



**Kwame Owino** @IEAKwame

Apr 7 · 21 tweets · [IEAKwame/status/1512061199889829901](https://twitter.com/IEAKwame/status/1512061199889829901)

The total budget deficit is Kshs. 846B. This will be funded with Kshs. 260B from external and Kshs 583B from domestic borrowing. The borrowing training continues.

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Exemption from VAT for pharmaceutical products. 2/N

Proposal to exempt inputs from VAT parts for the assembly of motor vehicles. 3/N

Amend the Income Tax Act to allow all entities that donate to charitable organizations to deduct those sums. [#KEBudget2022\\_23](#) 4/N

Excise Duty Act: Proposals to allow commissioner general of KRA to exclude tax products based on economic conditions. = This is troublesome as it allows a person other than the legislature to determine tax rates. [#KEBudget2022\\_23](#) 5/N

Proposal to allow spirits used in pharmaceutical products from excise duty. 6/N  
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Proposal to tax E-cigarettes to change liquid nicotine by introducing excise tax. This assumes that cigarettes and vaping sticks are equally harmful. The medical evidence suggests otherwise. 7/N [#KEBudget2022\\_23](#)

proposal to amend name of [@KRACare](#) to Kenya Revenue Service. New clothes for the tax administration service 8/N [#KEBudget22\\_23](#)

Proposal to amend Income Tax Act to require TNCs to make their records available to the tax authorities. 9/N [#KeBudget2022\\_23](#)

General comments: Expanding the reach of Excise taxes and sacrificing policy coherence for what products and services it is applicable for. 10/N  
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The treasury is out of tricks and it remains a tax and spending government.  
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The large deficit is equivalent to 6.2% of GDP but has the assumption of a larger nominal GDP than I think is reasonable. 12/N [#KEBudget2022\\_23](#)

My message to the 12th parliament. You and the executive have bequeathed citizens with the government with the largest appetite for expenditure. 13/N

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An interesting fact is that the CS didn't spell out in the live speech what share of revenue would be directed towards debt servicing. Why? 14/N [#KEBudget2022\\_23](#)

The policy blunder of the day was the application of Excise Tax on imported eggs (food). This is a preposterous taxation measure and I hope parliament sees it for what it is. This is the abuse of the principle of Excise tax. 15/N [#KEBudget2022\\_23](#)

In the press statement outside parliament, the CS has stated that "subsidy" for fuels will be maintained until June 2022. Good policy and it couldn't come sooner. 16/N

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The total subsidy for fertilizers will be Kshs. 5.7 B divided into 2.7 .billion for the financial year starting in July 2022 added to the Kshs. 3 B which was passed in the last Supplementary Budget. 17/N [#KEBudget2022\\_23](#)

Leaving the efficiency of the "subsidy" apart, the total of Kshs. 5.7B would suffice for a total of 1.3Million acres of land which = 10% of Kenya's arable land size. It will be inequitably distributed. 18/N [#KEBudget2022\\_23](#)

The CS responds to questions about Kenya Airways and repeats the mantra about national pride and strategic asset for the government. He confirms that the airline will have to reduce the number of routes. 19/N [#KEBudget2022\\_23](#)

In summary, isn't it curious that Kenya has a budget speech today when the last supplementary Budget was signed into law less than a week ago? 20/N

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Folks, that's all for now. [@IEAKenya](#) will find the documents and answer any questions you have. 21/21 [#KEBudget2022\\_23](#)

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