

No. 15 of 2024.

Goods and Services (2025 Budget)(Amendment) Act 2024.

Certified on: 13 DEC 2024



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ARRANGEMENT OF SECTIONS.

1. New Section 5A.

“5A. ELECTRONIC MONITORING SYSTEM.”.

2. Exempt supplies (Amendment of Section 25).
3. Taxable periods (Amendment of Section 26).
4. Taxable period returns (Amendment of Section 63).
5. Payment of tax in special cases (Amendment of Section 65A).
6. Refund of excess tax (Amendment of Section 91).



No. 15 of 2024.

AN ACT

entitled

Goods and Services (2025 Budget)(Amendment) Act 2024,

Being an Act to amend the *Goods and Services Act 2003*,

MADE by the National Parliament to come into operation on 1 January 2025.

1. NEW SECTION 5A.

The Principal Act is amended by inserting immediately after Section 5, the following new section:

“5A. ELECTRONIC MONITORING SYSTEM.

(1) The Commissioner General may implement and operate an electronic monitoring system that allows for the automated documenting, collecting and reporting of transactional data such as invoices, receipts and other data relating to the imposition of goods and services tax under this Act.

(2) The Commissioner General may, in writing, issue a notice to require a company to operate an electronic monitoring system in accordance with Subsection (1) and the regulations.

(3) Regulations may be made pursuant to Section 118, to prescribe the matters, processes and procedures that are required to give effect to this section.”.

2. EXEMPT SUPPLIES (AMENDMENT OF SECTION 25).

Section 25 of the Principal Act is amended by inserting immediately after Subsection (7), the following new subsection:

“(8) The following supplies are zero rated goods under this Act, which shall be zero-rated for a period commencing on 1st June 2025 to 30th June 2026:

- (a) baby diaper; and
- (b) soap; and
- (c) biscuit; and
- (d) cooking oil; and
- (e) flour; and
- (f) chicken; and
- (g) noodle; and
- (h) rice; and
- (i) sanitary pad and tampon; and
- (j) tea; and
- (k) coffee; and
- (l) tinned fish; and
- (m) tinned meat.”.

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3. TAXABLE PERIODS (AMENDMENT OF SECTION 26).

Section 26 of the Principal Act is amended by repealing Subsection (3), and replacing it with the following new subsection:

“(3) Notwithstanding anything in this section, where the total value of a registered person’s turnover has, in the period of 12 months ending with the last day of any taxable period, not exceeding K1,500,000.00, the Commissioner General may, subject to such conditions as he sees fit, substitute a longer taxable period for that registered person, not exceeding three months, which shall end on the last day of that extended period.”.

4. TAXABLE PERIOD RETURNS (AMENDMENT OF SECTION 63).

Section 63 of the Principal Act is amended by repealing Subsection (2), and replacing it with the following new subsection:

“(2) Where the Commissioner is satisfied -

- (a) in order to meet the circumstances of a non-profit body or a particular case; or
- (b) generally, in relation to a class of registered persons or such registered persons with an extended taxable period approved under Section 26(3),

that it is necessary to vary the date on which a return shall be furnished, the Commissioner may, subject to such conditions as he sees fit, require such registered persons to furnish returns accordingly.”.

5. PAYMENT OF TAX IN SPECIAL CASES (AMENDMENT OF SECTION 65A).

Section 65A of the Principal Act is amended in Subsection (10), by repealing the penalty amounts “K500.00” and “K5,000.00” and replacing them with “K5,000.00” and “K50,000.00”, respectively.

6. REFUND OF EXCESS TAX (AMENDMENT OF SECTION 91).

Section 91 of the Principal Act is amended -

(a) by repealing Subsection (2), and replacing it with the following new subsection:

“(2) Subject to Subsection (3), no refund shall be made after the expiration of the period specified below immediately following the end of the tax year, unless written application for the refund is made by or on behalf of the registered person before the expiration of the tax year ending on or before:

- (a) December 31 2025, the period shall be eight years; and
- (b) December 31 2026, the period shall be seven years; and
- (c) December 31 2027, the period shall be six years; and
- (d) December 31 2028, the period shall be five years; and
- (e) December 31 2029, and for years following 2029, the period shall be four years.”; and

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(b) by repealing Subsection (4), and replacing it with the following new subsection:

“(4) In the case of which Subsection (3), no refund shall be made after the expiration of the period specified following the end of the tax year in the following, unless written application for the refund is made by or on behalf of the registered person before the expiration of the tax year ending on or before:

- (a) December 31 2025, the period shall be eight years; and
- (b) December 31 2026, the period shall be seven years; and
- (c) December 31 2027, the period shall be six years; and
- (d) December 31 2028, the period shall be five years; and
- (e) December 31 2029, and for years following 2029, the period shall be four years.”.

I hereby certify that the above is a fair print of the ***Goods and Services (2025 Budget)(Amendment) Act 2024*** which has been made by the National Parliament.

Clerk of the National Parliament.
13 DEC 2024

I hereby certify that the ***Goods and Services (2025 Budget)(Amendment) Act 2024*** was made by the National Parliament on 4 December 2024.

Speaker of the National Parliament.
13 DEC 2024