

**REPUBLIC OF KENYA**  
**COUNTY ASSEMBLY OF KITUI**  
**SECOND COUNTY ASSEMBLY- SECOND SESSION**  
**OFFICIAL REPORT**  
**(THE HANSARD)**

Wednesday 19<sup>th</sup> Dec 2018

The County Assembly met at **9.50 a.m.**

*[The Speaker (Hon. George Ndotto) in the Chair]*

**PRAYERS**

*(Silence prevailed)*

*(Some Members spoke-off record)*

**The Speaker (Hon. G. Ndotto):** Hon. Munuve you are improperly dressed.

**Hon. Munuve:** No, this is the mood of the House.

**The Speaker:** No, no, you just go and remove that thing.

*(Members spoke-off record)*

**The Speaker:** Order? Remove that thing Hon. Munuve.

*(The Speaker chuckled)*

**(The Order Paper was read)**

**NOTICE OF MOTION**

MOTION ON FORMATION OF A SPECIAL COMMITTEE.

(Hon. Peter Mwikya Kilonzo-Majority Leader)

**The Speaker:** Where is Hon. Kilonzo?

*(Some Members spoke off –record insinuating that Hon. Kilonzo was just outside)*

*(The Clerk-at-the-Table consulted the Speaker)*

*(Hon. Kilonzo entered the Chamber and took the floor)*

**Hon. Kilonzo:** Thank you Mr. Speaker Sir. This is normal and expected especially after a day's heavy work load. I want to read a Motion on formation of a Special Committee as the Chair of the Selection Committee.

**THAT**, Pursuant to section 40 (3)(a) of the County Government Act, 2012 read together with Standing Order No. 62(6), this Assembly approves the membership of a special Committee investigating the conduct of County Executive Committee Member for the County Treasury M/s. Mary N. Nguli as follows.

1. Peter M. Kilonzo
2. David Thuvi
3. Jane Mutua
4. Antony K. Mbiti
5. Alex M. Nganga

**THAT**, further the mandate of the Committee will be to investigate the matter and report to the Assembly within a period of 10 days.

Mr. Speaker...

**The Speaker (Hon. G. Ndotto):** You are only giving Notice of the Motion.

**Hon. Kilonzo:** Mr. Speaker...

**The Speaker (Hon. G. Ndotto):** No, you have done...just giving Notice?

**Hon. Kilonzo:** Yes, just giving notice.

**Hon. Speaker:** Yes. Next order.

## BILLS

### THE KITUI COUNTY FINANCE BILL 2018, C/A BILL NO. 5, 2018

#### (SECOND READING)

(Hon. Boniface Kilaa Kasina)

**Hon. Speaker:** Hon. Kilaa Kasina

**Hon. Kasina:** Thank you Mr. Speaker. Motion on the Kitui County Finance Bill 2018, C/A Bill no. 5, 2018. **THAT**, pursuant to the provisions of section 133 of the Public Finance Management Act, 2012 and Standing Orders No. 179(6) and 186, this Assembly hereby adopts the Report by the Committee on Budget and Appropriations on the Consideration of the Kitui County Finance Bill 2018, C/A Bill no. 5, 2018, laid on the table of the House on Tuesday 11<sup>th</sup> December 2018 during the afternoon sitting.

Motion on the Kitui County Finance Bill 2018, C/A Bill no. 5, 2018, Second Reading. **THAT**, pursuant to provisions of Standing Orders No. 121(1), the Kitui County Finance Bill 2018, C/A Bill no. 5, 2018, be now read a second time.

Mr. Speaker, I will not go through the entire report and with your permission I will start from page seven on the comprehensiveness of the Bill and analysis of pertinent issues of the Bill. Mr. Speaker, The Kitui County Finance Bill, 2018 as submitted has five parts as explained as below:-

PART I – Provides for the preliminary clauses which include the short title and commencement; and Object and Purpose of the Act as here under;

1. Short Title and Commencement.
2. Objects and purposes of the Bill.

PART II – Taxes, Fees and Charges payable and Rates applicable

3. Imposition, variation of taxes, rates, fees and charges.
4. Directions, resolutions made under provisions of Local Governments Act.

The purpose of this part is to ensure that the revenue base of the County is not affected through any omissions by enacting this law.

PART III – Fines and Penalties. This include penalties charged on outstanding rates for property taxes, outstanding house rents, outstanding business permits and general penalties as indicated.

6. Fines and penalties.
7. Penalties on outstanding house rent.
8. Other penalties on outstanding business permits.
9. General penalty.

PART IV – Miscellaneous provisions. This part of bill gives miscellaneous provisions for appointment and duties an Agent for collection of revenue, measures to prevent non remittance of collected revenue, amendment to Schedules and provides for power to make regulations. This includes the following clauses;

6. Offence by the staff of the County.
7. Appointment and duties of an agent.
8. Measures to prevent non-remittance of collected revenue.
9. Amendment to Schedules
10. Regulations.

Part V – Schedules. The Bill has two schedules which provides for taxes and Categories of Markets/Economic Zones as follows;

First Schedule – Taxes, Charges, Fees and Rates.

Second Schedule – Categories of Markets/Economic Zones.

Mr. Speaker, The memorandum of objects and reasons of this Bill is to prescribe the rates of taxes, fees and charges from properties which include land and buildings, businesses, markets, agricultural produce, outdoor advertisement, health services, vehicle parking, heritage sites, county parks, entertainment and mining and extraction activities.

#### COMPARATIVE ANALYSIS

Mr. Speaker, the Bill as submitted has proposed reductions in some charges to lower the burden to residents especially those in lower economic segments with an intention to motivate them for investment.

The Bill had proposed inclusion of additional charges, fees and taxes levied by the County Government outside the Finance Act, 2016 in order to formalize them by unbundling the charges further to smaller categories. There were newly introduced charges into the Bill to ensure that it covers the upcoming businesses resulting from the diverse and intricate economic activities as evident in the First Schedule.

Mr. Speaker, these changes have taken into account the need to enhance revenue payable to the County Government to improve service delivery and also enable the County Government perform the increased functions bestowed on it by the Fourth Schedule of the Constitution.

Further, the Bill as submitted ensured consolidation of related fees and charges to ease revenue collection administration costs and was done through extensive public participation with the private/business sector. This is confirmed by extensive inclusion of stakeholder's feedback that has resulted to minimum changes from the current finance Act, 2016.

#### COMMITTEE'S CONSIDERATION OF THE KITUI COUNTY FINANCE BILL, 2018

Mr. Speaker, in reviewing the Bill, the Committee was guided by the following three major factors;

- i. Public views collected thorough the public hearings which took place on 15<sup>th</sup>, 16<sup>th</sup> and 17<sup>th</sup> of October, 2018.
- ii. Implementation status on the application of the Kitui County Finance Act, 2016 whose performance review was discussed by the Committee during the two sittings held on 12<sup>th</sup> and 13<sup>th</sup> October, 2018 at Summer Springs Hotel Mwingi.

During this period, The County Executive staff, Mr. Robert Sivi and Madam Roselyn Munyasya both Senior Finance Officers in the County Revenue Department had attended to share the vital information with the Committee.

It is important to note that the Committee had found it imperative to further invite the County Executive Committee Member, County Treasury to share with the Committee the following crucial information before making her recommendations to the County Finance Bill, 2018. These included;

- i. Justification of the new charges introduced in the Bill,
- ii. Justification for the reduction of charges proposed in the Bill,
- iii. Further detailed report on implementation status of the Kitui County Finance Act, 2016 including Local revenues realized analysed in revenue streams since implementation of the Act.
- iv. Challenges encountered (if any).

