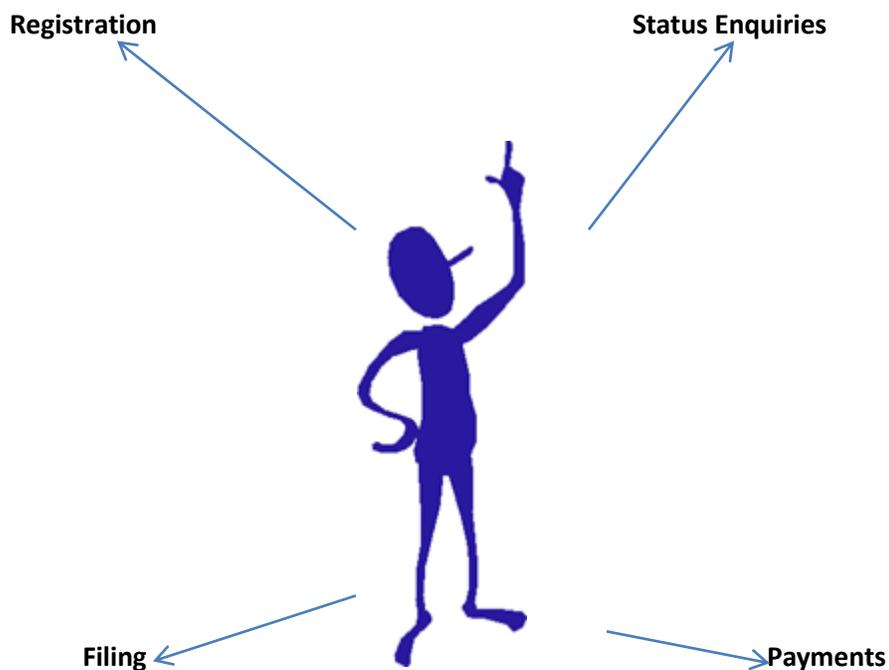


What is iTax?

- iTax is the system that has been developed to replace the current KRA Online system . It is a web-enabled and secure application system that provides a fully-integrated and automated solution for administration of domestic taxes.
- Enables Taxpayer internet based PIN registration, returns filing, payment registration to allow for tax payments and status inquiries with real-time monitoring of accounts.



Why iTax?

iTax is here to:

1. Simplify tax processes and make it easy for Taxpayers to comply
2. Shorten time taken to extract data & information on revenue
3. Reduce time taken by Taxpayers when dealing with KRA

4. Re-engineer business processes for effectiveness & efficiency
5. Enhance the ability/accuracy of KRA/Taxpayers to account for taxes

Component Modules

No.	Acronym	Module Name
1	TRE	Taxpayer Registration
2	TRP	Tax Return Processing
3	BCL/CCRS	Payments /Bank Collection
4	TPS	Taxpayer Services
5	POT	Portal
6	TPA	Taxpayer Account
7	C&M	Compliance & Monitoring
8	D&E	Debt & Enforcement
9	TC&R	Tax Credits & Refunds
10	TSS	Technical Support Services
11	AUD	Audit
12	PPP	Payment Processing Plan
13	MSR	Management Statistics & Reports
14	WFM	Workflow Management
15	CPM	Central Parameters Management
16	EIM	External Information Management
17	SEM	Security Management
18	DBM	Database Management

iTax Roll Out Effective Dates :

Pilot: Begun in Dec 2012 with select taxpayers from LTO&MTO registering in the system and filing returns.

- Beginning Oct 2013-full roll out to MTO and LTO taxpayers.
- Registered taxpayers are already filing VAT and PAYE and making payments. So far about 5,000 returns have been filed.

iPage Updates: About 70% of taxpayers in MTO<O have updated iPage.

Other Stations: Initiatives to assist taxpayers to register and file using iTax system are currently being implemented with a view of migrating all taxpayers onto the iTax Platform

Infrastructural Upgrade: Infrastructure sizing and analysis has been done to determine the capacity the system will require. System performance will be continuously be enhanced to accommodate the needs of the KRA and the entire population of taxpayers.

