

Transforming Kenya's tax administration

STRATEGY

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Tax systems change as economies and societies equally evolve. Tax administration in Kenya has been going through reforms, most notably over the last ten years when the intentional use of technology was institutionalised.

The 8th Corporate Plan outlines a host of strategies that either give a new impetus to strengthening the tax system or

introducing ways to transform the Authority.

What are the key planks in the effort to achieve continuous improvement of the country's tax system?

First, enhanced services to the taxpayers is a key consideration that can be looked at from a number of dimensions. The refinement of i-Tax and other systems will continue with a view to facilitating compliance with the tax statutes.

Beyond that, the application of cutting-edge technologies such as Machine Learning, Artificial Intelligence and Blockchain is expected to have sig-

nificant impact in deepening the tax administration's analytics capabilities.

Second, policy and administrative simplification. A simplified tax system is a key parameter in compliance improvement, competitiveness, expansion of the tax base and the attractiveness of the country as a preferred investment destination.

Germane to the concept of simplification are the proposed National Tax Policy and the Medium-Term Strategy. The Policy is meant to be the overall framework that imbues fairness and predictability into the tax system.

Third, a tax system is in a mutually reinforcing ecosystem comprising private sector, multilateral agencies, government entities, counties and individual taxpayers. As a result, forging strategic partnerships becomes an imperative, making it a key thrust in tax administration reforms.

Fourth, work ethos, culture and the organisational values. It must be underlined here that what matters is not necessarily the espoused values, but lived values and actions that are reflected in the service that is provided, staff productivity, and level of integrity.