The Committee vide an office letter reference CAK/9/9/65 dated 22<sup>nd</sup> October, 2018, invited the CECM ,County Treasury as resolved who didn't attend as planned. This was due to the short notice and other logistical hitches as explained in her response letter reference CGoK/FEP/4/26C/11/2 dated 25<sup>th</sup> October, 2018. Nonetheless, the Committee proceeded to complete her task as assigned to deliver the report on the Bill pursuant to Standing Order No.120.

Mr. Speaker, in compiling the report on this Bill, the Committee held a total of six (6) day's sittings at Flamingo Beach Hotel, Mombasa from 22<sup>nd</sup> to 25<sup>th</sup> October, 2018. During the period, the Committee had ample time to keenly scrutinize the Bill vis-a-vis the following concerns;

- i. The Committee's judgment on deliberations over the implementation of the Kitui County Finance Act, 2016 as indicated above and the challenges thereof.
- ii. The views of the members of the public collected during the public hearings conducted in adherence to the provisions of Article 196, 210 of the Constitution and the Standing Orders at the designate centres; Kitui, Zombe, Mwingi, Kyuso and Mutomo.
- iii. Submitted memorandums tendered by stake holders (religious groups, business community, professional service providers e.t.c).

The aforementioned were critical in establishing significant basis for reliance by the Committee in making her recommendations to this report.

Mr. Speaker, further, notwithstanding the above factors, the Committee was guided by the following four key factors;

- i. The prevailing economic climate within the markets and economic zones as classified in different categories described in the appendices under the Second Schedule.
- ii. The effectiveness and success in implementation of the previous finance Acts.

Mr. Speaker, notwithstanding the above factors, the committee had also to apply the principles of optimal taxation and the best practices into achieving a good tax regime.

Mr. Speaker, the main observations and cross cutting issues arising out of the public hearings and submitted memoranda from various stake holders are as summarized below:-

- i. The County Government has not put in place adequate mechanism to enable members

of public to fully participate in public hearings. In the circumstances therefore, the County Assembly should come up with a public participation law to address these draw backs. This to include effective facilitation and cascading the exercise to the ward level.

- ii. The Bill has a complex taxation system which should be simplified for ease in its administration and to avoid double taxation. This Bill prefers about three charges from one trade e.g. Sand harvesting business and Miraa business.
- iii. That some charges especially for single business permits should be unbundled for inclusion of all business categories under one item e.g. Car wash and Tyre repairs.
- iv. That the County Government should not charge religious institutions/activities as these institutions are not profit making organization and are in the fore front in campaign against bad morals. This includes charges on advertisements etc.
- v. The County should embrace investment in private education to encourage growth and partnering in the sector. At the same time some were of the opinion that the same should be charged higher than proposed
- vi. That businesses which are likely to promote bad morals in the society should be discouraged by imposing higher taxation. E.g. Khat and alcoholic drinks.
- vii. That advertisement, promotion, and open ground charges should be lowered for local individual businesses and charged higher for bigger investing companies.
- viii. That the County Government should improve their facilities and charge user fees commensurate to the standards.
- ix. That businesses whose operations are degrading the climate should be effectively controlled by ensuring the requisite policies are in place.

Other recommendations collected during the public participation exercise are as contained in **annex IV** attached to this report.

Mr. Speaker, I will proceed from here after the Committee of the Whole House. Hon. Members I have read the parts on what we did on the consideration and the factors we considered and I believe this document has been with you for quite some time and you have also interrogated and gone through it. So I will not elaborate further and without much ado I will ask Hon. Mwalali to second the motion.

**Hon. Speaker:** Hon. Mwalali

**Hon. Mwalali:** Thank you Mr. Speaker Sir. I stand to second the motion and as you were told, the Committee was able to take into the views of citizens from public participation forums. This is key because this matter is about the collection of revenues and these revenues as you are aware are collected from the public.

We took into account the Finance Bill of 2016 which was operating up to date. We also took into account the prevailing economic situation which guided us into considering the rates. We also took into consideration the implementation of Bill of 2016 and how effective or defective it was in guiding us into making the decisions. We also applied the optimal taxation in taking into account in making the decision.

This being the Bill to help the executive or this county in revenue collection and you have seen that we started working on it as from October and now we are in December .To avoid any unnecessary delays in collecting the revenues, we as a Committee ask this honourable house to consider this Bill because it can enable us collect revenue which will finance the services and projects which we are supposed to be implemented as per the budget which we passed on 30<sup>th</sup> June, 2018.

Therefore it would be prudent because this is a very simple Bill about collection of revenues, application of laws which guides in collection of these revenue and any other

factor. Then I will support and second the Bill and seek this honourable house to approve it. Thank you Mr. Speaker Sir.

*(Question proposed)*

**Hon. Speaker:** Anybody who wishes to contribute on the Bill or should I put the question ... Oh! yes there is somebody who wants to say something. Hon. Kiruru, where are you seated today? I normally see you seated over there.

**Hon. Kiruru:** Thank you Mr. Speaker Sir, I have been displace...

*(Chuckles)*

**Hon. Speaker:** Go ahead.

**Hon. Kiruru:** Thank you Mr. Speaker for giving me the opportunity. I want to comment on two issues on this report while I support the report, I want to mention something about the issue to do with religious organizations Mr. Speaker.

While it is in the opinion of the committee that religious organizations should not be paying taxes, if you remember these issues started as earlier as when Jesus was around this place and Jesus was very clear about this. He said give Caesar what belongs to Caesar and I want to believe that people are still talking whether the religious and churches should be paying taxes.

Mr. Speaker Sir, the issue of the business and the services that the churches and religious organizations are doing is different from where the money goes. Most of the churches now have become profit making organizations. Like in my ward they are more than the schools. I cannot understand Mr. Speaker Sir if there are not looking for something else, why are they opening Standing Orders many churches.

Mr. Speaker if you look at the Muslims, if you go to round this town you will find may be one or two mosques. Mr. Speaker people are leaving churches next to their houses and go almost a kilometre to attend a church and what they are looking for its not really God.

Mr. Speaker those one need to be control because we are also noticing some funny behaviours in the churches and I want to believe the churches and the worshippers are also part and parcel of people in Kitui. They want development, they need roads, water, electricity and so forth.

So I don't find anything wrong because it looks as if they want to be given a clean bill of health and not to be paying taxes.

My honest and sincere appeal is that they should also be paying taxes so that they can also enjoy development.

Number two, Mr. Speaker, I want to talk about schools especially private ones. Normally the rates of paying taxes should also pegged on profit that you make in the business that you are doing. When you look at some entities in this county they are not collecting any revenue and Mr. Speaker Sir, they need services like anybody else.

Standing Orders Mr. Speaker what we are saying is that we should have modalities and ways of making sure everybody builds Kitui, because they are eating Kitui. We are saying eat Kitui, Build Kitui. If they are enjoying services and goods in this county they should also participate in improving it.

I want also say the private Schools, Mr. Speaker, should look at the kind of fees they are charging against the kind of allocation by the Government because the public schools are only getting funding from what we call government capitation, very little money.

But when you look at the kind of fees that is being paid Mr. Speaker, I want to believe that this is an area where we should look at and make sure people pay taxes so that we are able to develop this County. Thank you Mr. Speaker.

**Hon. Speaker:** Hon. Munuve

**Hon. Munuve:** Mr. Speaker I rise to support this report bearing in mind that I am one of the budget and appropriation committee member.....

**Hon. Speaker:** Your support is obvious because it is your report.

**Hon. Munuve:** It's not obvious. I can also have some dissenting views.

**Hon. Speaker:** I have not seen any dissenting new statements.

**Hon. Munuve:** Mr. Speaker Sir, I just wanted highlight a few things in this report. If you compare this with the last finance act, changes were very few. Mr. Speaker we noted that there were So many reduction of charges. Some of the markets were dropped but we could not see how the revenue will increase Mr. Speaker.