Highlights From iTax Modules : Taxpayer Registration

TAX AGENTS:

-System to maintain an updated electronic Register of Tax Agents from ICPAK,LSK, and former tax officers.

-Interviews for tax agents are conducted by Tax Agent Committee.

INTERMEDIARY AGENTS:

-Category introduced to assist in Taxpayer Registration & Filing

-Roll Out for Registration of New Taxpayer to be effected soon. It will involve verification of registration details before issuance of PIN.

-i Page Facility is already rolled out to update registration details of existing taxpayers. Taxpayer details include:

- Unique e-mail address per PIN

- Cell Phone Mandatory i.e. SMS Broadcast
- Confirmation of business type and assigned tax obligations

Highlights From iTax Modules: Tax Returns Processing:

- ❑ Electronic Filing based on Excel/Open office
- ❑ iPage Update does not automatically qualify one for Return Filing-Taxpayer needs to communicate with KRA to be enabled to file tax returns
- ❑ Returns are completed offline :Taxpayer downloads Return , fills it and thereafter uploads the zipped file generated upon validation
- ❑ PIN Validation occurs at two points:
 - The offline form checks for correctness of PIN format e.g 11 characters
 - Upon upload of zipped file, system checks for correctness of PIN based on information available in the database.
 - Invalid PINs to be confirmed through PIN checker on the KRA website
 - New PINs to be forwarded to KRA for data migration.

Highlights From iTax Modules :Payments/ Bank Collections

- ❑ 24banks have been integrated with the payment gateway system thus enabling taxpayers make payments conveniently via online banking, cash, cheque and RTGS.
- ❑ **Payments being collected:-**
 - VAT (VAT 3 and VAT on Imported Services)
 - Agency Revenue: e.g KEBS, SDL, shipping tax, stamp duty and land rent to be rolled out
 - Withholding tax-functionality to allow for capture of large data to be availed soon
 - Instalment Taxes: Activated upon taxpayer's request and provision of Accounting Period which is confirmed against data available in the database prior to activation.
- ❑ Real time update of ledger takes effect upon following through the payment process as prescribed in iTax i.e Payment Registration and submission of payments through the designated banks.

Highlights From iTax Modules :Taxpayer Services/Portal

Available/To be available on the Portal:

- ❖ PIN Application
- ❖ PIN checker, WHT Certificate Checker, TCC checker
- ❖ Generate E-Slip
- ❖ Electronic filing and amending returns using Excel
- ❖ View Taxpayer Account/Ledger

- ❖ E-Query
- ❖ View Tax Returns Filed
- ❖ Consult Status of Cases on Compliance, Debt, Audit
- ❖ Request for TCC
- ❖ Make Application for Refund
- ❖ Make Application Transfer of Tax Credits
- ❖ Make Application for Payment Plan
- ❖ Make Application for Waivers and Write Offs

Other Highlights

- Reduction of Refunds backlog by allowing taxpayers to utilise approved refunds to offset other tax liabilities.
- Electronic waiver & Write-off applications , processing and Approval
- Electronic Application, Approval and Monitoring of Payment plans
- Electronic Application and Issuance of Exemption Certificates
- Court, local committee and Tribunal's records maintained in iTax.
- Investment Deduction Allowances will be monitored and tracked in the system.
- **Electronic waiver & Write-off applications , processing and Approval**
- The process is initiated when a taxpayer / tax agent presents through iTax a request for waiver of penalties and/or interest.
- iTax allocates the cases to debt officers
- An officer receives a case, carries out relevant analysis and uploads his comment on the results of his analysis in to iTax.
- Officer transfers case to the Station Manager for approval through the Debt Manager.
- The Station Manager approves or rejects the request and according to the waiver amount of the request:
 - If approved, transfers the case to the Senior Manager, Domestic Taxes
- The Senior Manager approves or rejects the request and according to the waiver amount required:
 - If approved, transfers the case to the Commissioner of Domestic Taxes.

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