

Why KRA Secret Agents are Going After Mama Mboga, Tailors & Other Small Traders

Every country needs taxes to run the government. When they collect less tax than expected, they wouldn't be able to provide services to the people.

When this happens, the economic experts in govt advice their boss - the head of state - about what to do to solve the problem.

Kenya Revenue Authority, KRA, has been collecting less tax than expected, for several months now.

Govt economic experts have come up with a "solution" called Finance Bill 2023, that includes the very cruel, anti-people Housing Tax.

Also, they have employed "secret agents", who will be going around the country hustling mama mbogas, tailors, cobblers and other small traders to pay extra tax.

KRA slaps Kapenguria tailor with Sh1.7 million tax arrears

A tailor based in Kapenguria, West Pokot County, has been shocked after the Kenya Revenue Authority allegedly demanded Sh1.74 million as tax arrears.

The tailor decried that the Authority was being used to exploit small business owners.

"It is like the KRA in one way or another being used as a weapon to exploit small businesses," he said.

Further, the residents of the area have also complained of the same adding that they have had to bribe KRA officers.

I will use a simple example to explain why this "solution" just cannot work, and that, in fact, they are playing around with wananchis' lives.

If a million people who were eating 3 meals a day, suddenly start eating only 2 meals a day, it will have larger economic repercussions - Companies that make food items will have to cut production, laying-off some workers; farmers will sell less food crops; supermarkets/shops will sell less food items than before...

Therefore, tax collected by govt will reduce significantly, just by a million people missing 1 meal per day.

Rather than find out why so many people are eating just 2 meals a day, and find a people-friendly solution, the govt decides that the solution is to tax them more, to fill the hole in tax collected.

However, if these people who are now only affording 2 meals a day, are forced to pay more tax, they will now be affording just 1 meal per day - thus, the extra-tax govt has collected will still not cover the deficit...

This is what is happening in Kenya currently, à la Finance Bill 2023.

When you allow cartels to terrorise farmers, whereby the price paid for their crops drops by upto 90%, you are joking around with peoples' lives.

Cash crop farmers pained by low prices

Saturday, June 17, 2023



A farmer tends to a coffee bush in Nyeri town on May 10, 2023. Coffee, macadamia, rice, tea and avocado have recorded a drastic drop in prices in recent months as powerful cartels invade the agriculture sector, threatening the livelihoods of thousands of farmers nationwide. Joseph Kanyi | Na

Coffee, macadamia, rice, tea and avocado have recorded a drastic drop in prices in recent months as powerful cartels invade the agriculture sector, threatening the livelihoods of thousands of farmers nationwide.

Coffee, which was retailing at least Sh100 per kilogramme last year, is now fetching only Sh42. A kilo of macadamia is now selling at Sh20, down from a high of Sh200 in 2019.

It is the same sad story for tea, rice, sugarcane and avocado farmers as prices dip with farmers piling pressure on the Kenya Kwanza government to fulfil the minimum guaranteed returns to cushion them from heavy losses.

How can you allow cartels to make BILLIONS by importing certain commodities tax-free, yet those goods are also manufactured locally?

And when this causes the shilling to fall in value, you want poor workers to pay the price?

How can you allow one person to be given more than 50% of government import tenders - most of them for tax-free goods?

Isn't it obvious, then, that this person is acting as proxy for the BIG MAN?

How can other senior govt officials stop stealing from Kenyans, when they know the BIG MAN is leading in eating?

