



**REPUBLIC OF KENYA**

**THIRTEENTH PARLIAMENT**

**NATIONAL ASSEMBLY**

**THE HANSARD**

**VOL. III NO. 52**

## THE HANSARD

Thursday, 20<sup>th</sup> June 2024

The House met at 9:30 a.m.

*[The Speaker (Hon. Moses Wetang'ula) in the Chair]*

### PRAYERS

**Hon. Speaker:** Order, Hon. Members. We have Quorum to transact Business. I thank you for your resilience yesterday. Many Members stayed in the House from morning until late. Those of you who wanted to speak yesterday but did not get the opportunity, I believe this morning you will have a chance to make your views known on the Bill.

I also recognise the level of decorum that has been exhibited in this debate and encourage that we remain so.

Hon. Members, the House Business Committee directed and recommended that we will have a Sitting on Tuesday Morning. Therefore, at some point this morning, the Leaders of the Majority and Minority Parties will move a Motion to get your approval. After the Motion, we will go straight to the Bill and remain true to the five minutes. Most of the issues have been canvassed; therefore, if you have one or two points and you get an opportunity to contribute, you do not have to exhaust your five minutes so that many more Members can speak to the Bill.

Call out the Orders.

**Hon. Opiyo Wandayi** (Ugunja, ODM): On a point of order, Hon. Speaker.

**Hon. Speaker:** Hon. Wandayi.

**Hon. Opiyo Wandayi** (Ugunja, ODM): Thank you very much for your guidance, Hon. Speaker.

So far, so good. However, we are facing some challenges and I would like to seek your guidance on this. Hon. Speaker, as you can see, the House is not full. A number of Members are finding it difficult to access the House. As we speak, some Members are finding it difficult to go through police blockades to access the House. I have had to struggle to get to this House this morning.

**Hon. Speaker:** What is the problem?

**Hon. Opiyo Wandayi** (Ugunja, ODM): The problem is that people who appear to be police officers have cordoned off the entire Parliament precincts.

We are living in a democratic country and this House is the symbol of our democracy. No person in this country has the authority to establish a blockade around Parliament – to cordon off Parliament. As far as I am aware and under the Constitution, no state of emergency has been declared today. I am aware that there were some demonstrations around Parliament and in the Central Business District (CBD) on Tuesday. Very peaceful demonstrations by very young children who were unarmed throughout. The police provoked them and eventually arrested very many of them who were innocent. They took them to police stations where they spent the night. They were later released unconditionally on free bond.

What is it occasioning this overzealous approach by the police? Can the Speaker direct the Inspector-General of Police to withdraw police officers who have made this Parliament a military installation? It is an affront to our democracy for this Parliament to be turned into a military

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installation. Why is it that we are making this Finance Bill business so serious a matter that the whole country comes to a standstill? It is an issue that must be addressed before today's business can proceed. I call upon my colleague Members to ensure that blockage is removed before we proceed with business. As a democracy, we cannot be making steps forward and then regressing.

**Hon. Speaker:** Thank you, Leader of the Minority Party. Yes, Hon. Osoro.

**Hon. Silvanus Osoro** (South Mugirango, UDA): Thank you very much, Hon. Speaker.

We must appreciate our Constitution of Kenya 2010 and the independent offices provided therein. The National Police Service is an independent institution. They do not take instructions from Parliament or His Excellency the President. They work and exercise their duty independently.

*(Loud consultations)*

**Hon. Speaker:** Can you repeat that? I was consulting with a Member.

**Hon. Silvanus Osoro** (South Mugirango, UDA): All I am saying is that we need to appreciate our democracies. The Legislature is an independent institution. The National Police Service is an independent unit that does not take instructions from anybody. While we appreciate the right of every Kenyan to picket under Article 37 and as provided by the law, the police are there to provide security even for those who are not picketing. This morning, we have not seen any barricaded roads across as we were moving around and coming towards this House. What we see is our police officers basking in the sun, relaxing and waiting to provide security to those who want to picket. They deserve security. We have not seen anybody picketing. We have only seen police officers covering our areas and providing security for these honourable Members and everybody around the streets of Nairobi.

The Leader of the Minority Party has even said right now that those who were purportedly arrested were released without being charged. That ideally shows that the police are simply doing their job and institutions are independent. We cannot stop discharging our duties here to start bashing the police who are doing their job. Again, Gen Z is free to picket and move around. They are even allowed to come outside gates of Parliament. They are allowed to carry placards. Nobody will harass them. Also, allow the police to provide security to Gen Z.

Thank you.

*(Loud consultations)*

**Hon. Speaker:** Order, Hon. Members. I hear you, Leader of the Minority Party.

I hear you, Whip of the Majority Party. I came to Parliament very early, at 6.00 a.m. Probably, the police had not taken their positions. This House will operate without fear, favour, intimidation or negative pressure. I encourage you to be assured that you are safe here, at all times. I direct the Clerk and the Serjeants-at-Arms to check with the police in the course of the morning and report to me on what is happening so that I react based on facts.

Thank you. Can we now go to our Orders?

## PETITION

WAIVER OF THE ELGEYO BORDER SETTLEMENT SCHEME  
NO. 45 SETTLEMENT FUND TRUSTEES LOAN

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**Hon. Phylis Bartoo** (Moiben, UDA): Thank you, Hon. Speaker. I rise to present a public Petition on the waiver of the Elgeyo Border Settlement Scheme No.45 Settlement Fund Trustees Loan.

I, the undersigned, on behalf of the residents of Moiben Constituency, draw the attention of the House to the following:

THAT, Agricultural Settlement Fund Trustees was established in 1963 under the Agriculture Act CAP. 318 of the laws of Kenya Section 168 which was repealed by the Agriculture Fisheries and Food Authority Act, 2013;

THAT, the Fund is managed by the Ministry of Lands, Public Works, Housing and Urban Development. Its mandate is vested in the Settlement Fund Trustees jointly by the Ministry of Lands, Public Works, Housing and Urban Development, Ministry of National Treasury and Economic Planning and the Ministry of Interior and National Administration and the Ministry of Agriculture and Livestock Development;

THAT, the Elgeyo Border Scheme Settlement Scheme is among the schemes established under the Fund in 1963 for agricultural development and purchase of land with an initial capital of Ksh5,000 aimed at facilitating settlement and development in the region;

THAT, over the years, due to various socio-economic factors and changes in the land ownership, the burden of arrears of loan payment has become unmanageable for the current generation of residents;

THAT, many families inherited the debt without the corresponding assets or resources to repay. Further, the original purpose of the Settlement Trust Fund has been overshadowed by the financial strain it imposes on the community;

THAT, the debt incurred by the Elgeyo Border Scheme has grown exponentially over time, surpassing the initial capital of Ksh5,000, hence becoming a significant barrier to the economic progress and the well-being of the community by hindering their ability to invest in essential infrastructure, education, healthcare, among others;

THAT, the residents have over the years received demand notices regarding the arrears of loan payment with possibilities of repossession of the land if the outstanding amounts are not paid; and,

THAT, the issues in respect of which this Petition is raised are not pending before any court of law or any constitutional or legal body.

Therefore, your humble Petitioners pray that the National Assembly, through the Public Petitions Committee:

1. Engages the Settlement Funds Trustee with a view of seeking waiver of the accumulated debt of Elgeyo Border Settlement Scheme by the community.
2. Makes any recommendations or actions it deems fit in addressing the plight of the petitioners.

And your petitioners will forever pray.

Thank you, Hon. Speaker.

**Hon. Speaker:** Thank you, Professor. Hon. Pukose.

**Hon. (Dr) Robert Pukose** (Endebess, UDA): Thank you, Hon. Speaker. I support the Petition by Hon. Bartoo about the Settlement Fund Trustees (SFTs). This matter is not limited to Hon. Bartoo. As the Committee looks into this issue, I would like us to offer amnesty to all SFT farms within the country. This is because they were meant to benefit the poorer people after the colonialists left. Unfortunately, when the colonialists left, many of these farms reverted back to

the well-connected, who were in Government at that time. They grabbed huge chunks of lands, squeezing the poor into sharing either two-and-a-half acres or five acres. Then they forced them to pay Ksh5,000, which was a lot of money at that time. Cumulatively, debts have been accruing. So, as we forgive other debts like those of sugarcane and coffee farmers, we should also consider debts owed to SFTs and Agricultural Finance Corporation (AFC) that people used to purchase land. This will ensure that these people are well settled and given title deeds so that they can have something for themselves or for their children to inherit.

With those few remarks, I support. I ask that when the Committee is sitting, please invite some of us who represent areas that have SFT farms. Our people are still suffering with pending debts.

Thank you.