Mr. Speaker the report has also covered the issue Miraa though most of the public participation views wanted Miraa to be banned. But we know Miraa is not classified as drugs and as county government we are not able to ban. What we can do is may be to increase the levy. If implemented well, I think the Miraa users will go down because it will be very expensive.

Mr. Speaker, we also noted that some of the products which this Government is going to produce like KICOTEC products, are not captured in this Bill. The crusher which is yet to be installed, we expect some revenue from that which is supposed to be included in this Finance Bill. So Mr. Speaker though we support this Bill, we expect some amendments very soon once those two (let me call them companies for the Government) to start doing business.

Mr. Speaker we also urge Ministry of Finance to hasten automation of revenue collection. We started talking about this during the first Assembly but it has never been implemented. We are in the second year Mr. Speaker and it's still not implemented. Mr. Speaker we also urge the services of revenue offices to be devolved further to Sub-counties like single business permit, they are supposed to be collected at sub-county level.

Mr. Speaker, as a Committee we looked into the entire document and we could find that there are some house especially where most of the government staff were allocated. Some are bungalows others are three bedroomed and they are paying less than three thousand while we know a three bedroomed house in this town is not less than fifteen thousands.

But they are paying less because I understand most of the Government staff reside in those houses. So we had to do some readjustments and we have we have good recommendations. They need to be renovated because next Finance Bill we will have to increase this allocation. We need revenue for our county to run Mr. Speaker. So we need these houses to be renovated Standing Orders that the occupants can pay as per the prevailing market price.

Mr. Speaker it is a good document. Changes were very few compared to the Act which is in place. So I urge Hon. Members to pass this report so they can adjust accordingly where we have done some changes. Thank you Mr. Speaker.

**Hon. Speaker:** Hon. Jane

**Hon. Jane:** Thank you Mr. Speaker Sir, I rise to support the motion. Our Budget Committee is doing a very good job but we must tell our people what is happening because when the Finance Bill adjusts the rates, Hon. Speaker, you know the outcome. People are talking about the rising of revenue on the social media while when you look at the Finance Bill we find that due to adjustments of the revenue, automatically revenue is coming down. Sometimes we must speak the truth because the truth will make us free.

Hon. Speaker if someone can stand and say the revenue is rising at 85% and when we check at the Bill, it tells the opposite. Hon. Speaker as much as we would like our people to pay taxes, we also expect services to the common Mwananchi. That is our Mwendes, and

Mutua'a because if you walk now to the markets where we are supposed to get revenues, that is where we have traders, you will be surprised. Every market is in a mess now because there are no sweepers, the garbage is all over.

Hon. Speaker we are being asked some questions by the traders that why are you telling us to pay taxes while you can see the environment we are working in? Just a simple one Hon. Speaker, if you go to Kabati market, you will cry because of the garbage. The market is smelling like I don't know what?

We are being told about the abattoir and if you go to Kabati Hon. Speaker there is no such thing because what happened is that the abattoir which was built by the defunct council was closed because they were not paid and the county government refused to pay the contractor also. There was an arbitration and it was determined and they refused to pay the contractor. Hon. Speaker if you go there now, butchers who take their goats or cows there don't pay taxes because they say they have made their own makeshift slaughters and thus they cannot pay taxes.

Hon. Speaker if our people are not getting the services of the county government, it is a matter of time. I will go into my place and tell my people if you don't get services, don't pay taxes and I will not mince my words. Hon. Speaker what we are getting from the report is good but we cannot sit here and just watch government going run by people as if they are in picnic.

Mr. Speaker Sir, where will we get money from? All the vehicles are here at the headquarters and our revenue collectors doesn't have vehicles. Others are as far as Mumoni, Athi, Mukuanima, Malalani and you know some areas like Mutha, Hon. Speaker, you know people fear because there are a lot of bandits around that area. How do you expect people to collect money and live with it waiting for the County Government officials to go and collect?

That means nobody will go to collect them because of fear of being attacked Hon. Speaker. So we must rise to the occasion or else we will lose it and we will be judged by our people for not giving them guidance and for service delivery. With that I rest my case and support the motion. Thank you.

**Hon. Speaker:** Hon. Kanandu.

**Hon. Kanandu:** Thank you Mr. Speaker. From the onset, I wanted to thank the Budget Committee for the work they have continued to do. This is a very elaborative report. I want to tackle three items and one is on public participation.

Mr. Speaker Sir, public participation is a very key element of our Constitution and even the Parliamentary Acts like the County Government Act. I was just going through the list of in some stations, there were less than seven attendees. The Finance Act is a very important law as it involves payment of taxes and other rates and other related charges which are supposed to be done by the people across the County.

I am of the opinion that if this County Assembly should rise to occasion, as the Committee has suggested that we come up with a good public participation Act of the Bill which is going to guarantee that some of the important Acts like the finance Act should be prescribed even not at Ward level but at village level because this is where much of the money is available.

What we are talking about is revenue collection and getting projections every now and then whenever we are looking at the budget and if we have no good mechanism of educating people we will always have issues with people who have not paid taxes because they are not aware, they don't know how the rates were arrived at. So I am of the opinion that these public participation should be enhanced to ensure that the information gets down to the people.

Secondly I have gone through the Act and we want to see very clear measures detailing the compliance of the same. We have a lot of pilferage and leakages when it comes to revenue collection either through conspiracy, through maybe the revenue collectors are not able to access some of areas due to logistical issues.

So we need to see very clear recommendations in terms of how do we ensure compliance to this Act. Then something which is also worrying is that from the report the committee was not able to interrogate the person who is charged with County Treasury maybe she did not attend nor send anybody if the report is anything to go by.

I don't want to dwell on that since even when Paul was talking to Galatians said "freedom Christ has set you stand firm and let go back to bondage" and I think we are beyond that. So what I am urging is that I am very keen on public participation and also the measures to ensure compliance so that we can realize the real potential of the revenue of our county.

Then lastly Mr. Speaker, I think the direction you gave the other time for the Finance and implementation Committee to sit down and interrogate the progress report on revenue automation. I think this one is very key. As a House, we are waiting to see the recommendation of these joint sitting of the two Committees as you ruled the other time. Mr. Speaker with those few remarks I support the report.

**Hon. Speaker:** Yes, Hon. Nzamba.

**Hon. Nzamba:** Thank you Mr. Speaker for giving me this opportunity to debate on this Finance Bill. First and foremost, I want to thank the Budget Committee for the good work they have done.

Mr. Speaker Sir, my request is that we reconsider more on the report on Annex 2 on public participation. Issues of "miraa" on item 251, "miraa" transport to Mutomo. They suggested transport to be Ksh. 30,000, but "miraa" whole sellers suggested Ksh.20,000, retailers suggested Ksh.14,000.

Mr. Speaker, the issue of churches or religious based organizations. I want to thank this Committee for seeing it worthy not to tax them. Religious organizations are there to help our people. Our people are not forced to give offering, in fact when Jesus was saying give Caesar what belongs to Caesar He never meant church to pay tax, he meant church people, let them give to Caesar what belongs to Caesar.

Mr. Speaker religious organizations are there for our benefit, they are there for spiritual nourishment, they are there to help us grow, help our people grow their morals and if we begin charging these organizations then the morals standards of our people will die. Therefore I seriously comment abolishing of any tax on religious organizations.

Secondly, on issues of "Miraa". I believe this Committee has done a good work and we support it. Let us raise these taxes and let this work be done as soon as possible, we pass this bill so that our people may begin collecting these taxes.