DAILY NATION

Scandal? 22 firms were pre-qualified, but criteria of awarding tenders raises many questions

Revealed: Cooking oil and rice tycoons

Trade CS Moses Kuria yesterday tabled a list of 11 companies contracted by the Kenya National Trading Corporation to import various commodities in a plan to lower food prices. Four of them, which bagged Sh6.85 billion deals, are linked to city businesswoman Mary Wambui. P.6&7



CORRUPTION

Whistleblower in NHIF heist hospitals exposé fears for his life

A human rights activist who blew the whistle over hospitals involved in swindling elderly patients through the National Health Insurance Fund is fearing for his life after he received threats/ [Back Page](#)

TRAGEDY

Search for missing Titanic submersible 'like going into space'

Rescuers trying to find the orca-sized submersible that vanished on its way to visit the wreck of the Titanic are facing a gargantuan task that will test the limits of technical know-how/ [P.2](#)

COMPANIES LINKED TO BUSINESSWOMAN MARY WAMBUI

Purma Holdings Ltd SH2.5bn Cooking oil (702,000 jerrycans), rice (30,000 tonnes), beans (20,000 tonnes)	Charma Holdings Ltd SH1.95bn Cooking oil (535,950 jerrycans), beans (20,000 tonnes)	Enterprise Supplies Ltd SH1.2bn Cooking oil (350,000 jerrycans)	Evertec General Trading Company Ltd SH1.2bn Cooking oil (350,000 jerrycans)
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SH6.85 billion



Accounting anomaly? In documents submitted to the Senate, **Moses Kuria** claimed that in the **2022/2023** financial year KNTC had a lower net income than the previous financial year despite recording higher turnover from increased sales and having lower expenditure.

The financial performance of KNTC over the past 5 years

Year	Sales Turnover (Kshs)	Total Recurrent Revenue (Kshs)	Operating Expenses	Net Income (Kshs)
2018/19	167,091,409	113,459,766	131,402,661	(15,242,594)
2019/20	537,394,740	152,186,002	149,248,170	1,908,240
2020/21	999,143,054	193,609,068	175,496,812	13,688,674
2021/22	2,710,429,302	405,822,653	268,165,858	96,359,756
2022/23	9,132,684,087	359,282,309	263,472,607	67,066,792

Why harass small-scale traders and poorly-paid workers for mistakes made by senior govt officials?

These are some of the economic mistakes that have caused cost of living to shoot up:

1. Increase of electricity prices by 67% in past 9 months.

Solution: Lower electricity bills by 70%, by cutting out the cartels at KPLC.

Solution is not to abuse electricity consumers with Finance Bill 2023.

Electricity costs soar by 67pc in President Ruto's first nine months in office

Friday, June 02, 2023



Power technician repairs a transformer.

By Kepha Mwiruri

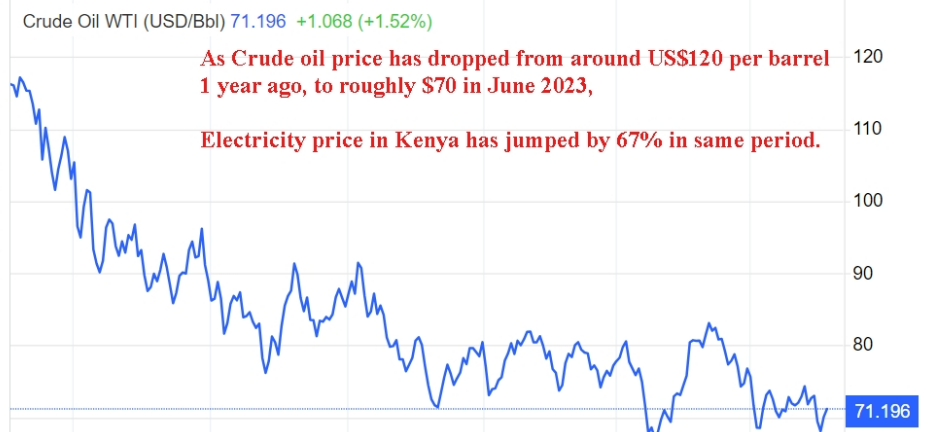
The cost of electricity has soared by 67 percent in the last nine months from a combination of higher fuel costs, currency depreciation and the review of electricity tariffs. A *Business Daily* analysis of data from the Kenya National Bureau of Statistics (KNBS) reveals that the average price of 50 kilowatts/units (kWh) of electricity has increased from Sh796.83 in August last year to a mean of Sh1,326.54 at the end of May. This has seen the cost of electricity exert the most pressure on consumer spending with electricity inflation being tabulated at 67 percent.