**Hon. Speaker:** Thank you. The Petition is committed to the Public Petitions Committee to report back within 60 days.

Next.

## PAPERS

**Hon. Speaker:** The Deputy Leader of the Majority Party.

**Hon. Owen Baya** (Kilifi North, UDA): Thank you, Hon. Speaker. Before I lay this Paper, if you allow me, I sincerely thank you for the way you conducted yesterday's sessions. I commend you.

*(Hon. Speaker consulted with the Serjeant-at-Arms)*

If I get your full attention, I will be very happy. I commend you for conducting the debate yesterday and sitting throughout. I watched you rise at 9.00 p.m. If it was in any other place, I would have requested that we give the Speaker a standing ovation. But because this is Parliament, let us give him a stamp on our feet to appreciate him for the good job.

*(Applause)*

There was danger that the debate would spiral into something else, but you managed the House very well. Members, for the decorum and respect that we have for each other and for the Speaker, I thank you sincerely. *Kongole* for that.

Hon. Speaker, I beg to lay the following Papers on the Table:

1. Annual report and financial statements for the Financial Year 2022/2023 from the Commission on Revenue Allocation.
2. Audited financial statements of the Kenya National Shipping Line from the Ministry of Mining, Blue Economy and Maritime Affairs.

Thank you.

**Hon. Speaker:** Thank you, Deputy Leader of the Majority Party. And thank you for the complement. Next.

## QUESTIONS AND STATEMENTS

### REQUESTS FOR STATEMENTS

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**Hon. Speaker:** There are two requests for statements, one by Hon. Monicah Marubu, Woman Representative for Lamu County. Go ahead.

#### STATUS OF COMPENSATION OF FISHERMEN IN LAMU

**Hon. Muthoni Marubu** (Lamu County, Independent): Thank you, Hon. Speaker. Pursuant to the provisions of Standing Order 44(2)(c), I rise to request for a Statement from the Chairperson of the Departmental Committee on Transport and Infrastructure regarding the status of compensation of fishermen in Lamu County. For over a decade, fishermen have been engaged in legal battles and rigorous vetting processes to receive compensation after being displaced by the Lamu Port III Berth Project also known as the LAPSET Project. The project area was primarily the popular fishing grounds for local fishermen, suitable for their use of rudimentary fishing equipment. However, due to the effects of dredging, destruction of coral reefs and mangrove forests, which led to murky waters, the fish population and locations were affected, thereby displacing the fishermen from that area. Moreover, the High Court of Kenya held that the project disrupted the cultural and economic activities of the local fisher community and were to be rightfully compensated.

While we appreciate the efforts made by the Government in initiating the compensation process, it is regrettable that there are significant concerns regarding the criteria used to verify the fishermen to be compensated. Further, in addition to the fair compensation, the Government was to implement a comprehensive fishing value chain approach to ensure sustainability of the local fisher community. It is against this background that I seek a Statement from the Chairperson of the Departmental Committee on Transport and Infrastructure on the following:

1. Can the Chairperson provide details of the fishermen set to receive compensation, including their areas of residence and fishing grounds, and state the criteria used for the verification process?
2. Can the Chairperson state the measures in place to ensure that only fishermen from the affected fishing grounds and local fisher community receive compensation, and provide timelines for completion of the compensation process?
3. Can the Chairperson explain why the Government is yet to implement a fishing value chain approach to boost the fishing industry in the area, considering that the compensation provided to fishermen does not provide a long-term solution hence jeopardising the sustainable source of livelihood of the fisher community in Lamu County?

I thank you, Hon. Speaker.

**Hon. Speaker:** Thank you. Chairman of the Departmental Committee on Transport and Infrastructure or any member of that Committee. Leader of the Majority Party, direct them to bring a response in two weeks.

Hon. Ben Chonga. Give him the microphone. There you are.

**Hon. Ken Chonga** (Kilifi South, ODM): Thank you, Hon. Speaker. It is Ken Chonga not Ben Chonga.

**Hon. Speaker:** Ken. Oh, sorry. Hon. Ken Chonga.

#### IRREGULAR ALLOCATION OF LAND IN GONGONI VILLAGE IN KILIFI SOUTH

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**Hon. Ken Chonga** (Kilifi South, ODM): Hon. Speaker, pursuant to Standing Order 44(2)(c), I wish to request for a Statement from the Chairperson of the Departmental Committee on Lands regarding irregular allocation of a parcel of land in Gongoni Village, Junju Ward in Kilifi South Constituency. Indigenous people of Gongoni were displaced from their ancestral land by the colonial government, purportedly for public use. After the attainment of Independence, the displaced residents never resettled on their land. Instead, in the early 1960s, the parcel of land L.R. No.140/IV/MN was leased to Vipingo Sisal and Leasing Company. Despite the allocation of the said property, the company never conducted any commercial activities on the land for the entire lease period until its expiry in 2016.

Notably, when residents conducted an official search in November 2023 to authenticate the status of the land, the results revealed that the land was issued to one Mr Said Swaleh Musa and one Mr Shifeya Swaleh Musa under a new certificate of lease No. CR 82241. It is astonishing that the said persons are neither residents of Gongoni Village nor trustees of the Gongoni community. The irregular allocation of the said parcel of land has caused anguish to the residents, noting that by law states that any land that is under a leasehold reverts back to the Government upon expiry of that lease.

It is against this backdrop that I seek a Statement from the Chairperson of the Departmental Committee on Lands on the following:

1. Under what circumstances was L.R. No.140/IV/MN registered in the name of Mr Said Swaleh Musa and Mr Shifeya Swaleh Musa despite being community land?
2. What is the status of investigations into the irregular allocation of the said parcel of land?
3. What measures will the Ministry of Lands put in place to revoke the allocation of the said land if found in contravention of the law and revert the same to the Gongoni community?

I thank you, Hon. Speaker.

**Hon. Speaker:** Chairman of the Departmental Committee on Lands, Hon. Nyamoko. Give him the microphone.

*(Hon. Joash Nyamoko stood in his place)*

*(Hon. Omar Mwinyi spoke off the record)*

Yes, Hon. Member for Changamwe. Hon. Nyamoko, take your seat.

**Hon. Omar Mwinyi** (Changamwe, ODM): Thank you, Hon. Speaker. I want to express an interest in this matter. The said land belongs to our family and we have a genuine title deed. The Hon. Member is aware that we own that piece of land. The so-called Shifeya side is my cousin's. I wish to state very categorically here that this land belongs to us and we have a genuine title deed and the Hon. Member is aware.

Thank you. Hon. Speaker.

**Hon. Speaker:** Proceed, Hon. Nyamoko.

**Hon. Joash Nyamoko** (North Mugirango, UDA): Thank you, Hon. Speaker. We will give a response in 14 days.

*(Hon. Kangogo Bowen spoke off the record)*

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**Hon. Speaker:** Next Order. Yes, Hon. Bowen.

**Hon. Kangogo Bowen** (Marakwet East, UDA): Hon. Speaker, I thought the owner of the land has already responded. Is there need for the Committee to look into the ownership of the land yet the owner is here and has said that the land belongs to him?

**Hon. Speaker:** That notwithstanding, the Statement is directed at the Chairman of the Departmental Committee on Lands. He has to come and respond.

Next Order.

## PROCEDURAL MOTION

### RESOLUTION TO HOLD TUESDAY MORNING SITTING

**Hon. Speaker:** Hon. Leader of the Majority Party.

**Hon. Kimani Ichung'wah** (Kikuyu, UDA): Thank you, Hon. Speaker. I beg to move the following Motion:

THAT, pursuant to the provisions of Standing Order 30(3)(c), this House resolves to hold a Morning Sitting on Tuesday, 25<sup>th</sup> June 2024, commencing at 9.30 a.m. for purposes of considering priority business.

Hon. Members, you realise that we have very crucial business ahead of us today, the top among them being the continuation of the Finance Bill. I must thank Generation Zoomers because, for the first time in the history of this House, especially the 13<sup>th</sup> Parliament, more than 50 Members were already logged in at 8.30 a.m. The Generation Zoomers have made Members of Parliament to report to work very early. It is a good thing. It is the beauty of our democracy. Now that we reported early to contribute to the Finance Bill, I am certain that given the numbers, we may not have enough time to finish the debate on the Bill today and move on to the IEBC amendments from the Senate.

Hon. Members understand how crucial that business is. We want to ensure that we have adequate time to complete the Committee of the whole House on the Finance Bill next week, without anticipating debate and also consider the IEBC amendments from the Senate before we proceed to the short recess that is due the following week. You are aware next week is the last week of this month and we ought to pass both the Finance Bill and the Appropriations Bill which is also lined up for next week. I will be speaking to it later this afternoon during the usual Thursday Statement. I also wish to appeal to Hon. Members to support so that we have adequate time to process all this business.

