

REPUBLIC OF KENYA

## REMARKS BY HIS EXCELLENCY WILLIAM RUTO, PHD; C.G.H; PRESIDENT AND COMMANDER-IN-CHIEF OF THE KENYA DEFENCE FORCES DURING THE 2023 TAXPAYERS' DAY

NOVEMBER 3RD, 2023

**MOMBASA COUNTY** 

## Distinguished Taxpayers,

- 1. I am very happy to be with you as we celebrate this year's National Taxpayers' Day; a very unique and special moment in our national calendar whose significance needs to be fully appreciated.
- 2. This occasion is not intended to focus on the success of the national revenue administration body in performing its constitutional and statutory function. Rather, this day is special because as a nation, we are taking the moment to appreciate exemplary individual and corporate citizens for their patriotism and commitment to the performance of their civic obligation.
- 3. Our economy has been navigating unprecedented turbulence for a while now due to factors beyond our control, including devastating shocks emanating from geopolitical as well as extreme climate events, a pandemic and recession, which cumulatively led to lower performance and high inflation.
- 4. What stands out as an extraordinary development is that even during this period of extraordinary difficulty, our revenue performance continued on the path of growth, indicating that our economy is demonstrating resilience. This shows that Kenyan workers and enterprises remained hard-working and dedicated and that our taxpayers did not use global and local economic challenges as an excuse to evade the performance of their fundamental duty. It also shows that the Kenyan taxpayer defied many expectations to survive, thrive and enhance their contribution to national development. This is what we are here to celebrate.



- 5. A year ago, I announced the beginning of a new era in our national economic governance and management, which required us to live within our means and invest in production and productivity. I also declared that the national tax administration mechanism had to change and become more facilitative, service-oriented and supportive of compliant taxpayers.
- 6. The best way of supporting compliant taxpayers is by engaging them in positive and affirmative ways, which make it easier and simpler for them to remit taxes, and by expanding the tax base through the registration and facilitation of more eligible taxpayers to enhance burden sharing.
- 7. Events like the National Taxpayer Week are essential to the achievement of the taxpayer engagement objectives, if they are not treated as mere annual rituals, and are undertaken with a measure of meaningful positive interactions between the Kenya Revenue Authority and taxpayers.
- 8. As I announced at the last National Taxpayers' Day, the time has come for the Kenya Revenue Authority to undertake a comprehensive culture change to make it aligned with the revenue mobilization imperatives of a new constitutional dispensation, governing platform, strategic realities and economic conditions.
- 9. This is the spirit in which the KRA recently recruited specially trained Revenue Service Assistants: As a move to enhance its revenue mobilization capacity and taxpayer compliance through service-oriented, citizen-centric methods of facilitating voluntary compliance in keeping with our fundamental commitment to decriminalize enterprise and enable all levels of business from



micro-, small and medium-sized enterprises, all the way to global multinational companies to meet their obligations.

- 10. The KRA must therefore continuously demonstrate a singular commitment to new service-oriented values and signal a departure from the abuses and excesses of previous times, which only served to elicit resentment and encourage evasion while facilitating wastage, theft, embezzlement and other corrupt practices.
- 11. KRA now knows that it is possible to be courteous, kind and gentle to taxpayers and at the same time become even more effective and efficient in tax collection. This applies to all persons in public authority when dealing with members of the public.
- 12. What is required is the exercise of greater imagination, commitment to national values and principles of governance, and the use of technology and innovation to improve service delivery. I note with appreciation that the KRA has been undertaking reforms in this direction, which include the use of technology to integrate the taxpayer and revenue administration systems to allow real-time, automatic exchange of actionable data.
- 13. Our decision to significantly enhance efficiency and integrity in the provision of public services to citizens by digitizing over 13,000 government services has gone a long way to enhance revenue performance. Monthly revenues form fees have already risen to KSh 9 billion up from ksh. 1.5 billion. As we can all see, the interventions leading to improved performance are efficiency, integrity and service-oriented.



- 14. I will repeat this: not only is it possible to be efficient and effective while being courteous and considerate, is the only way to serve taxpayers and other members of the public. It is not necessary for effective revenue collection to be unpleasant and demeaning to members of the public.
- 15. The implementation of a national digital identity framework will also go a long way in facilitating the collection of relevant data for revenue mobilization.
- 16. I recognize the cardinal obligation of government to utilize all revenues prudently and efficiently in the service of our citizens. This commitment stands and we are committed to do so with maximum transparency and accountability. This is why I use every opportunity to publicise what the government is doing for the people of Kenya because that is how our taxes are being used. I will in due course provide a more elaborate formal account to sustain this engagement and provide comfort that none of the resources committed to my charge is being wasted, mismanaged or stolen.
- 17. The Bottom-Up Economic Transformation Agenda has identified the significant improvement of productivity in key sectors an urgent priority of national economic governance efforts. Such improvements require immense investments and the resources to invest come from revenues. There is simply no space for wastage and corruption because that would be the recipe for disastrous failure. Our tolerance for corruption, therefore, is absolute zero.



- 18. In line with this, today, the Cabinet approved the Public Audit (Amendment) Bill, 2023, which will enhance the Auditor-General's independence and transparency to ensure proper utilization of public resources through audits and also provide power for fraud investigations.
- 19. It is important that as government, we communicate this commitment clearly, because the citizens and taxpayers deserve to know it as a matter of right. Our taxpayers are supporting national transformation by financing the provision of public services, strategic investments and our national revenue sovereignty.
- 20. Over the past year, there has been undeniable improvement in our revenue performance. This is partly due to enhanced performance by the KRA, which is commendable, even though there remains vast room for quantitative and qualitative improvements.
- 21. The undeniable credit for our sustained economic resilience and continued ability to meet our local and international obligations, provide services and invest in economic transformation goes to the taxpayers, who have remained outstanding in their commitment to the strength of our economy, well-being of the people and sustainable development of our country. We celebrate all of you today.
- 22. I urge all Kenyans to respect and honour those amongst us who perform their part in supporting national development by voluntarily paying their taxes and encourage those who have not, to register and obtain the KRA personal identification number (PIN), and join the ranks of our patriotic mashujaa who keep the wheels of development in motion.



- 23. As always, I remain committed to lead from the front on this matter of great national importance, to pay my taxes when they fall due and submit my tax returns on time.
- 24. I congratulate all the exemplary taxpayers who have been recognized under various categories. Your work is admirable, and your contribution historic and transformative. Well done, and keep it up.

Thank you. God Bless you.

