%".
149 (c)	Consular goods imported or purchased by a permanent member of the Consular Service of any foreign country, etc. ..	substitute for the expression "by, or for the use of," the expression "for the use of".
160 (c)	Goods imported or purchased for the Governments of the United Republic of Tanzania, Uganda or Kenya, etc. ..	substitute for the expression "by, or for the use of," the expression "for the use of".
160 (j)	Goods imported or purchased for the East African Currency Board, etc.	substitute for the expression "by, or for the use of," the expression "for the use of".

SCHEDULE—(Contd.)

<i>Item</i>	<i>Relating to</i>	<i>Amendment</i>
160 (k)	Goods imported or purchased by the Navy, Army and Air Force Institutes, etc.	<i>delete</i> the words "and subject in the case of tobacco and manufactures thereof to the import duty specified in the proviso to items 31, 32, 33 and 34".
165 (b)	Unprinted paper and unprinted cardboard for the manufacture of cartons and paper bags	<i>Delete.</i>
165 (c) (i)	Six-ply bags imported for the packing of cement for exportation, etc.	<i>Delete.</i>
165 (c)	Bags, boxes, cartons, containers, etc.	Re-number sub-items (ii), (iii), (iv) and (v) as sub-items (i), (ii), (iii) and (iv) respectively.
165 (d)	Wrapping paper, unprinted	<i>Delete.</i>
165 . .	Packing materials, etc.	Re-letter sub-items (c), (e), (f), (g) and (h) as sub-items (b), (c), (d), (e) and (f) respectively.