I beg to move and request the Hon. Leader of the Minority Party to second.

**Hon. Opiyo Wandayi** (Ugunja, ODM): Hon. Speaker, I consider the matter of the IEBC crucial. We cannot afford to delay it any further. Let us proceed in the manner proposed by the Hon. Leader of the Majority Party.

I second.

**Hon. Speaker:** Order Hon. Members on their feet. Take your seats.

*(Question proposed)*

Do I put the question? Yes, Member for Seme, Hon. Nyikal.



**Hon. (Dr) James Nyikal** (Seme, ODM): Thank you, Hon. Speaker. As I rise to support, there is a related matter that I would like to seek clarification from you. You had indicated earlier that we are likely to go into the Committee of the whole House on the Finance Bill. That is one of the reasons we are sitting on Tuesday. You indicated last evening that those who want to make amendments should submit them by 1.00 p.m. today. Usually, we would have more time. Why are we limiting submissions to today if the Committee of the whole House is likely to be on Tuesday? I would have thought that a deadline of tomorrow midday, would still be adequate. That is the clarification I need.

Otherwise, Hon. Speaker, I support the Tuesday Sitting.

**Hon. Speaker:** Hon. Nyikal, before I put the Question, I have made a pronouncement about four times on the Floor of the House that those who have amendments should file them by 1.00 p.m. today. This is for a few simple reasons. One, the Bill has attracted a lot of contentious arguments and proposals. Second, the Committee in its report, has recommended a myriad of amendments to the Bill. Three, we want to have sufficient time to harmonise amendments that may be identical or overlapping. We cannot do that if we are constrained with time. Fourth, if you are speaking for yourself, you are the sort of Member of Parliament who would draft an amendment before the Bill is even moved. I, therefore, do not know why you want extra time. My direction that all amendments be filed by 1.00 p.m. stands. I do not think it is injurious or oppresses any Hon. Member. Hon. (Dr) Nyikal, since the time I started making the pronouncement, no Hon. Member has raised any reservations. I believe that your reservation is not only unhelpful but will also draw us back to the management of the House Business and that will not be helpful.

Yes, Hon. Leader of the Majority Party.

**Hon. Kimani Ichung'wah** (Kikuyu, UDA): Thank you, Hon. Speaker. I would like to add a fifth point to your four. Being a money Bill in line with Article 114 of the Constitution and our own Standing Orders, all the amendments that Members will be proposing must be shared with the National Treasury for concurrence. Therefore, if we allow more time then there will be no time for the back and forth between the National Assembly and the National Treasury.

Thank you, Hon. Speaker.

**Hon. Speaker:** Hon. Nyikal, you should appreciate the Speaker. Ordinarily, the office that receives the amendments will just tell you that it has been closed. At least I have given you sufficient notice on the direction of time. Thank you.

Yes, Hon. Okello. Let us not eat into debating time.

**Hon. Jared Okello** (Nyando, ODM): Hon. Speaker, I have a question related to that. Whereas I also support that the issue of IEBC needs to be fast tracked based on the fact that, at least, not less than two constituencies are now disenfranchised as a result of...

**Hon. Speaker:** Hon. Jared Okello, that is a moot point. Your own leader has said that here five times. I do not know why you should repeat it.

**Hon. Jared Okello** (Nyando, ODM): I am coming to a question, Hon. Speaker.

**Hon. Speaker:** Take your seat. If you want to usurp your leader's powers, the Speaker will not assist you on that.

*(Laughter)*

*(Question put and agreed to)*

**Hon. Speaker:** Yes, Hon. Wandayi. I am told your microphone is malfunctioning. Give him the microphone.

*(Loud consultations)*

**Hon. Opiyo Wandayi** (Ugunja, ODM): Hon. Speaker, I have an issue that I need to raise now before we proceed with the debate that was going on yesterday.

My attention has been drawn to a letter dated 19<sup>th</sup> June purportedly emanating from the Cabinet Secretary for National Treasury and Economic Planning and addressed to the Clerk of the National Assembly. It is also copied to the Rt. Hon. Speaker. The subject of the letter is *Request for the Advisory on Conclusion of Supply, Ways and Means Process by the National Assembly*. In summary, going through this letter, the Cabinet Secretary for National Treasury and Economic Planning is purporting to direct this House. I want to read a paragraph here:

“That we further note that following the ongoing debate on the Finance Bill 2024, should the Finance Bill 2024 be approved as proposed by the National Treasury, the National Assembly can proceed with the consideration of the Appropriation Bill as published. However, if the revenue raising measures contained in the Finance Bill are not approved by the National Assembly, there will be a likely revenue short fall of approximately Ksh200 billion. In order to remain within the provisions of the law, we propose the following measures...”

Hon. Speaker, first and foremost, the Cabinet Secretary is treading on very slippery and dangerous grounds. Firstly, by purporting to direct the House on what it is supposed to do in its legislative role. Secondly, he is also anticipating debate because as far as I am aware, we are still in the debating stage of this Bill. It is not the duty of anybody out there to start anticipating how the Bill will go.

Importantly, if you can just pay me your attention, Article 221(6) of the Constitution says that:

“When the estimates of national Government expenditure, and the estimates of expenditure for the Judiciary and Parliament have been approved by the National Assembly, they shall be included in an Appropriation Bill, which shall be introduced into the National Assembly to authorise the withdrawal from the Consolidated Fund of the money needed for the expenditure, and for the appropriation of that money for the purposes mentioned in the Bill.”

That is what the Constitution says.

If you go further to the Public Finance Management (PFM) Act, Section 40(5), it says:

“Any of the recommendations made by the relevant committee of the National Assembly or adopted by the National Assembly on revenue matters shall—

(a) ensure that the total amount of revenue raised is consistent with the approved fiscal framework and the Division of Revenue Act.”

I am saying that if you read Article 221(5) of the Constitution together with the PFM Act, Section 40(5), you arrive at the conclusion that the Appropriations Bill can only be informed by the estimates, not by the Finance Bill. That the Appropriation Bills can only flow or emanate from the estimates that we approved last week in this House. What, therefore, is the Cabinet Secretary purporting to say here? He is saying that if we do not approve the Finance Bill as is in the form it

originated from the National Treasury, we shall have to review or change the Appropriations Bill to conform with the Finance Bill as passed.

Hon. Speaker, my submission is that we first need to hear from the Chairman of the Departmental Committee on Finance and National Planning. The work of the Committee is to look for ways to raise money to finance the budget that has been passed. Are they saying that they were unable to look for money to finance the budget estimates that we passed last week? If so, the logical thing to do is a Supplementary Budget and not what the Cabinet Secretary is purporting to direct us to do here.

Hon. Speaker, I ask you to call the Cabinet Secretary to order. He cannot be seen to be supervising this House.

*(Applause)*

In other words, he is trying to put pressure on this House to act in a particular manner.

**Hon. Members:** Yes.

*(Applause)*

**Hon. Opiyo Wandayi** (Ugunja, ODM): As far as I am concerned, the Cabinet Secretary for National Treasury and Economic Planning, who is not elected by anybody, is purporting to supervise this House in its legislative role, something that flies in the face of the Constitution and the relevant law. So, at the very least, I would like that you direct that this letter from the National Treasury be withdrawn. Secondly, I would like you to compel him to commit not to attempt, now or in future, to dictate to this House, the manner in which it is supposed to conduct its business.

I submit, Hon. Speaker.

**Hon. Speaker:** The Leader of the Majority Party.

**Hon. Kimani Ichung'wah** (Kikuyu, UDA): Thank you. Let me thank the Leader of Majority Party for raising this particular issue about this letter. I am sorry, it is the Leader of Minority Party.

*(Laughter)*

They say that any name can raise a baby. You can be the Majority today, and tomorrow you are the Minority. There is absolutely nothing wrong in having a slip of the tongue and referring to Hon. Opiyo Wandayi as the Leader of Majority Party. I have at times heard people, by the slip of the tongue, refer to Hon. Junet as the Majority Whip. I am even at times referred to as the Leader of Minority Party, Majority Leader, and Majority Whip. Any name is okay provided that we do what we are supposed to do. Hon. Opiyo will tell you that in the last Parliament, the Majority side that was Jubilee became the Minority and had to depend on the Minority side in its own government to pretend to be the Majority. In the last two years, Hon. Kimunya was the Leader of the Majority Party, but he was actually the Leader of the Minority on the Majority side. This is because Hon. Aden Duale, who was a ranking Member like Hon. John Mbadi, was the Leader of the Majority on the Majority side.