Mr. Speaker there is only one point here I want to talk about on trade permit and licenses. General trader's wholesalers, retailers, stalls, shops personal services. Mr. Speaker in Kitui County headquarters. The committee has really raised tax in Kitui County headquarters. When they charge a wholesaler at Kitui town 75,000 and same wholesaler in Mwingi town headquarter is paying Ksh 35,000. This is so unfair, I have operated business in both Kitui and Mwingi and in terms of sales in Kitui headquarter you cannot sale twice as somebody who is in Mwingi town.

There is a slight difference but on this one they are overcharging people who are doing business in Kitui Town. So Mr. Speaker I think we need to reconsider that one, this as

a very big margin more than double! I think this one is too heavy on people doing business in Kitui County headquarter.

So my humble request is that, if we can amend this one and try to leave it at Ksh. 50,000, Mwingi headquarters at Ksh.35000 or Ksh.20000 the way members will suggest. I think this one will be fair to our people. Thank you, I seriously support this document and the report.

**Hon. Speaker:** Hon. Thuvi.

**Hon. Thuvi:** Mr. Speaker I rise to support this motion because it is a very important motion for collection of revenue for our county .I therefore support it. However Mr. Speaker I want to add one or things about the sustainability of some of the programs for example, I am aware that the farm tractors in the other Finance Bill were being charged Ksh.1500.

Mr. Speaker now we are proposing to charge Ksh.1,000 at a time when the cost of fuel the cost of diesel has gone up. So how sustainable that program will be, become as a challenge because at 1000 when the commercial farmers are charging Ksh.2,500 or some even Ksh.2,700. Then the sustainability of the farm tractors becomes a problem.

Mr. Speaker am on sustainability and I know that we have not been charging for the ambulances. The ambulances are given for free, now how sustainable it will be to give free ambulance service at a time when fuel has gone up, maintenance cost and other human resource cost and all those. Then sustainability of that ambulance program will be a challenge going forward because there is no even any description of what cases are to be taken by the ambulances.

You find that someone just gets a small cut in the finger and calls the ambulance to come for him/her from far away. You can imagine the kind of cost we are talking about. Mr. Speaker of paramount importance is not even collecting the revenue. It is accounting for the revenue. I remember very well yesterday when we had debate here the Majority leader Hon Kilonzo mentioned that the CRF (County Revenue Fund) is empty I heard something like that. So when we say the CRF is empty, Hon. Members and we are collecting money on daily basis what exactly are we saying? Even without anything much it is like saying we are spending a resource which is against the law.

Revenues collected should first be banked in the County Revenue Fund and then spend as appropriated by this House. So the issue of the CRF being empty will not actually arise, So that it leaves a big question when somebody comes and tells us that revenue collection has gone up giving very high percentages and our County revenue fund is empty that person is actually putting an incitement on themselves as to the accountability of the funds.

Therefore how the funds are collected, accounted for and put into prudent use for the benefit of people of Kitui County remains a question that must be addressed by this House. With those few remarks, I beg to support this motion.

**Hon. Speaker:** Hon. Munyalo, are you still interested in contributing and where are you seated today?

*(Laughter)*

**Hon. Munyalo:** Thank you Mr. Speaker Sir. I think in this House Hon. Member can sit anywhere apart from the Majority leader, Minority leader, Deputy Speaker plus the people living with disability.

Mr. Speaker it's about the handshake. Sometimes we need to interact as Hon. Members after a normal task of defending and so much happenings. I was invited here by the Majority leader, he wanted to share something with me.

Mr. Speaker sir on this matter of finance bill. I do fully support it, as most saying goes “Kulipa ushuru ni kujitegemea”. In this County, we need to move forward and there is no way you can manage this County without finances and for so Mr. Speaker I also have some reservations about the ‘Miraa’ traders. When you look around most of our youths all the time is not about the miraa which used to be chewed, it’s about something going on called “Mukuka” and they are calling it nowadays MWO that’s what the youth are calling it “Mukuka World Order” they are saying that there is an order that they should be chewing.

*(Hon. Katana stood on appoint of Order)*

**Hon. Speaker:** Where are we? Hon. Katana, you have stood on a point of order?

**Hon. Katana:** Is it in order Mr. Speaker for Hon. Member from Matinyani to use the card which belongs to hon Nthuri and you know Mr. Speaker what we usually talk in this Assembly is all recorded and if there is information which is disseminated and is untrue/ misleading and then a ruling is made to follow up on that member. Hon Nthuri will be taken to be responsible for that information. Is it in order Mr. Speaker?

**Hon. Speaker:** That’s a very tricky point of order Hon. Katana but it’s okay Hon. katana. Hon. Munyalo is using somebody’s card?

**Hon. Munyalo:** Yes.

**Hon. Speaker:** But the voice is yours?

**Hon. Munyalo:** Sure.

**Hon. Speaker:** To avoid any inconvenience in future in case you want to refer to what you said, may I request you to kindly go back to your seat and speak from there and then after that you can come and join your colleagues you continue with your chats.

**Hon. Members:** He can still use his card from there

**Hon. Speaker:** Then why are you not using it?

**Hon. Munyalo:** *(Spoke off-record)*

**Hon. Speaker:** No I will not, use your card.

**Hon. Munyalo:** For now I know I don’t have mine.

**Hon. Katana:** So he was not ready to come to transact business in the Assembly today.

*(Hon. Bakari stood on a point of Order)*

**Hon. Speaker:** Yes, you are now using your card. Hon Bakari what is the problem? Oh sorry not Hon. Bakari. You have not requested Hon. Bakari or you can use... right, okay go ahead.

**Hon. Waziri:** Thank you Mr. Speaker. Is it in order for Hon. Member for Matinyani (Hon. Munyalo) to use a delaying tactics to delay this Hon. House and yet we know very well he has nothing to contribute and we have a serious debate ahead of us. Can you please just cross over

**Hon. Speaker:** Order! Hon. Waziri, you are completely out of order.

**Hon. Bakari Waziri:** Thank you Mr. Speaker.

**Hon. Speaker:** How do you know that Mr. Munyalo has got nothing to contribute? Order!

**Hon. Waziri:** From what he is doing Mr. Speaker you can...

**Hon. Speaker:** Order Hon Waziri. Hon Munyalo. I will protect you. Continue, I am not going to allow any other point of order.

*(Hon. Jane stood to give information)*

**Hon. Speaker:** Overruled. Continue, Hon. Munyalo.

**Hon. Munyalo:** Thank you Mr. Speaker Sir for protecting me. As we know there has to be some somersaulting here concerning...

**Hon. Speaker:** I protected you and you want to provoke them again?

*(Laughter)*

**Hon. Munyalo:** Mr. Speaker Sir, I am here to support the Finance Bill. I was taking about the “miraa” talking about the “mukuka” issue. This is a House of rules...

*(Hon. Jane stood on a point of Order)*

**Hon. Speaker:** What is going on here now? Do you want information from Hon. Jane?

**Hon. Munyalo:** Yes I need it. Let's share the brain.

**Hon. Speaker:** Alright Hon Jane.

**Hon. Jane:** Thank you Hon. Speaker. I would like to inform Hon. Munyalo that the Majority Leader is very happy that he has joined us hence we are very happy and he is most welcomed. Thank you very much for joining the Majority party Hon. Munyalo.

**Hon. Speaker:** Order! That is not a point of information, Hon. Jane. I wish I knew I would not have allowed you to do that. You are still on a point of order Hon. Kiruru?

**Hon. Kiruru:** Thank you Mr. Speaker Sir. I am standing on a point of order. Mr. Speaker, is it in order for Hon. Munyalo, every time he stands to contribute, he is calling Mr. Speaker while he has no contribution to make. He just calls the Speaker. Is it in order? He should respect the name of the Speaker.

