

PUBLIC MEMORANDUM
BY ENG. VICTOR OKUNA REGARDING THE VAT IMPOSED ON SOLAR
AND LITHIUM BATTERIES IN FINANCE BILL 2025

I, **Eng Victor Okuna**, the undersigned, is a citizen of Kenya with the ID 27971612, a male of sound mind, An Energy Engineer and a resident of **Migori county** of address P. O. Box 828-40400, Migori. Phone: 0713801506. Email: okuna91@gmail.com

DRAW the attention of the Committee to the following: -

1. **THAT**, Whereas The primary function of taxation is to generate revenue for the government, used to finance public services, including education, healthcare, national defense, infrastructure development, and social security programs,
2. **THAT**, There are instances where government impose Economic Regulation tax to influence usage of certain activities of a sector of an economy with a view to discourage its continued usage.
3. **THAT**, At times a government may impose Market correction tax to balance consumption of a product in a market, in this case, the government intend to impose tax on solar to either discourage its continuous usage or balance its intake with that if the grid,
4. **THAT**, **RENEWABLE Energy** provides an essential ingredient to Kenyans especially for irrigation processes along the rivers, dams, lakes where there is no grid connection.
5. **THAT**, Kenya has been greatly affected by climate change and the situation is getting out of hand without unpredictable flash floods, extended droughts and unpredictable weather patterns and thus Kenyans are turning to Solar PV Systems as alternative long term solution to offer water irrigation without hitches.
6. **THAT**, Many counties, public and private institutions are grappling with high cost of power, which has been very unstable and they are reverting to solar to bridge that gap.
7. **THAT**, Cost of Energy directly or indirectly affects everything on earth including the dead in Mortuary.
8. **THAT**, the cost of living is directly proportional to the cost of energy which is the biggest input in production and transportation of goods
9. **THAT**, Kenyans have been relying on Solar PV Energy as a substitute to expensive grid energy to do irrigation and business

10. **THAT**, that proposed amendment of First Schedule to Cap 476 by imposing tax on solar will increase the overall cost of using solar which will push Kenyans to use fuel further damaging the volatile environment we live in,
11. **THAT**, most of vegetables grown along rivers supplying most parts of this nation are still powered by thermal water pump because most Kenyans cant afford Solar.
12. **THATY**, Continued use of Thermal water pumps have contributed to degradation of the environment as thousands of liters of used oils find their way into the rivers and finally to lakes and oceans.\

https://www.youtube.com/watch?v=JJ_uXlpfuFY&t=553s

An oil spillage in one of the diesel water pumps in river athi used for farming.



Kenya's Gold - Going green by embracing solar energy - Gold Feature

Used oil flowing to the nearby river along river athi from one of the diesel water pumps



Kenya's Gold - Going green by embracing solar energy - Gold Feature

13. THAT, Solar is one of the alternative energy solutions that Kenyans are embracing to replace thermal power plants that have been the greatest contributor to carbon emissions.



Kenya's Gold - Going green by embracing solar energy - Gold Feature

Fig a. A Diesel water pump currently used by one of the farmers along the athi river producing thousands of tonnes of Carbon emission.

THEREFORE, your humble Petitioner pray that the National Assembly, through **Public participation** -

1. **Recommends** to parliament to delete the proposed amendments of part 1 of the 1st schedule to The Value Added Tax Act (section 36 of the finance Bill 2025 part 161 (The supply of Solar and Lithium Ion Batteries)
2. **Recommends** establishment of a **special Climate Change Mitigation fund** specifically meant to assist farmers along these rivers, lakes or dams acquire solar related components to boost their irrigation. This can be inform of structured loan or any other form that the government may feel appropriate
3. Makes any other direction it may deem fit in the circumstance of this matter.

And your **PETITIONER** will ever pray.

PRESENTED BY:
ENG. VICTOR OKUNA



DATE: 18/05/2025