I want to thank Hon. Opiyo for raising this issue because it is important that we all get to an understanding of not just the import of this letter but of all the proposed amendments to the Finance Bill. It is good that when you were responding to Hon. Nyikal, you pointed out some of

those issues. Principally, the last point that I added was that this being a money Bill, we must get the concurrence of the National Treasury. There is reason as to why the drafters of our Constitution, Article 114, put that particular provision of concurrence with the National Treasury.

If you read that letter, it points to provisions of the law as it is. Prof. Ndung'u, who signed this letter, is not referring to anything that is outside the law and the provisions of our Constitution. He refers to Section 39(4)(c) of the Public Finance Management Act, which requires that any increase in expenditure in a proposed appropriation is balanced by a reduction in expenditure in another proposed appropriation. He goes on to quote Section 45 of the Public Finance Management Act and other sections of the Act which provide that if we are to reduce the proposed Revenue Estimates, then, concurrently, something must give in. I said that on Tuesday. If we reduce taxes that are proposed to be the revenue raising measures to finance the Budget that we have adopted, then we must find a way of reducing the expenditure side. If you do not do so, you will increase the fiscal deficit.

I was hoping that Prof. Njuguna Ndung'u would point out that we passed a debt ceiling in this House. We cannot go beyond what we have passed in this House. The National Treasury cannot borrow beyond a ceiling that we have set by law in this House. Therefore, if you are asking that we reduce the revenues but we do not touch the expenditure side, then you are simply telling the National Treasury to increase the fiscal deficit against the law. We cannot act against the law. We are the lawmakers but we are not allowed by the Constitution to act *ultra vires* the Constitution.

Therefore, I want to agree with Hon. Opiyo that the Cabinet Secretary could be pre-empting debate but the CS, Njuguna Ndung'u, is not engaging in debate. This is an advisory opinion to us. He is reminding us that we need to abide by the Constitution and by our own laws.

Hon. Speaker, the Leader of Minority Party spoke to the need, and he has asserted so emphatically that you would want to believe him; that, the right thing is to do a supplementary budget. That is wrong because you cannot begin from a mistake. You cannot break the law at a particular stage and then fix it with a supplementary budget. A supplementary budget should only come in once we have, in the first instance, abided by what is provided for in the law.

We have not burst our fiscal deficit as stipulated under our Public Finance Management Act. If in the course of implementation of this budget, there are additional expenditures that would lead to bursting of that fiscal deficit, then we can call for a supplementary budget. At this point, we cannot be talking of a supplementary budget. What shall we be supplementing if we are even yet to pass the Appropriation Bill? We need to pass the Appropriation Bill and the Finance Bill so that we complete the budget-making cycle. Once you complete the budget-making cycle, you can do a supplementary budget. However, we cannot complete a budget-making cycle against the law, and that is what Hon. Opiyo is telling us to do.

Hon. Speaker, it is my humble submission that this letter is in good standing. This is the way it is. On Tuesday, when this report was being tabled, I said that someone once quipped that choices have consequences and in law-making, the same is true. If we choose to cut on our revenue raising measures, as the Departmental Committee on Finance and National Planning is proposing, then there will, definitely, be consequences. I am fortunate to have been in this House in the last Parliament. Hon. Wandayi, who raised this issue, and Hon. Junet were in this House in 2018. You will all remember the contentious Uhuru second Finance Bill. It was equally contentious. You will recall the debate about fuel then, and specifically the proposal to increase Value Added Tax from 16 per cent to 8 per cent. When we did the revenue raising measures Bill in the form of a Finance Bill, we had to consequently adjust the expenditure side. Therefore, it is not the first time that this is happening, and it will not be the last time.

For instance, we have appropriated some money to go to the hiring of Junior Secondary School (JSS) teachers but if there are no adequate resources to employ them, then something has to give in. If there is a road in Ugunja Constituency that was to be tarmacked and the resources are not enough, or in Kikuyu Constituency for that matter, then we just have to do away with them. I just want to ask Hon. Opiyo to hold his horses. In actual fact, we are the ones who are now anticipating debate because we are yet to complete the Finance Bill. It is only at the conclusion of the Finance Bill that we will be able to tell the net effect of all the changes that will have been made. We can then decide the quantum that we need to adjust on the expenditure side. Let me just conclude by saying that we cannot have our cake and eat it at the same time.

Thank you, Hon. Speaker.

**Hon. Speaker:** Hon. Members, this issue is very straightforward but for purposes of the record, I will give a direction at 2.30 p.m. Meanwhile, let us proceed with the debate. The matter has absolutely no impact on the ongoing debate.

*(Hon. Opiyo Wandayi raised his hand)*

Order, Hon. Wandayi. You have so ably prosecuted your case and the Leader of Majority Party has responded. Chairman of the Budget and Appropriations Committee, I will, in fact, pass on these letters to you. So, I am not opening debate on this matter.

Clerk-at-the-Table, call out the next Order.

*(Loud consultations)*

Order, Hon. Members. When I came to the Chamber, I had seen this letter and I also had my own feelings about it. I will give you direction at 2.30 p.m. I do not have to consume parliamentary time debating something that is very clear in my mind. My thoughts are very rich, Hon. Junet.

*(Loud consultations)*

Order, Hon. Members. Let us go back to the Finance Bill. We have 120 requests. With 120 requests at five minutes each, we will need about nine to ten hours to conclude this debate. Can I ask the Leaders of the Majority and Minority Parties to approach the Chair?

*(Hon. Speaker consulted with Hon. Kimani Ichung'wah and Hon. Opiyo Wandayi)*

## **BILL**

### *Second Reading*

THE FINANCE BILL  
(National Assembly Bill No.30 of 2024)

*(Moved by Hon. Kuria Kimani on 19.6.2024 - Moring Sitting)*

*(Resumption of debate interrupted on 19.6.2024 - Afternoon Sitting)*

Hon. Members, we are back to the Finance Bill. We have 120 requests at five minutes each. So, we need about nine to 10 hours.

Hon. Members, I want us to proceed as follows. We will have Hon. Nzambia, who has three-and-half minutes to go. I have told you the number of requests that we have. How many of you had keyed in? As at 7.00 a.m. this morning, 50 Members had already keyed in. This shows the intensity of interest in the Bill. We will start and proceed with the debate up to 1.00 p.m. In the afternoon, I will give you one hour from 2.30 p.m. to 3.30 p.m. We will not need Hon. Pukose to call for the Mover to reply. I will call upon the Mover to reply at 3.30 p.m. Thereafter, we shall go to vote.

I have consulted with your leadership on whether we should go on with five minutes and cut-off at the hour as we had agreed or allow more Members to contribute by truncating the time to three minutes. If you agree, we can truncate the time to three minutes so that more Members can speak. Is that alright with the House?

**Hon. Members:** Yes!

**Hon. Speaker:** I will now put the Question.

*(Question, that the speaking time be reduced  
from five minutes to three minutes, put and agreed to)*

Secondly, I encourage you to desist from raising frivolous points of order. This is because some Members have been raising points of order which are completely out of order. Hon. Nzambia, you will finish your three-and-half minutes. The next Members I call will be taking three minutes.

Hon. Members, you also keyed in very early but sometimes the Speaker may not necessarily follow the list. This is because you find 10 Members from one side in a row. We have to balance the House. So, I will jump and zigzag the list to ensure that there is balanced representation on the Floor.

Hon. Nzambia go on.

**Hon. Thuddeus Nzambia** (Kilome, WDM): Thank you, Hon. Speaker, for giving me this opportunity. As a House, we have responsibility to protect the interests of our citizens. I totally oppose this Finance Bill. Although the motor vehicle tax and Excise Duty on edible oils, among others, have been deleted, there are too many other hidden taxes. When you talk about increasing Fuel Levy by Ksh7 per litre, it means that the cost of production in the local industries will go up.

Even the cost of producing bread will be higher than it is now. Our citizens are struggling to put food on the table. The cost of living will increase further if we pass this Bill. I urge the Members of this House to listen to the cry from Wanjiku and others. As we speak, the cost of running businesses is unbearable. When it comes to the local industries, they are closing down because the cost of production is rising every now and then. So, Kenyans have been left jobless. When we talk about non-deliverables, there are many hidden costs. So, as a House, we should come out clearly and ensure that the cost of living is brought down. The Government speaks about hustlers, boda riders and mama mboga. It is very clear that things are getting worse and out of hand. I ask this Government to consider getting a better Finance Bill to move Kenya forward.

Thank you, Hon. Speaker.

*(Loud consultations)*

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**Hon. Speaker:** Member for Mandera West. Order, Hon. Members. Order. The conversations are too loud. Hon. Cynthia Muge, take your seat. You have been standing for 10 minutes. Hon. Members who want to engage in conversations, there is a lobby out there. You can go canvass and come back. Give me time to hear what Members are saying. Those who want to listen should also be able to do so.