*(Laughter)*

**Hon. Speaker:** Hon. Munyalo you are free to do what you want as long as you are within the law. Proceed. Order! Order! Continue but don't provoke and stick to the discussion. Don't go out of topic otherwise you'll be interrupted again.

**Hon. Munyalo:** Thank you Mr. Speaker Sir. I am still supporting the Finance Bill and before I was interrupted I was talking about “Mukuka”. This menace is totally overtaking the youth of kitui and the best thing we can do with this issue is from what, when we were at public participation what suggestions were made.

I want to echo the words of Hon. Munuve from Kanziku and Hon. Nzamba from Mulango Ward. As much as possible we need to uplift the standards of the youths. We know “Mukuka” it's not classified as a drug but it has really affected the youths and they are almost becoming zombies.

When you look around the Major towns like Matinyani, Kabati, Kathivo and almost all the town Centres you will get the groups of the youths from morning around 7: 00 a.m. to 9: 00 pm. We also know that they have started growing and cultivating that Khat and the moment we fail to charge it heavily we will not have youths in future, we will not have people to work for our economy.

Mr. Speaker Sir I also feel that the Kshs.30,000 proposed for transporters is so minimal and therefore it should be more because the profit they are making is anonymous.

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Like in Mutomo they are charging saying that Kshs.30, 000, whole sellers Ksh.20, 000 retailers Kshs.14, 000 and “miraa” retailers Kshs.8, 000. When you look at this matter the distraction is to our youths.

We need to have it at Ksh. 100,000 in future. The lives of our youths are more important than anything in this World. When you look at Britain and London, they banned the issue of Khat because it was also destroying most of the youths in that land.

Mr. Speaker we need to carefully look at this matter and tax it heavily. We know about the cigarettes the way they are being taxed by the national government. The taxation is so heavy and still people are dying of cancer because of smoking but here destructions of the lives of the youth through this trend is anonymous.

In future as a County, we also need to have a barrier somewhere so that before that “Mukuka” gets to town it is being charged to this effect. Also about the retail land the selling of “Mukuka” we also need to move it to at least ten Kilometres form Kitui town because it has become a menace. We have a street whereby you can’t pass in this town and all the time when you look around that place the youths are full there and they are doing nothing. It’s all about buying and wherever they get the cash you can’t tell because most of them to work is an issue.

Mr. Speaker Sir, I also have an issue about sand harvesting. We have gone to charge permit to transport sand at Kshs.10, 000 per annum. Our environment is greater than anything. When we have land degradation our people suffer a lot.

Mr. Speaker Sir, under Standing order number 217 (2) A, “The purpose any of the recommendation made by the committee adopted by the Count Assembly on revenue matters ensure that the total amount of the revenue raised is consisted with the approved physical framework”. We also need the revenue, Part (e) “consider the impact on development, investment employment and economic growth”.

Mr. Speaker we know the sand in Ukambani area and mostly from Kitui is the sand which has built Nairobi, the capital City of this Country and our people are not getting the value for our land and our sand.

Mr. Speaker one lorry of sand in Athi River will not cost less than Kshs. 60,000 and here we are taxing Ksh.10, 000 per annum.

*(Hon. Thuvi stood on a point of Order)*

**Hon. Speaker:** Yes, Hon. Thuvi.

**Hon. Thuvi:** Is the Hon. Member for Matinyani in order to keep talking about sand while he knows very well that we have a total ban in Kitui County. Is he in order?

**Hon. Speaker:** Hon. Munyalo, which sand are we talking about?

**Hon. Munyalo:** Mr. Speaker, the sand I am talking about is on item No. 108 of this Finance Bill on the Permit for transportation of sand. That’s what I am talking about and is on this page.

**The Speaker:** From where to where?

**Hon. Munyalo:** It has not been clarified it’s from where to where, so we need clarity on the same. So Hon. Thuvi can open item No. 108 and he can view it from there.

**Hon. Speaker:** Both of you are correct, it’s there but Hon. Thuvi that there is a total ban so the question of going to Nairobi doesn’t arise. Maybe Hon. Munuve or Hon. Kilaa (*Chairman for Budget committee*) can shed light on it.

**Hon. Kilaa:** Thank you Mr. Speaker. I think on the matters concerning sand burning as it is been debated whether Hon. Munyalo is in order to debate it while it has been banned.

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Mr. Speaker this Finance Bill is for the whole Financial Year. Sand ban may be temporary or permanent but it is not indicated that it is permanent. So it is captured here as revenue hence there is no problem debating it because that ban might be lifted in future.

**Hon. Speaker:** I think that it is a good clarification. It is just there for precaution so that in case it is lifted there is no vacuum. Proceed, Hon. Munyalo.

**Hon. Munyalo:** Thank you Mr. Speaker. Therefore I was right, I hope Hon. Thuvi has heard from the chair. Item on sand of 10,000, is what we talking about whether...

*(The Speaker interjected)*

**Hon. Speaker:** Please let us be brief so that many members can contribute because we are approaching 12:30p.m and we have a stage to go before we dispose of this Bill. Hon. Munyalo proceed.

**Hon. Munyalo:** Mr. Speaker all this is about the environment conservation and protection of the people of this County because as much as we talk about the revenue, as much as we talk about the 10,000. I may propose in future we put heavy taxation on sand harvesting, “Mukuka”, “Miraa” trade and this will cure our youths.

Secondly, it will help our people to grow because I don’t expect someone to pay 10000 to harvest sand for the whole year while you can collect sand trice per day and 110,000 while you have only paid 10,000 per year. Economically we will be losing as a County. This is serious matter which needs to be looked into, with remarks I beg to support this motion. Thank you.

**Hon. Speaker:** Hon. Mumo and be brief to the point.

**Hon. Anna Mumo:** Thank you Mr. Speaker sir. I want to support the motion and I still want to dwell on the issue of public participation and for this reason. I would like to support what Hon. Kanandu said about creating awareness from Ward level to village levels that the public participation is the backbone we work from, I would to support his suggestions by also requesting if is possible to create awareness to our urban dwellers who left the villages and are in town.

My suggestions for this is that the County should facilitate all the Wards so that the people...

*(Hon. Regina stood to give information)*

**Hon. Speaker:** Yes Hon. Regina, you have something to say? Do you need the information Hon. Anna Mumo?

**Hon. Anna Mumo:** Yes I do.

**Hon. Regina:** Thank you Mr. Speaker Sir. Is the Hon. Member in order to hold a book and read as if she is reading a Bible in the Chambers? Point of order, is she right to hold a book while the Standing Orders require her to contribute on the motion?

*(Laughter)*

**Hon. Speaker:** Order! I can’t even hear what Hon. Regina is saying. Pardon.

**Hon. Regina:** Mr. Speaker, is Hon. Anna Mumo in order to stand, hold a book and read it as if she is reading a Bible in the church?

*(More laughter)*

**Hon. Speaker:** Order! Hon. Regina, you are right you are not supposed to read while contributing. Therefore Hon. Anna Mumo, you are not supposed to read anything. You can refer to your noted but not to read. Proceed Hon. Mumo.

**Hon. Anna Mumo:** Okay, as I was saying. I would like the County to be able to facilitate all the Wards because most of the people don't attend public participations because they are not able to make it to the towns. So I am suggesting that if it is possible the County should facilitate these people to be able to have the public participation at the Ward levels instead of coming into the towns.

*(Applause)*

I still refer to my notes once more. I would also suggest that we should have loud speakers going round the town announcing to the people that there will be a public participation on discuss on some issues so that these people can participate on what we are doing and with that I say thank you.

