

(Legislative Supplement No. 8)

LEGAL NOTICE NO. 21

THE INCOME TAX ACT

(Cap. 470)

EXEMPTION

IN EXERCISE of the powers conferred by section 13 (2) of the Income Tax Act, the Minister for Finance directs that the lump sum retirement benefits received by the employees of Jomo Kenyatta Foundation retrenchment under the restructuring programme approved by the Government on 12th July, 2006, shall be exempt from income tax under the Act:

Provided that—

- (a) the exemption shall not apply to other pension benefits paid to such employees;
- (b) an employee who has been retrenched and who benefits from this exemption shall not be eligible for re-employment with the Jomo Kenyatta Foundation, in any capacity or under any terms whatsoever before the expiry of three years from the date of such retrenchment;
- (c) the Jomo Kenyatta Foundation shall, in addition to complying with any directions that the Commissioner of Income Tax may give, furnish the Commissioner, in respect of every retrenched employee, with the name, date of retrenchment from the Jomo Kenyatta Foundation, the amount paid and a copy of the letter to the employee confirming such retrenchment.

Dated the 6th February, 2007.

AMOS KIMUNYA,  
*Minister for Finance.*