Give a functioning microphone to the Member for Mandera West.

**Hon. Yusuf Adan** (Mandera West, UDM): Thank you, Hon. Speaker, for giving me a chance to contribute to this very important Bill. Legislating on Finance Bill is an annual event which has been taking place from the time Kenya was born. Personally, this is the seventh time I am participating in Finance Bill legislation.

We all know that if we do not pass the Finance Bill, there will be no Government activity. Also, the Government is there for the interest of the country. I take this opportunity to sincerely thank the Departmental Committee on Finance for undertaking thorough public participation all over the country and listening to Kenyans on the various issues that were raised. I take this opportunity to sincerely thank the Departmental Committee on Finance and National Planning for doing a very thorough public participation exercise all over the country and for listening to the various issues that were raised by the public. I particularly thank the Committee for recommending that the contentious issues such as Value Added Tax on bread, motor vehicle tax, Eco Levy on sanitary pads and diapers, Excise Duty on vegetable oils and other contentious clauses to be dropped. Therefore, this House should concur with the recommendations of the Departmental Committee on Finance and National Planning to drop the very contentious clauses. I have been called severally by my constituents. However, I explained to them what has been proposed to be dropped.

The Finance Bill 2024 has proposed to put one billion shillings for restocking. As you all know, the area I represent and other neighbouring areas had a serious drought for four years and we lost almost all of our livestock. We do not have any other livelihood except rearing of livestock. This Finance Bill is giving us one billion to restock. That is a very big gain and my constituents have told me to make sure that that one billion is protected.

There are very important gains in the Finance Bill, particularly...

**Hon. Speaker:** Your time is up.

Hon Irene Mayaka. You have three minutes. So, compose your thoughts and compress them quickly.

Hon. Irene Mayaka (Nominated, ODM): Thank you, Hon. Speaker. I take this opportunity to emphatically reject the Finance Bill. One of the things that I want to say and make very clear is that we should not subject ourselves to the pressure being imposed by the International Monetary Fund (IMF) through the conditions of the funding that they are giving this country. I want to thank Generation Z and the people of Kenya for exercising their rights under Articles 1 and 2 of the Constitution, as read together with Article 37.

I kept hearing Members, especially our male counterparts, telling us that we need to start using locally manufactured sanitary towels. I want to be clear by telling them to stop taking Panadols for our headache. Locally manufactured sanitary pads are not of good quality. You cannot expect young girls out there to use pads that will make them have infections and such like things.

Some of the clauses that I want us to look at and reject are Clause 63 that talks about allowing KRA personnel to access our personal data, and Clause 23 that talks about Amateur

Sporting Association being added additional tax. One of the repercussions that we will have, as a country, if we pass this Finance Bill is that our investment climate will become very unpredictable and there will be no incentive for investment by foreign and local investors. We are making our local people to have issues in terms of investing properly because we are taxing all the money that they have.

My professional advice to the Government is that they cannot make this country stable by continuously introducing amendments on every Finance Bill that we pass in this House. We will soon be taxing Kenyans for the air they breathe. What is happening now is that we have taken a pinky-ponky approach in terms of the things that we are proposing. Let us not take away...

**Hon. Didmus Barasa** (Kimilili, UDA): On a point of order, Hon. Speaker.

**Hon. Speaker:** Order! Hon. Didmus Barasa, what is your point of order?

**Hon. Didmus Barasa** (Kimilili, UDA): Hon. Speaker, I rise under Standing Order 107 (1) (f) riding together with Standing Order 91. Is the Hon. Member in order to insinuate that locally manufactured goods are substandard? She has said that sanitary pads that are locally manufactured cause infections. I understand that she is also locally manufactured. So, is she also insinuating that she is substandard? She must give accurate information to Kenyans. Locally manufactured goods are of high value, including herself. She is locally manufactured, unless she is confirming that she is substandard. She should substantiate.

**Hon. Speaker:** Hon. Irene, wind up.

**Hon. Irene Mayaka** (Nominated, ODM): Thank you, Hon. Speaker. What I know is that the Hon. Member does not use sanitary pads. I am the one who uses them. I know the feeling and most Kenyans who use pads know the feeling. So, unless he uses pads, he should not tell me otherwise.

As I wind up, I want to say that the Government of Kenya has already taken away the happiness of taxpayers who take alcohol by increasing the tax of alcoholic beverages. I want to urge the Government to kindly not tax the only happiness that adult Kenyans who pay taxes are remaining with, which is their orgasm.

I thank you.

**Hon. Speaker:** Hon. Abraham Kirwa.

**Hon. Abraham Kirwa** (Mosop, UDA): Thank you, Hon. Speaker for giving me this opportunity. I stand here to support this Bill which will be amended. There is no country or nation that can stand without a budget, and there is no budget that can stand without revenue resources. There is so much that has been said about this Finance Bill. There is a lot of misconception about it. There are too many amendments that have been proposed, which are good. So, I would like to urge the individuals who are opposing the Bill to read it again. There is no way you can reject a whole Bill.

We can introduce amendments, but it is not possible to reject an entire Bill. So, I want to support the Bill for two reasons. One, it is supporting farmers. Most of my constituents grow sugarcane, tea and other crops. This Bill is supporting my constituents. Two, is on the issue of schools. Most of the teachers in Junior Secondary Schools will be absorbed because of the funding that will come through this Finance Bill. Three, it is promoting local manufacturing. The Bill is promoting local manufacturers, who will create a lot of jobs.

I support this Bill as amended. I want to challenge all Kenyans who have not read the Bill to read it so that we do not use our Generation Z to protest for the sake of protesting but use them to support the Bill because it is the right thing to do. It will help this nation.

Thank you.



**Hon. Speaker:** Rosa Boyle.

**Hon. Rozaah Buyu** (Kisumu West, ODM): Hon. Speaker, I want to thank you for this opportunity. First, I want to congratulate all those young people who went out to the streets on their own volition to protest. They are taking control of their lives. I want to give credit to one man in this country, the Rt. Hon. Raila Amollo Odinga. He is able to awaken the consciousness amongst Kenyans and we have seen the fruit of his efforts throughout his life.

I want to oppose the Finance Bill 2024. The reason as to why I am opposing the Bill is that it has taken the easiest way out to get finances to service the Budget. This Government believes that the easiest way out is to tax, tax, and tax Kenyans regardless of how difficult life is for them. Sabbath was made for man and not man for the Sabbath. Therefore, the Finance Bill cannot kill Kenyans in their effort to pay tax to service the Budget. I expected Treasury and the Government to look inward and see exactly what they can do to reduce taxes or to reduce the amount required in the Finance Bill.

Hon. Speaker, there is too much duplication in Government. The Office of the Deputy President, for example, has functions that are being performed by other departments in Government. In the Budget, the Deputy President has been allocated Ksh415 million for drug abuse intervention. This is something that is already being carried out by the National Authority for the Campaign against Alcohol and Drug Abuse (NACADA). He has also been allocated another Ksh250 million to give awards and medals to people who reform from drunkards to become sober citizens. That is a function that can be done away with.

It does not matter how much funds we raise if we do not spend them prudently. We cannot tax Kenyans so that we spend almost Ksh1.5 billion on renovating state lodges and the Office of the Deputy President. We cannot tax bread, a basic necessity, so that we give the Deputy President money to buy cars for his office.

For that reason, I say no on behalf of Kisumu West Constituency.

**Hon. Speaker:** Thank you. Member for Limuru, Hon. John Kiragu.

**Hon. (Eng.) John Kiragu** (Limuru, UDA): Thank you, Hon. Speaker for giving me this opportunity. I stand to support the Finance Bill.

I would like to remind the people of Limuru Constituency, who brought me to this House; that, during the economic forum, we made a presentation where we indicated that the people of Limuru used to be the largest manufacturers of footwear. Over the years, we lost that position due to importation of cheap footwear. We proved that we could make safety boots and military boots not by Bata but by small manufactures. I stand to support this Bill as it addresses this issue. It proposes that fully assembled imported goods will be taxed in favour of the ones made locally.

I would like young people to understand that unless we grow our industries, there will be no opportunities for good jobs. In this Finance Bill, there is an opportunity for us to develop a serious industrial base that can give hope to our young people.

Institutions like Kenya Railways Corporation that import locomotives and wagons, import some of them when they are fully assembled. Government organisations should also make sure that those kinds of products are brought in knockout kits to be assembled in this country for our people to garner skills to assemble and get jobs.

Finally, we know that one of the major challenges the sugar industry has had is the maintenance cost. We cannot rely on importation of spare parts for this crucial industry. It is important that we develop local capacity to support our industry. If we take local manufacturing seriously, our country will develop.

Thank you.