*(Applause)*

**Hon. Speaker:** The Deputy Speaker.

**The Deputy Speaker (Hon. Kasee):** Thank you Mr. Speaker. First and foremost I want to thank the Budget and Appropriations committee for the good work. It is a good report because the government will be able to be clear in terms of the law when collecting levies.

I want to make a brief contribution because this is a very procedural kind of report. I wish Hon. Member for Matinyani was here because I got disturbed when some Hon. Members spoke about heavy taxation on "Mukuka" or transportation of Mukuka and also putting barriers at Kanyonyoo.

Since we are members of the second Assembly, we should be asking ourselves; Why are those young people in the "Mukuka" business? That should be the discussion because when we are seeing them buying and selling "Mukuka" or transporting it from one place to another. They want to earn a living, they want to be able to take care of their families.

So the discussion and I want Hon. Member for Matinyani to hear this, like now we are talking about allocation of 10 billion for the last Financial Year, so the discussion should be what have we done to the young people? Either in terms of culture change and economic empowerment to convert the "Mukula" sellers from selling "Mukuka" to a more sustainable kind of business.

That should be the discussion Hon. Speaker. We should be discussing out of the allocation of 10 Billion, how many groups of the youth we have converted from "Mukuka" business to cooperatives maybe farming cooperatives like selling livestock's, then we will be able to discuss about sustainable developments.

So that's what I picked from the discussion. Otherwise I fully support the bill because the government of the day will be able to collect taxes, revenues guided by the law. With those few remarks I support the motion. Thank you.

**Hon. Speaker:** Finally, Hon. Kilonzo, and we close the debate.

**Hon. Kilonzo:** Thank you Mr. Speaker. I stand to support the Bill before the House. Which is very healthy for this County to continue collecting revenue but mostly I will dwell on the impact of whatever collections this government does to the "Musangis".

The reason why people will not evade paying taxes or run away from paying taxes is when they get services. If our County continues collecting taxes from "Musangis" because I know the people who pay taxes are "Musangis" and for that matter, the real "Musangis" and

if they don't get service delivery then the goodwill of payment stops then evasion and any other business of not paying taxes starts from there.

I am happy because this morning we are in agreement and I expected the Minority wing swing their dances and say that we have passed the motion because we received instruction from the party leader.

*(Applause)*

Mr. Speaker I didn't hear that but they can now cool themselves in the comfortable seats and thank you for these seats Mr. Speaker they have put us in tweets. Let's be very honesty with ourselves. This house has members who can think through, if it was made out of malice, we still have numbers we could have defeated this motion within the first minute but I want to put it again in the floor of this house that the Majority wing is objective and it is focused on the development of this County.

Therefore I want to say the report which has been dropped here is encouraging, let them continue collecting funds. Let them continue putting it in prudence ways but if at a point we discover that it is the same cat and mouse game then we have their medicine ready.

So Mr. Speaker I want support it and thank the committee it has done a good job, maybe waiting for the question to be put so that we probably we can go to the next step. Thank you Mr. Speaker.

*(Applause)*

**Hon. Speaker:** Hon. Members before I put the Question...Hon. Kilaa I cannot give you time now I think you still have some business to execute? You are not through yet. I will give you time at the end.

*(Question put and agreed to)*

## COMMITTEE OF THE WHOLE HOUSE

*(Order for Committee read)*

*[The Speaker (Hon. Ndotto) left the Chair]*

### IN THE COMMITTEE

*[Temporary Chairman (Hon. Emeritus Kasee) took the Chair]*

**The Temporary Chairman (Hon. Kasee):** Thank you Hon. Members, as you are aware the rules are a bit relaxed here at the Committee of the Whole Assembly where members can consult in low tones. We are considering the Kitui County Finance Bill, 2018, County Assembly Bill No.5 of 2018.

*(Consultations with Clerks-at-the Table)*

Hon. Members, I want to refer you to the Annexes. If you look at the Order Paper, there is an attached annexures. Kindly check so that we can move together.

## CONSIDERATION OF THE KITUI COUNTY FINANCE BILL, 2018

*(COUNTY ASSEMBLY BILL NO. 5, 2018)*

## CLAUSES WITHOUT AMENDMENTS

### *Clause 2*

THAT, Clause 2 as printed be part of the Bill.

### *Clause 4*

THAT, Clause 4 as printed be part of the Bill

### *Clause 5*

THAT, Clause 5 as printed be part of the Bill

### *Clause 6*

THAT, Clause 6 as printed be part of the Bill

### *Clause 7*

THAT, Clause 7 as printed be part of the Bill

### *Clause 8*

THAT, Clause 8 as printed be part of the Bill

### *Clause 9*

THAT, Clause 9 as printed be part of the Bill

### *Clause 10*

THAT, Clause 10 as printed be part of the Bill

### *Clause 11*

THAT, Clause 11 as printed be part of the Bill

### *Clause 13*

THAT, Clause 13 as printed be part of the Bill

*(Question on Clauses 3, 4, 5, 6, 7, 8, 9, 10, 11, & 13 proposed)*

*(Clauses 3, 4, 5, 6, 7, 8, 9, 10, 11, & 13 agreed to)*

## CLAUSES WITH AMENDMENTS

### *Clause 3*

**Hon. Kasina:** Mr. Chairman, I beg to move:-  
**THAT**, amend Clause 3 in Sub-Clause 3(3) as follows;

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- i. By inserting the “**of**” in between the words “use” and “county” in the second line of the Clause
  - ii. By deleting the word **taxes** between the words “pay” and “such” in the same line of the Clause.
- Hon. Chair I beg to move and request Hon. Ndumbu to second the amendment.

*(Hon. Ndumbu Seconded the amendment)*

*(Question on amendment to Clause 3 proposed)*

*(Clause 3 as amended agreed to)*

## SCHEDULES WITHOUT AMENDMENTS

### *Second Schedule*

**THAT**, the Second Schedule of the Bill as printed be the Second Schedule to the Bill.

*(Question on Schedule 2 proposed)*

*(Schedule 2 agreed to)*

## SCHEDULES WITH AMENDMENTS

### *First Schedule*

**Hon. Kasina:** Mr. Chairman, I beg to move:-

**THAT**, amend the First Schedule of the Bill as contained in the table below:-

**SCHEDULE I: TAXES, CHARGES, FEES & RATES**  
**1.1 PROPERTY RATES AND RENT AND RELATED CHARGES ON PROPERTY**  
**MINISTRY OF LANDS, INFRASTRUCTURE & URBAN DEVELOPMENT (LIUD)**  
**B. STAFF HOUSES**

Nos	County House	House Type	Charges 2018/19 (Kshs)
1	House LR 4096/156	Bungalows + DSQ (3 Bedrooms)- Good	7,500
<b>Committee's recommendations</b>			<b>15,000</b>
2	House LR 4096/157	Bungalows + DSQ (3 Bedrooms)- Poor	2,000
<b>Committee's recommendations</b>			<b>2,800</b>
3	House NO KCC 1/21	Duplex 2 Bedrooms-Fair	5,000
<b>Committee's recommendations</b>			<b>7,800</b>
4	House NO KCC 1/37A& B	Duplex 2 Bedrooms-Good	Converted to an Office space for Kitui Town Administration
5	House NO KCC 1/8	2 bedroom standalone-Fair &No water connection	2,000

