

5.	Individual Income Tax	
	Monthly Income	Tax Rate
	Where total income does not exceed sh. 135,000/-	NIL
	Where total income exceeds sh. 135,000/= but does not exceed sh. 360,000/-	14% of the amount in excess of Shs. 135,000/-
	Where total income exceeds sh. 360,000/- but does not exceed sh. 540,000./-	Shs. 31,500/- plus 20% of the amount in excess of Shs. 360,000/-
	Where total income exceeds sh. 540,000/- but does not exceed sh. 720,000/-	Shs. 67,500/- plus 25% of the amount in excess of Shs. 540,000/-
	Where total income exceeds sh. 720,000/-	Shs. 112,500/- plus 30% of the amount in excess of Shs. 720,000/-
	Threshold per annum: Income Shs. 1,620,000/-	
	Note:	
	1. For non-resident employees of a resident employer the income is subject to withholding tax at the rate of 15%. However the total income of a non-resident individual is charged at the rate of 20%.	
	2. An employee who makes donation as per section 12 of Education Fund Act, such donation is exempted from tax. But such exemption is upon approval by the Commissioner.	
6.	Benefit in kind	
	a. Housing: Lower of the:- Market value rental of the premises and the higher of the following:- i. 15% of the employees total annual income and ii. The expenditure claimed as deduction by the employer in respect of the premises	