**Hon. Zamzam Mohammed** (Mombasa County, ODM): On a point of order, Hon. Speaker.

**Hon. Speaker:** Yes, *mama* Zamzam. What is your point of order?

**Hon. Zamzam Mohammed** (Mombasa County, ODM): Hon. Speaker, I rise under Standing Order 91. The Hon. Member was speaking about the tax on imported goods. I want to categorically say that yesterday, my fellow Members of Parliament heckled me here on the Floor of this House. I was talking about importation of cancer equipment. When they are taxed ....

**Hon. Speaker:** Order, Hon. Zamzam. Take your seat.

*(Hon. Zamzam Mohammed spoke off the record)*

Mummy, you are trying in guise of a point of order to further the argument that you were challenged on yesterday. The Standing Orders do not allow you to speak twice on the same Motion.

*(Hon. Zamzam Mohammed spoke off the record)*

Take your cool *mama*. Member for Kasipul.

*(Hon. Zamzam Mohammed spoke off the record)*

Order, *mama* Zamzam. *Mhe.* Zamzam, walio kupigia kura Mombasa wanakuangalia ukielekeza vidole kwa wenzako.

*(Hon. Zamzam Mohammed spoke off the record)*

Take your seat. *Mbunge* wa Kasipul, endelea.

**Hon. Charles Ong'ondo** (Kasipul, ODM): Thank you, Hon. Speaker for giving me this opportunity to allow the voice of Kasipul to be heard. After undertaking a comparative analysis between the Finance Bill of 2024 and the Finance Bills of 2022 and 2023, we hereby voice our rejection of this Bill in totality.

I also want to congratulate Kenyans for coming out in advance to demonstrate. This necessitated some amendments that are not a matter of discussing now. I draw the attention of the House to Clause 46. Fuel is a major factor of production. An increase in the Fuel Levy will affect the cost of production. In economical words, it will affect the movement of goods and humans. If we increase the Fuel Levy by 7 shillings per litre of petroleum fuel, the cost of production of essential commodities will increase.

I also want to draw the attention of the House to Clause 54 on Value Added Tax (VAT) remittance. Previously, remittances were done within 30 days. This Bill is reducing that period to three days. That means any human resource department in any department will have to employ additional staff, hence more expenses.

Clause 48, on Import Declaration Fee (IDF), the proposal is to have it increased from 2.5 per cent to 3 per cent. This will also affect the cost of products since the cost of manufacturing will increase. This will kill industries.

I have also seen a proposed amendment to introduce a 16 per cent Value Added Tax on bread. There is also a proposal to introduce a 16 per cent tax on sugarcane transportation and on financial services – which will have a huge cost impact.

In summary, any legislator who will vote for this Bill will have signed their political obituary.

Thank you, Hon. Speaker.

**Hon. Speaker:** Hon. Keynan.

**Hon. Adan Keynan** (Eldas, JP): Thank you, Hon. Speaker. This Bill contains an array of tax proposals that affect different tax laws. The intention is to give the Government the legal force to collect taxes to finance the Budget. Ordinarily, this Bill has gone through all the legislative stages that every Bill ought to go through until it has become part of the public debate. All laws affecting taxation are generally emotive, polarising and highly political. The debate on this Bill has taken two dimensions. The first one is political. The political dimension has been convoluted, highly polarised and full of propaganda, misinformation and misinterpretation. This is part of the norm of our Kenyan society.

Hon. Speaker, as Members of the Departmental Committee on Finance and National Planning, we were guided by reason and public interest. We were keen on the views of the Kenyan taxpayers who appeared before the Committee. I am proud to admit that we have proposed to amend the Bill. If we did not do so, it would have been difficult to implement and internalise it. As Members of the Committee, we took time to listen to the people. We were guided by the principle of fairness as guided by the principle of public participation. That is why we came up with a raft of amendments that seek to do away with VAT on bread, transportation of sugar, financial services and mobile phone transactions. We also did away with motor vehicle tax and Excise Duty on edible oils, among many other changes.

This is a House of tradition and deliberations. This Bill, as read together with the proposed amendments, meets the expectations of Kenyans and will stand the test of time. I urge you, Hon. Members, not to be intimidated. Pass it because it will add value to the taxpayers who elected you. There are shenanigans. There is hullabaloo and propaganda. You have the right to address your concerns. As the elected representatives of Kenyans, we should be proud that this Bill, with the proposed amendments, meets our expectations. Dr Amollo, I do not belong to the list of the Members...

**Hon. Speaker:** Member for Taita Taveta.

Hon. Haika Mizighi (Taita Taveta County, UDA): Thank you very much, Hon. Speaker, for giving me an opportunity to contribute to the Finance Bill, 2024. I rise to support the Bill.

It should be known that I will vote ‘Yes’ for it. Those who are sending me many fake messages should stop. Initially, I was a bit worried after listening to my people about some of the issues they were not comfortable with. I commend the Departmental Committee on Finance and National Planning for the good job it has done. It listened to Kenyans through public participation. It took their views and incorporated them into the Bill. We can see the proposed amendments, which are good and very considerate.

The proposed Valued Added Tax on bread was a thorn in the flesh of Kenyans. I am so glad because the Committee has proposed a deletion of that tax from the Finance Bill. The proposed motor vehicle tax was also a contentious issue in this country but it will also be deleted from the Bill. That is also a win. Tax on mobile phone transactions was also something that Kenyans were talking about. They were not comfortable with it. The Committee did justice to Kenyans because that tax will also be removed from the Bill.

This Bill promotes local manufacturers. We have exempted taxes on the local manufacturers who produce sanitary towels and diapers. This will promote them and create employment to many Kenyans.

**Hon. Josses Lelmengit** (Emgwen, UDA): On a point of order, Hon. Speaker.

**Hon. Speaker:** Thank you. You have finished your time. Hon. Peter Kaluma. Yes, Hon. Lelmengit. What is your point of order and under what Standing Order?

**Hon. Josses Lelmengit** (Emgwen, UDA): Hon. Speaker, I have an issue with the internet connection in this House. The Wi-Fi is not functioning. We need to communicate to Generation Z out there. We want to know what is happening out there, and the reaction of the population. Please, can you ask the Clerks-at-the-Table and the Information and Communication Technology (ICT) Department to fix this menace?

**Hon. Speaker:** The Clerks-at-the-Table will take care of that matter. Hon. Kaluma.

**Hon. Peter Kaluma** (Homa Bay Town, ODM): I thank you, Hon. Speaker, for allowing me to speak to this Bill. Debate on the Finance Bill is the most important in any democracy. In fact, in the history of Parliament, the main reason why Parliaments were established is that there should be no taxation without representation.

Let me begin by clarifying that it is not President Ruto who is taxing people. It is this Parliament that taxes people. Article 94 of the Constitution is very clear. Our first duty is representation. On Finance Bill matters, I urge my colleagues, that when the position of your political party, or your political party leader is not aligned with the position of your people, you should stand with your people.

*(Applause)*

I oppose this Bill because the people of Homa Bay Town Constituency, whom I speak for in this House, are saying that the imagination that we can impose tax on bread is bad. The imagination that we can impose tax on motor vehicles which are already assets is not good. The imagination that we can impose any tax on eggs, whether imported or otherwise, is bad. I am encouraged with the thinking that we can withdraw from the Bill most of the taxes that I have mentioned. When I was at the University of Nairobi, if I needed to change diet, the only thing I would go for was an egg. This is diet balancing. A combination of an egg, *sukumawiki* and ugali is a balanced diet. It is for students and people in the villages.

*(Applause)*

Hon. Speaker, we may say we will impose tax on imported table eggs only. However, how will you distinguish between those eggs you are using to hatch and the ones to be eaten on the table? Do we have the machinery to confirm it? There is no empirical data. This is where the Departmental Committee on Finance and National Planning failed this House. Do we have data on the number of eggs that are imported against the numbers produced locally that are in our market? Once we increase the price for imported eggs, my fear is that when you go to the shop, you will not distinguish them.

**Hon. Speaker:** Your time is up. Hon. Ferdinand Wanyonyi. You have three minutes. Do not talk as if you have 10 minutes.

Hon. Ferdinand Wanyonyi (Kwanza, FORD- K): Thank you very much, Hon. Speaker. I take this opportunity to remind the House that budget-making is an annual process. Therefore, I

ask Members not to whip our emotions on this Bill. Opportunity has been given to us to come up with suggestions which we can use to correct whatever is wrong. We can give our input and create more opportunities for our people. Therefore, I ask Members to come up with whatever suggestions they might have because the ball is in our court. This will correct and implement some of the issues that can make this country self-sustainable. Kenya is now the 27<sup>th</sup> fastest-growing economy in the whole world. I take this opportunity to thank the Committee led by my brother, Hon. Kimani. We should be able to move faster and come in with suggestions. If you are to dismiss a particular proposal...