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Nos	County House	House Type	Charges 2018/19 (Kshs)
<b>Committee's recommendations</b>			<b>4,000</b>
6	House NO KCC 1/1	1 Bedroom Stand Alone-Fair &no water connection	2,000
<b>Committee's recommendations</b>			<b>3,500</b>
7	House NO KCC 1/14	1 Bedroom Stand Alone-Fair &no water connection	2,000
<b>Committee's recommendations</b>			<b>3,500</b>
8	House NO KCC ¼	1 Bedroom Stand Alone-Fair &no water connection	2,000
<b>Committee's recommendations</b>			<b>3,500</b>
9	House NO KCC1/7	1 Bedroom Stand Alone-Fair &no water connection	2,000
10	House NO. KCC 1/20	1 Bedroom Stand Alone-Fair &no water connection	2,000
<b>Committee's recommendations</b>			<b>3,500</b>
11	House NO KCC 1/15	1 Bedroom Stand Alone-Fair &no water connection	2,000
<b>Committee's recommendations</b>			<b>3,500</b>
12	House NO KCC ½	1 Bedroom Stand Alone-Fair &no water connection	2,000
<b>Committee's recommendations</b>			<b>3,500</b>
13	House NO KCC1/5	1 Bedroom Stand Alone-Fair &no water connection	2,000
<b>Committee's recommendations</b>			<b>3,500</b>
14	House NO KCC 1/16	1 Bedroom Stand Alone-Fair &no water connection	2,000
<b>Committee's recommendations</b>			<b>3,500</b>
15	House NO KCC 1/17	1 Bedroom Stand Alone-Fair &no water connection	2,000
<b>Committee's recommendations</b>			<b>3,500</b>
16	House NO KCC 1/3	1 Bedroom Stand Alone-Fair &no water connection	2,000
<b>Committee's recommendations</b>			<b>3,500</b>
17	House NO KCC 1/6	1 Bedroom Stand Alone-Fair &no water connection	2,000
<b>Committee's recommendations</b>			<b>3,500</b>
18	House NO KCC1/19	1 Bedroom Stand Alone-Fair &no water connection	2,000

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Nos	County House	House Type	Charges 2018/19 (Kshs)
<b>Committee's recommendations</b>			<b>3,500</b>
19	House NO KCC 1/13	1 Bedroom Stand Alone-Fair &no water connection	2,000
<b>Committee's recommendations</b>			<b>3,500</b>
20	House NO KCC 1/18	1 Bedroom Stand Alone-Fair &no water connection	2,000
<b>Committee's recommendations</b>			<b>3,500</b>
21	House NO KCC 1/10 six single rooms -A TO F	Single Rooms-each@ ksh 800, no water connection	1,000
<b>Committee's recommendations</b>			<b>1,500</b>
22	House NO. KCC LCHS 1/A	2 Bedrooms Unit-Good	7,500
<b>Committee's recommendations</b>			<b>10,000</b>
23	House NO KCC LCHS 1/B	2 Bedrooms Unit-Good	2,500
<b>Committee's recommendations</b>			<b>10,000</b>
24	KCC House (Mbondeni Kitchen)	Per Month	4,000
<b>Committee's recommendations</b>			<b>6,000</b>
25	Tea shop no. 1/24	Per month	15,500
<b>Committee's recommendations</b>			<b>20,000</b>
26	Tea shop no. 1/25	Per month	15,500
<b>Committee's recommendations</b>			<b>20,000</b>
27	Tea shop no. 1/26	Per month	15,000
<b>Committee's recommendations</b>			<b>20,000</b>
	<b>RENTAL HOUSES</b>		
28	10 Rental houses	2 bedroom standalone-Fair	As per National Housing Corporation Agreement
29	Staff members		4,500
<b>Committee's recommendations</b>			<b>6,000</b>
30	Non-members of staff		6,000
<b>Committee's recommendations</b>			<b>7,000</b>
31	Big bus park hotels		7,500
<b>Committee's recommendations</b>			<b>10,000</b>
32	Small bus hotel		5,000
<b>Committee's recommendations</b>			<b>7,500</b>

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Nos	County House	House Type	Charges 2018/19 (Kshs)
33	Bus park stalls		3,000
<b>Committee's recommendations</b>			<b>4,000</b>
34	Kalundu market stalls		800
<b>Committee's recommendations</b>			<b>1,000</b>
35	Kalundu market hotel		1,500
<b>Committee's recommendations</b>			<b>2,000</b>
36	Bus park Toilet	per month	0
39	House NO KCC1/9		2,000
<b>Committee's recommendations</b>			<b>3,000</b>

## 1.2 TRADE LICENSES AND PERMITS

### A) SINGLE BUSINESS PERMIT (SBP)

B/C	Brim Code Description	Kitui County HQs 2018/19 (Kshs.)	Mwingi Town 2018/19 (Kshs.)	Sub County HQs/ Upcoming Commercial Centres 2018/19 (Kshs.)	All Other Trading Centres 2018/19 (Kshs.)
<b>100</b>	<b>GENERAL TRADERS, WHOLE SALE, RETAIL, STORES, SHOPS, PERSONAL SERVICE</b>				
	<b>Mega store /Hypermarket, Departmental &amp; Supermarket stores</b>				
<b>101.</b>	Supermarket with over 25 workers and premises over 3000m2, Registered as limited company, to trade as supermarket (whichever is higher)	50,000	28,800	20,000	10,000
<b>Committee's recommendations</b>		<b>75000</b>	<b>35,000</b>	<b>25,000</b>	<b>15,000</b>
<b>Other new charges of items not in the bill but recommended by the Committee - 187.1, 259.1 and 260.1.</b>					
<b>187.1</b>	<b>Mobile/Electronic vendors</b>	<b>2,000</b>	<b>1,500</b>	<b>1,000</b>	<b>1,000</b>
<b>259.1</b>	<b>Tyre Repairs</b>	<b>2,000</b>	<b>1,800</b>	<b>1,200</b>	<b>1,000</b>
<b>260.1</b>	<b>Car wash with more than one machine</b>	<b>3,000</b>	<b>2,800</b>	<b>2,200</b>	<b>2,000</b>
<b>304.</b>	Mobile wholesalers	50,000	50,000	50,000	50,000
<b>Committee's recommendations</b>		<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>25,000</b>
<b>306.</b>	Independent Transport Operator 1 Vehicle	7,500	7,500	7,500	7,500

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B/C	Brim Code Description	Kitui County HQs 2018/19 (Kshs.)	Mwingi Town 2018/19 (Kshs.)	Sub County HQs/ Upcoming Commercial Centres 2018/19 (Kshs.)	All Other Trading Centres 2018/19 (Kshs.)
<b>Committee's recommendations</b>		<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>
<b>506</b>	Medium Lodging House with Restaurant & Bar class B&C. Basic standard from 6 to 15 rooms	17,500	15,000	10,000	7,000
<b>Committee's recommendations</b>		<b>15,000</b>	<b>13,000</b>	<b>8,000</b>	<b>5,000</b>
<b>701.</b>	Private Universities and colleges affiliated to universities	25,000	25,000	25,000	25,000
<b>Committee's recommendations</b>		<b>50,000</b>	-	-	-
<b>GENERAL SERVICES CHARGE</b>			<b>UNIT OF MEASURE</b>	<b>2018/2019 Kshs.</b>	
Enclosed parking fees in all designated areas per vehicle before 5th of the month for monthly payment (1-19 passengers)			per day	70	
<b>Committee's recommendations</b>				<b>50</b>	

**The Temporary Chairman (Hon. Kasee):** hon. Chair you don't have anything to say on that schedule? Especially on the areas of recommendation.

**Hon. Kasina:** Honourable Members if you observe keenly on what I have read, they are simply amendments to the rates. I believe you have gone through it because it is what we propose to be effected.

For example, there are so many houses belonging to the County of Kitui. These houses are being resided by the senior officers of this County. A 3 bedroom bungalow with servant quarters was being charged Ksh.7, 500. If we are realistic, this amount is too little for a monthly rent. We are therefore increasing this amount to Ksh.15, 000.

If you follow through you will also find that there are similar bungalows being charged Ksh. 2,000 others duplex/two bed roomed being charged Ksh.5, 000. so in a nutshell, we have increased the monthly rent for the county houses within Kitui.

