

**SPECIAL ISSUE**

*Kenya Gazette Supplement No. 90 (National Assembly Bills No. 26)*

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REPUBLIC OF KENYA

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***KENYA GAZETTE SUPPLEMENT***

**NATIONAL ASSEMBLY BILLS, 2024**

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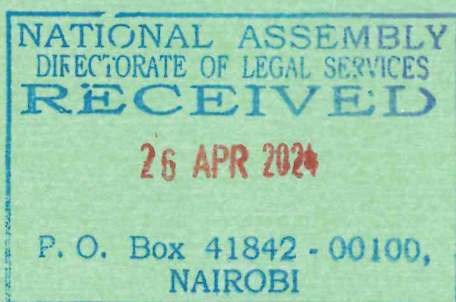
**NAIROBI, 16th April, 2024**

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THE  
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**THE PUBLIC FINANCE MANAGEMENT  
(AMENDMENT) (NO. 2) BILL, 2024**

**A Bill for**

**AN ACT of Parliament to amend the Public Finance Management and for connected purposes**

**ENACTED** by the Parliament of Kenya as follows—

1. This Act may be cited as the Public Finance Management (Amendment) (No. 2) Act, 2024.

Short title.

2. Section 129 of the Public Finance Management Act, (in this Act referred to as the “principal Act”), is amended in subsection (2)(a) by deleting the words “except the Finance Bill,”.

Amendment of section 129 of Cap. 412A.

3. The principal Act is amended by inserting the following new section immediately after section 131—

Insertion of a new section into Cap. 412A.

Submission, consideration and passing of the County Finance Bill.

**131A.** (1) County Executive Committee member for finance shall submit to the County Assembly, on or before 30th April, the County Finance Bill setting out the revenue measures for the County Government

(2) Following submissions of the County Finance Bill by County Executive Committee member for finance, the relevant committee of the County Assembly shall introduce the Bill in the County Assembly.

(3) The County Assembly shall consider and pass the County Finance Bill, with or without amendments, in time for it to be presented for assent by 30<sup>th</sup> June each year.

(4) Any recommendations made by the relevant committee of the County Assembly or resolution passed by the County Assembly on revenue matters shall—

(a) ensure the total amount of revenue raised is consistent with the approved fiscal framework;



- (b) take into account the principles of equity, certainty and ease of collection;
- (c) consider the impact of the proposed changes on the composition of the tax revenue with reference to direct and indirect taxes;
- (d) consider domestic, regional and international tax trends;
- (e) consider the impact on development, investment, employment and economic growth; and
- (f) take into account the taxation and other tariff arrangements and obligations that Kenya has ratified, including taxation and tariff arrangements under the East African Community Treaty.

(5) The recommendation of the County Executive Committee member for finance shall be included in a report and tabled in the County Assembly.

4. The principal Act is amended by repealing section 133.

Repeal of section  
133 of Cap. 412A.



## **MEMORANDUM OF OBJECTS AND REASONS**

### **Statement of the Objects and Reasons for the Bill**

The principal object of this Bill is to amend the Public Finance Management Act, Cap. 412A to align the timelines for the passing and consideration of the Finance Bill by the County Assemblies and the National Assembly.

**Clause 1** of the Bill is the short title.

**Clause 2** of the Bill seeks to amend section 129(2)(a) of the Act to provide for clarity and harmonization of timelines for passing of the Finance Bill between County Assembly and National Assembly.

**Clause 3** of the Bill seeks to introduce a new section 131A to provide for similar procedures for submission, consideration and passing of the Finance Bill in the County Assembly as that of the National Assembly.

**Clause 4** of the Bill seeks to repeal section 133 to align the practice in the County Assembly to that of the National Assembly in the consideration of the Finance Bill.

### **Statement on the delegation of legislative powers and limitation of fundamental rights and freedoms**

This Bill does not delegate legislative powers nor does it limit fundamental rights and freedoms.

### **Statement on whether the Bill concerns county governments**

The Bill does concern county governments in terms of Article 110(1) of the Constitution as it does not contain provisions that affect the functions and powers of the county governments as set out in the Fourth Schedule to the Constitution.

### **Statement as to whether the Bill is a money Bill within the meaning of Article 114 of the Constitution**

The enactment of this Bill shall not occasion additional expenditure of public funds.

Dated the 3rd April, 2024.

**KIMANI ICHUNG'WAH,**  
*Leader of the Majority Party.*



*Section 129 of Cap. 412A which it is proposed to amend—*

**129. County Executive Committee member to submit budget estimates and other documents to County Executive Committee for approval**

(1) A County Executive Committee member for finance shall submit to the County Executive Committee for its approval—

- (a) the budget estimates and other documents supporting the budget of the county government, excluding the county assembly; and
- (b) the draft Bills at county level required to implement the county government budget, in sufficient time to meet the deadlines prescribed by this section.

(2) Following approval by the County Executive Committee, the County Executive Committee member for finance shall—

- (a) submit to the county assembly the budget estimates, supporting documents, and any other Bills required to implement the budget, except the Finance Bill, by the 30th April in that year; and
- (b) ensure that the estimates submitted in subsection (a) are in accordance with the resolutions adopted by county assembly on the County Fiscal Strategy Paper.

*Section 133 of Cap. 412A which it is proposed to amend—*

**133. Approval of the Finance Bill**

Not later than ninety days after passing the Appropriation Bill, the county assembly shall consider and approve the Finance Bill with or without amendments.