We have the National Government Constituency Development Fund (NG-CDF), which has given us Ksh50 billion, and the National Government Affirmative Action Fund (NGAAF) for women, which is around Ksh30 billion. They have also allocated some percentage to the electricity. This means we would be connected to electricity all over the country and be able to move on economically. This Bill is good enough, and we should not dismiss it for the sake of it. We should have a positive approach so that we can move forward. Somebody asked me what should be removed because they did not know. Let us not go by emotions but by whatever we have and move our economy forward.

**Hon. Speaker:** Hon. Manduku.

**Hon. Daniel Manduku** (Nyaribari Masaba, ODM): Thank you, Hon. Speaker. For the avoidance of doubt, I stand to oppose the Finance Bill, 2024 and urge my colleagues to vote no.

The Bill, as presented before the House, goes against our tax policy, which we approved in this House. Curiously, in an effort to expand the tax base, there is a provision that has been sneaked in that will compel families to pay capital gains tax on land that they transfer to their children. I find the proposal to amend the Stamp Duty Act Cap. 480 difficult. If I give my son land or ask my family to donate land to my children, I will be compelled to pay some taxes. Having worked at the Port of Mombasa, I can tell you that this country is a net importer. Therefore, increasing the Import Declaration Fee by 0.5 per cent will have a net effect of having expensive goods manufactured locally.

There is also a provision in this Bill that seeks to expand or extend the number of days that the Kenya Revenue Authority can get back to taxpayers on decision-making from 60 to 90 days. I find it curious that you want to give the taxman a lot of time to get back to us on very simple decisions that would otherwise streamline taxation.

My advice to the Government is that it should get down to work. It should also avoid listening to twitting economists, avoid many prayers, get back to work, and grow the economy.

**Hon. Speaker:** Member for Kajiado Central.

**Hon. Memusi Kanchory** (Kajiado Central, ODM): Thank you, Hon. Speaker, for this opportunity.

I rise to support the Finance Bill 2024 for several reasons. First, the Finance Act, 2023, reduced the import declaration fee from 3.5 per cent to 2.5 per cent. This not only gave us Ksh10 billion but also encouraged importation, and we all know the net effect of this. The proposed Finance Bill 2024 proposes to take back the Importation Declaration Fee to 3.5 per cent and, therefore, discourage importation, hence growing our industries.

I commend the Gen Zs who have been out there, but I also advise them to seek information. One reason these young people are out on the streets is unemployment. The increased Import Declaration Fee seeks to grow our manufacturing sector and enable us to employ young people.

The second is the Eco Levy in Clause 45 of the Bill. Given the negative effects of climate change, this Levy seeks to protect our environment from environmental waste, which is one

contributor to climate change. We could go on and on about climate change and its negative effects on this country.

Lastly, as a pastoralist, I urge the pastoralist Members who are here to be keen. In the budget estimates, we had Ksh1 billion meant for restocking because our people had suffered losses due to drought, and therefore, the Ksh1 billion is going to be a game changer. There is also money for value addition.

I support the Bill.

**Hon. Speaker:** Thank you.

**Caroli Omondi** (Suba South, ODM): Thank you very much, Hon. Speaker, for giving me the opportunity to speak about this Bill.

I acknowledge that the Bill has 132 Pages and 65 Clauses. Therefore, rejecting it in totality is just playing to the gallery. I think there are good and bad things in the Bill.

There is a clause that is being introduced in this Bill on tax abandonment, which I have not heard much public discussion about. For the first time, we are being asked to make a provision in law for the Commissioner-General, together with the Cabinet Secretary for the National Treasury and Economic Planning, to give tax waivers where, in their view, tax cannot be collected. This is a very fundamental activity that requires the input of this House. Tax that is due is public property and any activity to wave it or claim that it can be abandoned must have the input of this House. I have already recommended certain amendments that will come to the Floor of the House to recast this Clause. We will see that any attempts to abandon tax are subject to the approval of this House as well as the requirements of Articles 201 and 210 of the Constitution of Kenya.

There is another provision in this Bill about an investment allowance for spectrum use. I believe that this matter should be looked into in detail because it has a retroactive effect on the tax that will be collected from the telecom companies. Parliament, therefore, needs to do more on this matter to ensure that we do not create a loophole for tax losses on a very large scale.

I acknowledge that there are many good initiatives in this Bill, especially on cement and the use of clinker. An impression was being created that the cost of cement would go up, but actually, the Bill is reducing the cost of cement by waving a lot of charges on the clinker. That should go on record.

I will be supporting it with amendments.

**Hon. Speaker:** Hon. Ndindi Nyoro, the Chairman of the Budgets and Appropriations Committee.

**Hon. Ndindi Nyoro** (Kiharu, UDA): Hon. Speaker, I would wish to beg, because we are on the other side of expenditure, if possible you could add me a few minutes so that I bring forth a message I have for the House.

**Hon. Speaker:** Okay, I will give you an extra two minutes. So, you have five minutes.

**Hon. Ndindi Nyoro** (Kiharu, UDA): Thank you, very much Hon. Speaker. As the rule provided in the PFM Act and Article 39(a), we have to balance our expenditure and revenues. I want to talk as the Chairman of the Budget and Appropriations Committee. I actually want to talk as an indifferent party, that whatever may happen on the Bill, the Budget and Appropriations Committee is prepared. But from the outset we want to applaud Kenyans for their voices.

This country belongs to Kenyans. And when they express themselves, they are doing precisely what the Constitution provides. I also want to laud all the Kenyan leaders, including our side of the Government and the other side because we are all geared to the welfare of the Kenyan people. I have since, and I want Members to, if possible, have this in their mind as we debate. I have since received a letter and communication from the National Treasury, addressed to the Clerk

of the National Assembly. But I am copied as the Chairperson of Budget and Appropriations Committee. The National Treasury is looking in all the scenarios. Scenario one is if the Bill passes only with the amendments from the Finance Committee; and scenario two, is if the Members of Parliament in their wisdom decide that we shelve the Bill. If the status quo remains, that we pass the Bill as proposed by the Hon. Kuria Kimani and the Committee, the Appropriations Bill passes as it is, as we did last week.

However, it is important for members to note, that in case there is a downfall in terms of the revenues by the proposed Ksh200 billion that was to be raised in the Finance Bill, then the Government, National Treasury and the Budget Committee is also prepared for that scenario. I have communication from the National Treasury for the proposals. I wish to read some of them, that if the Bill does not pass, we will be reducing the budget for State House amounting to Ksh451 million while the security organs, for example, defence will be losing Ksh7.75 billion. We will have to shelve the ongoing events in our constituencies by reducing Ksh800 million. Higher Education Loans Board will be losing Ksh3.2 billion. By passing this Bill, 46,000 JSS teachers will be given jobs under permanent and pensionable terms. If the wisdom of this House is to shelve that decision, then it means the JSS teachers, whom, I would persuade this House to confirm will have no funding.

The NG-CDF will be reducing by Ksh15 billion shillings, which is Ksh50 million per constituency. The monies we appropriated for electricity, Ksh50 million per constituency, by again not giving the National Treasury the power for more revenue raising measures, will be disappearing today. Coffee Cherry Fund will be cut by Ksh1 billion if there is no funding, through the Finance Bill. Our last plea is this; this letter is public information, and it can be shared to the Members of Parliament.

My plea is this as the Chairman of the Budget, that if it is possible, the House Business Committee can bring the Appropriations Bill this afternoon. This will enable the decision that we take on the Finance Bill to be cascaded by appropriating the proposed cuts in the Appropriations Bill. This will enable us to finish the entire business today.

However, I am sure that with the same energy that you are speaking either for or against, we will also explain to Kenyans and the JSS teachers. I am sure those who will be voting against their confirmation to PnP will also explain to them. Those voting against the increment in CDF will also explain to Kenyans about it. Those who will be voting against the increment of employing 20,000 more teachers, will have an ample time to explain to the teachers of this country. The proposed cut in terms of roads is Ksh15 billion. Those who will be voting against the increment of Ksh15 billion to roads will eloquently explain to Kenyans about it.

**Hon. Speaker:** A minute to finish.

*(Loud consultations)*

Order, Hon. Members. Order. Give him three minutes, and wind up.

**Hon. Ndindi Nyoro** (Kiharu, UDA): I want to be very objective. These are the proposed cuts in case there is no revenue raising measures as proposed by Hon. Kuria Kimani. Number one, as I said, I want to be very clear. State House's budget will be cut by Ksh500 million while the Office of the President will reduce by Ksh500 million. Security like defence will have a cut of Ksh7.75 billion.