We have also recommended increments to hotels like big park hotels from 7,500 to 10,000. These rents have been constant for quite long. If you compare with the market rates, the rentals have already gone up. So we are trying to adjust to current market rates.

There are also trade licences and permits which we have recommended to increase. We have talked of supermarkets; the likes of Naivas, Mulley's. Supermarkets with more than 25 staffs we recommend an increase from Ksh 50,000 to Ksh 75,000 per year for the business permit if located in Kitui town, and from 25,000 to Ksh. Ksh.30, 000 in Mwingi. In other sub county Headquarters we have recommended increase from Ksh. 20,000 to Ksh. 25,000 and in all other trading centres increase from Ksh. 10,000 to Ksh.15, 000.

*(Hon. Kanandu rose on a point of information)*

**Hon. Kanandu:** Mr, chairman I want to inform our able Committee chair that supermarkets are not categorized by number of employees but number of till points unless this has changed.

**Hon. Munuve:** Mr Chairman in the previous Acts, we have considered the number of employees or the square metre of the building. We therefore go by the previous Acts which we have enacted. Actually we count the number of employees. The more the number the more the output.

**The Temporary Chairman (Hon. Kasee):** Very well Hon. Munuve. Hon. Kanandu I think probably that is a good information to share with the chair of budget and appropriation. You know these are changes in matters law...

**Hon. Kanandu:** Mr, chairman I happen to be in that field for over 13 years and basically what happens, the issue is how much you want to collect and if we base the rate on the number of employees, sometimes they can hide behind it. So I agree with him on the formula of area covered. Most of the times, the number of till points are dictated by how busy the shop is which also dictate the amount of money the shop is making, which should be the key thing for consideration.

**The Temporary Chairman (Hon. Kasee):** That is very good information. You can hear from the experts. Probably we are still in the analogue era and it will be important for the committee to look at where we are digitally and how the same can be utilised and applied into law. Proceed Hon. Kilaa.

**Hon. Kilaa:** Thank you chair and thank you Hon. Kanandu for that vital information. I strongly agree with you. Now it is up to members to decide whether to make further amendments so that it is approved with the amendments. It makes a lot of sense to me because that is a source of revenue collection. The number of tills shows how busy the supermarket is. The number of staffs may not give you a true picture yet the spirit of the Bill is to collect as much revenue as we can.

Before I continue with my remarks, there is an omission which I want to clarify on 506 where I had read the figures on Committee recommendations. However, I did not read the line as it was. That is on medium lodging house with restaurant, bar Class B and C. Basic standard from 6 to 15 rooms.

*(Hon. Kilaa read that part as tabulated above)*

**The Temporary Chairman (Hon. Kasee):** Honourable Members there was a mix-up earlier. If you look at 277, we have after 306 that is where the chair is; there are two committee recommendations so he has rectified to fix the 506. Kindly lets follow.

**Hon. Kilaa:** Thank you Chair. On the business permit we have the car wash business where we have recommended an addition for car wash. On tyre repair there are no changes. On mobile wholesalers, people with Lorries or trucks and they move from one town to another, their permits have been charged Ksh. 15000. The committee has recommended it increment to 25,000 across. I see Hon. Munuve is disagreeing.

**Hon. Munuve:** I just want to make a clarification. On these mobile wholesalers, we recommended a one off payment of Ksh 25,000, irrespective of where you are trading at. This is because it is not possible to monitor and control such traders because of their movements.

**Hon. Kilaa:** Thank you Hon. Munuve for that clarification. We were saying more or less the same thing it's only that our English is different.

Honourable Members there is also private universities and colleges where we have only increased for universities and colleges which are within Kitui Headquarters to Ksh 50,000 but in other regions the rates remain at Ksh. 25,000.

Mr Chairman, the only attention I wanted to bring to this Hon. House is that the amendments we are proposing here will be effected once approved. It was important for Honourable Members to pay attention so that there won't arise complaints later from the new rates. Thank you very much.

I beg to move and ask Hon. Mwalali to second.

*(Hon. Mwalali seconded the amendment)*

*(Question on the amendment proposed)*

**Hon. Kanandu:** Hon. Chair I beg to be guided on the same before we dispose it off. We are talking about the chains, for example Naivas, and it has decided to have a branch in Kitui, Mutomo, and Mwingi. How do they pay because there are different rates for each town? Are we looking at the outlets as an independent entity or are we considering the main branch?

**Hon. Kilaa:** We are looking at branches as different entities. Every branch will pay rates as per their location.

**Hon. Munuve:** just to add, we treat these ones the way we treat shops. If you have three Mpesa shops within Kitui, you pay permit for each. Even if the supermarket had three branches in Kitui town, each branch will pay for its own business permit.

**The Temporary Chairman (Hon. Kasee):** Honourable Members do we have any other contribution or I put the question. Okay, I will put the question.

*(First Schedule as amended agreed to)*

*Long Title*

THAT, the Long Title as printed be the title to the Bill

*(Question on the Long Title proposed)*

*(Long Title agreed to)*

*Clause 1*

THAT, Clause 1 as printed be part of the Bill

*(Question on Clause 1 proposed)*

*(Clause 1 agreed to)*

**The Temporary Chairman (Hon. Kasee):** Honourable Members we can now have the mover reporting.

**Hon. Munuve:** Hon. Chairman, I wish to move THAT, the Committee do report its consideration of the Kitui County Finance Bill, 2018 (County Assembly Bill No. 5, 2018) and its approval thereof with amendments.

*(Question proposed)*

*(Question put and agreed to)*

*(The House resumed)*

*[The Temporary Speaker (Hon. George Ndotto) in the Chair]*

**REPORT; CONSIDERATION OF THE  
REPORT AND THIRD READING**

THE KITUI COUNTY FINANCE BILL 2018, COUNTY ASSEMBLY  
BILL NO. 5 OF 2018.

**The Temporary Chairman** (*Hon. Kasee*): Hon. Speaker Sir, I beg to report that the Committee of the whole House has considered the Kitui County Finance Bill 2018, (Assembly Bill No. 5 of 2018), and its approval thereof with amendments. Thank you.

**Hon. Speaker:** Next Order!

**Hon. Munuve:** Hon. Speaker Sir, I wish to move, THAT, the house do agree with the Committee in the said report. I request Hon. Mwalali to second the Motion for agreement with the Report of the Committee of the whole House.

*(Hon. Mwalali Seconded the Motion)*

*(Question proposed)*

*(Question put and agreed to)*

**Hon. Speaker:** Hon. Members, I now call upon the Mover to move the Third Reading of the Kitui Finance Bill 2018, Assembly Bill No. 5 of 2018.

**Hon. Munuve:** Hon. Speaker Sir, I beg to move:-

THAT, pursuant to the provisions of Standing Order No. 131 (2), the Kitui County Finance Bill 2018 (Assembly Bill No. 5 of 2018) be now read a Third Time.

I request Hon. Mwalali to second.

*(Hon. Mwalali Seconded the Motion)*

*(Question proposed)*

*(Question put and agreed to)*

*(The Bill was accordingly read the Third Time and passed)*

**Hon. Speaker:** We have come to the end of the business today. Hon. Munuve do you have anything to say?

**Hon. Munuve:** Mr. Speaker Sir, I want to thank this Hon. House for passing this Bill which was overdue, we hope the executive will be able to collect revenue and go as per the resolutions of this House. Thank you.

**Hon. Speaker:** That is the end of the business this morning, we can now adjourn the House.

**ADJOURNMENT**

Hon. Members this House now stands adjourned until this afternoon at 2.30 p.m.

**The County Assembly rose at 12.10 p.m.**