



[A Preview of the Excise Duty Act, 2015.](#)

After several deliberations and a lot of lobbying by various stake holders, the Excise Duty Act (“EDA”) was finally assented to by the President on 6th November and the same came into force on 1 December 2015.

Excise duty is to be charged on excisable goods & services supplies in Kenya. And the Act provides for the rates to be applied, the Cabinet Secretary (Finance) has powers to amend the rates but not in excess of 10% change.

[Determination of Excise Duty](#)

The excisable value of excisable goods imported into Kenya will be determined by arriving at the sum total of the following amounts:

- The customs value of the goods as determined under the East African Community Customs Management Act, whether or not any duty of customs is payable on the goods; and
- The amount of duty of customs payable on the goods under the East African Community Customs Management Act 2004.

Time of payment of Excise Duty on imports shall be when the goods are cleared for home use.

For excisable goods manufactured in Kenya, the value shall be the ex-factory selling price of the goods, but not including:

- The value added tax payable on the supply of the goods;
 - The cost of excise stamps, if any; or
 - The cost of returnable containers.
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Excisable services will be deemed to be made in Kenya if the services are supplied from a place of business of the supplier in Kenya. The time of supply of excisable services is the earliest of:

- date on which the services are performed;
- the date on which the invoice for the supply of the services is issued; or
- the date on which payment for the supply of the services is received, whether in whole or part.



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