



AMBALE AND COMPANY

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TURNOVER TAX

In accordance with the Finance Act, 2019, the Turnover Tax (TOT) has been re-introduced and will be payable from **1st January 2020**.

Eligibility of TOT

Turnover Tax (TOT) is payable by any resident person whose turnover from business does not exceed or is not expected to exceed **Kshs 5,000,000** during any year of income.

TOT **does not** apply to:

- i. Persons registered for VAT
- ii. Persons with business income of Kshs 5,000,000 and above,
- iii. Employment Income,
- iv. Rental Income,
- v. Limited Liability Companies,
- vi. Management and Professional Services among others.

Rate for Turnover Tax (TOT)

The tax rate for TOT is **3%** on the gross sales/turnover and is a final tax.

Filing of TOT Returns

TOT will be filed and paid on a monthly basis. The due date is **on or before 20th of the following month**.

Note

TOT payers are also liable to pay **Presumptive Tax** at a rate of **15%** of the Single Business Permit fee payable or license payable. However, Presumptive Tax paid will be offset against the TOT payable.

Eligible taxpayers are advised to log onto iTax, add the TOT obligation, file the monthly returns and make payment.