Crude oil

2023 Data - 1

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NB: They claim high power cost is due to high fuel price for Thermal Power Plants.

Jul Sep Nov 2023 Mar May

1D 1W 1M 6M 1Y 5Y 10Y 25Y All

2. Increase in fuel prices, yet crude oil has fallen significantly in international market in past 9 months.

Solution: Lower fuel prices by eliminating cartels at Energy ministry.

Solution is not to abuse petrol/diesel/paraffin consumers with Finance Bill 2023.

3. Sabotage of local farmers.

Telling a coffee farmer, who is now being paid 58% LESS per kilo - compared to 1 year ago - that solution is for him to pay more tax, is an unforgivable insult.

Ditto for other farmers suffering due to well-connected cartels stealing from them.

Solution: Dismantle all cartels who have invaded agricultural sector. In a just world, they would be prosecuted, and forced to reimburse farmers what they have already stolen from them.

Solution is not to abuse farmers with Finance Bill 2023.

4. Sabotage of local manufacturers.

Solution: Stop cartels importing goods tax free, yet same goods are made locally by companies that pay tax, and employ thousands of Kenyans.

How Ruto's first Cabinet meeting birthed questionable edible oil deal

Monday, June 19, 2023



President William Ruto and Cabinet Secretaries during a past cabinet meeting at State House, Nairobi. President Ruto's first-ever Cabinet meeting passed a resolution that gave blessings to an importation deal that has seen private firms import oil tax-free, and then sell the commodity to a government agency at a higher price.

PC:

The figures show that the whole import plan would generate nearly \$76 million (Sh10 billion) waiver in taxes that the government granted to KNTC.

Shehena Trading Commodity Limited is 100 per cent owned by Invest Africa (FZCO), a company registered in a Dubai-free zone. It will supply Sh1.33 billion worth of oil. The company is said to be closely associated with a top cabinet secretary.

Cabinet Secretary is Moses Kuria, CS Trade - he made several billions in this deal

Purma Holdings Limited is owned by the chairperson of the board of the Communications Authority of Kenya, Mary Wambui.

Multi Commerce FZC, a company registered in a Dubai free zone, won an LPO for a Sh8.12 billion supply. The company is reportedly owned by a prominent politically-connected businessman, said to be associated with a major new mall in Nairobi's Eastleigh.

Charma Holdings Limited will supply Sh2 billion worth of oil.

For now, taxpayers will lose over Sh9 billion through the KNTC, its intention to provide cheaper commodities including cooking oil

5. Foolish economics that has led to weakening of the shilling.

Since KK regime rose to power 9 months ago:

Kenya Shilling (KES) has FALLEN by more than 17% against American Dollar;

KES has FALLEN by more than 16% against Ugandan Shilling;

KES has FALLEN by more than 13% against Tanzanian Shilling;

This is what BAD economic policies do to a country's currency.

KES to UGX Chart -16.05% (1Y)

1 KES = 26.5791 UGX Jun 21, 2023, 05:39 UTC

Kenyan Shilling to Ugandan Shilling



KES to TZS Chart -13.62% (1Y)

1 KES = 17.1466 TZS Jun 21, 2023, 05:36 UTC

Kenyan Shilling to Tanzanian Shilling



Solution: (I wrote about this 2 weeks ago here:

<https://semaukweli.wordpress.com/2023/06/09/reason-kenya-shilling-is-falling-in-value/>)

Day of Reckoning

When a KRA secret agent, who is being paid a daily allowance of Sh20k - on top of his salary - goes to bully a small trader who makes sh200 per day, to pay extra tax, that is provocation.

When government steals workers' pay in the name of Housing Tax, that is provocation.

As GoK bulldozes Finance Bill 2023, the BIG MAN should know that the people are sovereign.

Sovereign power rests with the people.

#Maandamano

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