



REPUBLIC OF KENYA
THIRTEENTH PARLIAMENT- THIRD SESSION (2024)
THE NATIONAL ASSEMBLY

IN THE MATTER OF ARTICLE 118(1)(b) OF THE CONSTITUTION
AND

IN THE MATTER OF THE CONSIDERATION OF THE DIVISION OF REVENUE
(AMENDMENT), BILL, 2024 (NATIONAL ASSEMBLY BILL No. 38 OF 2024)

INVITATION TO SUBMIT MEMORANDA

WHEREAS, Article 118(1) (b) of the Constitution requires Parliament to facilitate public participation and involvement in the legislative and other business of Parliament and its Committees and the National Assembly Standing Orders require House Committees considering Bills to facilitate public participation;

AND WHEREAS, the **Division of Revenue (Amendment) Bill, 2024 (National Assembly Bill No. 38 of 2024)** was read a First time on **Wednesday, 24th July 2024**, and referred to the relevant Committee of the House for consideration, facilitation of public participation, and reporting to the House;

IT IS NOTIFIED that the **Division of Revenue (Amendment) Bill, 2024 (National Assembly Bill No. 38 of 2024)** is sponsored by the **Chairperson of the Budget and Appropriations Committee**, the **Hon. Ndindi Nyoro, M.P.** The Bill:-

- (1) Is introduced against the backdrop of a projected **Ksh. 346.03 billion** decrease in the national revenues for the Financial Year 2024/25 on account of revised revenue-raising measures from an initial projection of **Ksh. 2,948.12 billion** to a revised projection of **Ksh. 2,602.12 billion**. following the rejection of the Finance Bill, 2024;
- (2) Takes into account that under the new revenue projections, the share of total national revenue allocated to the National Government shall decrease by **Ksh 325.88 billion** and result in adjustments in the budget allocations for the three arms of government and Constitutional Commissions and Independent Offices for the FY 2024/25;
- (3) Seeks to address the financing deficit and enable the National Government to allocate funds to critical sectors, by a reducing the county governments' equitable share for FY 2024/25 by **Ksh. 20.12 billion**;
- (4) Revises the allocation to county governments to **Kshs. 380 billion**, which represents **24.20 percent** of the last audited and approved government revenues and exceeds the constitutional threshold of **15 percent**;
- (5) Allocates a sum of **Ksh. 7,852,814,725** to the **Equalization Fund**, representing **0.5 percent** of the most recent audited revenue, as approved by the National Assembly; and
- (6) Provides for revenue adjustments based on performance in FY 2024/25. Clause 5 of the Bill, provides that any shortfall is to be shared equitably between the national government and the county governments with the apportionment for county governments not exceeding **15 percent** of the total shortfall.

NOW THEREFORE, in compliance with Article 118(1) (b) of the Constitution, the Clerk of the National Assembly hereby invites the public and stakeholders to submit memoranda on **the Division of Revenue (Amendment) Bill, 2024 (National Assembly Bill No. 38 of 2024)** to the **Budget and Appropriations Committee**.

The Memoranda should clearly indicate the name of the person or organization submitting it and their contact details. The Memoranda should be hand-delivered to the **Office of the Clerk, First Floor, Main Parliament Buildings, Nairobi**, or emailed to cna@parliament.go.ke to be received on or before **Thursday, 1st August 2024 at 5.00 p.m.**

The Division of Revenue (Amendment) Bill, 2024 (National Assembly Bill No. 38 of 2024) and its **Explanatory Memorandum** are available at the **National Assembly Table Office, First Floor, Main Parliament Building** and on **the Parliament Website** (<http://www.parliament.go.ke/division-revenue-amendment-bill-2024.>)

S. NJOROGE, CBS
CLERK OF THE NATIONAL ASSEMBLY

27th July 2024