We have already promised our JSS teachers that the 46,000 of them will be employed on permanent and personable terms. if we do not give the National Treasury the power for revenue

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raising measures, it means the people will be voting against the confirmation of the 46,000 interns. We will have ample time to explain to them how they voted against them getting permanent jobs.

The reduction in NG-CDF is Ksh15 billion shillings. That is a small figure, because I can see Members are saying Ksh50 million is not much. In Kiharu, it is a lot of money. That every constituency will lose Ksh50 million starting July. We added the NGAAF half a billion shillings. The proposal is to reverse the Ksh500 million and also reduce an extra Ksh1 billion.

The monies we appropriated for electricity - 50 million per constituency – will also be reduced. I hope those who will be voting against electrification in our villages will have time to explain to Kenyans why they are voting against electricity in our rural areas. There is a proposed reduction...

**Hon. Speaker:** Order! Hon. Commissioner Mishi, I know you differently. Order. Order, Hon. Members on both sides of the House. In the tradition of Parliament, if you approve of something, you thumb your feet. You do not wail and shout as if you are in a rally. This is not a rally. This is a House of Parliament.

Hon. Ndindi, can you wind up?

**Hon. Ndindi Nyoro** (Kiharu, UDA): The other thing is that there is a proposed reduction of Ksh1 billion in livestock restocking. From our side, we believe those who lost their livestock deserve to be compensated. Those who will vote against the Ksh1 billion that will go to livestock restocking will explain to our pastoralists.

Also, the proposed reduction for school feeding programme is Ksh1.8 billion. On our side, we believe the Ksh1.8 billion is needed to feed the children of this country as they go to our schools.

On political parties, we can all agree in unison. We are proposing a cut of Ksh900 million. I know that is not contentious. We can agree to cut it this afternoon, because we are also prepared for it. There is a proposed cut of Ksh5.5 billion for cash transfer. Our parents who registered last year deserve to get their cash transfer.

**Hon. Speaker:** Order! Your time is up. Hon. Bedzimba. Hon. Rosa Buyu, you have already spoken on this Bill. You have no business doing what you are doing.

**Hon. Rashid Bedzimba** (Kisauni, ODM): Asante sana, Mhe. Spika kwa kunipa fursa niweze kuzungumzia Mswada wa Fedha. Nimesimama kupinga Mswada huu. Kama viongozi, tunapaswa kuheshimu malalamishi ya wananchi na kusikiliza vilio vyao. Kuongeza kwa ushuru wa mafuta kutapandisha bei ya kila bidhaa inayohusiana na mafuta. Jambo hili halifai kabisa, kwa sababu litapandisha gharama ya maisha. Ushuru uliopendekezwa kwa bidhaa zinazotoka ng'ambo kutaathiri wananchi kwa sababu bidhaa zinazotengenezwa hapa nchini bado haziwezi kukimu mahitaji yetu; hivyo basi bado tutalazimika kuleta bidhaa kutoka ng'ambo. Kwanza tutengeneze viwanda vyetu kabla ya kuweka ushuru huu.

Swali la fedha zitatoka wapi, basi wapunguze matumizi katika ofisi za serikali. Wametenga pesa nyingi kuhudumia wageni ili wapewe maji ya kunywa. Kama atakaa sana apewe githeri kama chakula chetu cha kitamaduni, sio kuwapa vyakula vya bei kama kuku kwa gharama ya wananchi.

Mkate ni chakula cha kawaida kinachotumika katika kila asubuhi katika kila boma. Bei ya mkate ikipanda, basi tutakunywa chai na *muguka*. Serikali inapaswa kupunguza matumizi na safari za nje. Ikiwa ni lazima, Serikali inaweza tuma watu wasiozidi wawili kutuwakilisha. Sio kwenda watu thelathini na kuongeza ushuru ili kulipia safari hizi. Mikutano hii mnayohudhuria huko nje inaweza kufanywa katika *boardroom* zenu.

Kwa hivyo, Mswada huu unapaswa kuangushwa kwa sababu wananchi wameusoma na kuukataa. Vijana wanaoandamana wamesoma Mswada huu katika mitandao, na wanajua kila



kipengee kilichomo. Mnataka kuongeza ushuru wa tairi, vyombo vya kupima saratani, na mashine za *X-rays* ambazo tayari ni gharama. Watu wataumia zaidi ikiwa vipengee hivi vitapita. Watoto wetu wanajitua uhai kwa sababu ya *depression*.

Asante Mhe. Spika, ninaupinga Mswada huu.

**Hon. Speaker:** Hon. Mwengi Mutuse.

**Hon. Mwengi Mutuse** (Kibwezi East, MCCC): Thank you, Hon. Speaker. I wish to make a very brief contribution to this debate and debunk some erroneous myths being perpetuated. A perception has been created that the contestations around the Finance Bill only happened after President William Ruto became President, which is far from the truth. Those of us who are students of history know that taxation began 3,000 years before Christ in the ancient kingdom of Egypt, and even at that time, taxation was contentious.

It has also been said that the Finance Bill is an annual event, and that has never been a smooth sail for all the governments of the day, be it Kenyatta I, Moi, Kibaki, or Kenyatta II. However, something different has happened this year. Many times, when the Finance Bill is presented before Parliament, the voices of the people are never factored in by either Parliament or the Executive. For the first time in history, the voices of the people have been heard and factored in the Report presented before this House by the Departmental Committee on Finance and National Planning. One of the principles of good governance is responsiveness to the wishes of the people. I laud the Departmental Committee on Finance and National Planning for being responsive to the wishes of the people of Kenya.

Politics is a very interesting game. On Tuesday, after we finished our parliamentary group, I had a discussion with some of my friends on the other side. They were asking why they had removed everything that they wanted to oppose in the Finance Bill for optics. I asked them why they had complained about these provisions in the first place. They told me that the main function of the opposition is to oppose. And now that we pulled the carpet under their feet, they must find something new to hang on. Kenyans should know that politics and not the content majorly inspire the opposition to the Finance Bill.

Hon. Speaker, kindly add me one more minute to conclude. The issues people are raising here have already been overtaken by events—they are *adios*. Finally, what is the effect of rejecting this Finance Bill? It means we will resort to the Finance Bill of 2023.

**Hon. Speaker:** Hon. Joseph Oyula.

**Hon. Maero Oyula** (Butula, ODM): Thank you, Hon. Speaker, for giving me this opportunity to also contribute to this important Bill. I want to start by thanking the Departmental Committee on Finance and National Planning for the work well done. It took a long time, but they prepared a good Report.

Notwithstanding the amendments made, this Bill is a disaster. This Bill assumes that the tax rate should be increased, which is not okay for this country. We should not take ourselves to a higher tax regime and cause stress to our business community and individuals. The Government needs to move slowly towards a higher tax regime. If the Government moves fast on this, we will not balance our budget. We need to raise revenue, but at the same time, the tax rate should be comfortable for Kenyans. As we go through this Bill, we should note that increasing the tax rates does not guarantee raising revenue. This happened in the Finance Bill for 2023, and we never achieved our target. Chances are that we may also not hit the targets this year. So, the National Treasury should not come up with such disastrous proposals regarding tax rates.

For this reason, we are rejecting this Bill. I want the National Treasury to take it back and prepare a balanced Bill to ensure the country is raising revenue and the people of Kenya are not stressed.

Thank you, Hon. Speaker.

**Hon. Speaker:** Hon. Jane Kagiri.

**Hon. Jane Kagiri** (Laikipia, UDA): Thank you, Hon. Speaker, for giving me the opportunity to contribute to this important Bill. Let me congratulate the Departmental Committee on Finance and National Planning for listening to Kenyans and honouring their request to delete the punitive taxes.

On the introduction of Eco Levy on sanitary towels and diapers, I speak as the Chairperson of the 47 women representatives. Recently, we enacted the Education Act of 2016, which ensured that girls from class 5 to 8 receive sanitary towels. Out of the 47 counties, only four local manufacturers were given the opportunity to supply these sanitary towels. This prominent House has been treated to a lot of drama and untruthful stories of the situation we find ourselves in with sanitary towels. This levy has been introduced so that we can encourage local production and manufacturers. I have heard some Members saying we will have a low supply because we do not have enough manufacturers. I had conversations with our manufacturers, and they can produce enough sanitary towels for us. I visited the supermarkets and realised that locally manufactured sanitary towels are cheaper than the imported ones. We cannot allow importers to continue making unscrupulous profits on Kenyans, yet they pay no Excise Duty on their products while local manufacturers have to pay VAT on raw materials. I support this Bill. I also support the Eco Levy on sanitary towels and diapers to ensure that we grow local manufacturers.

A local manufacturer told me he used to have 600 employees. He has reduced them to 100 because of idle capacity. It is our time to stop speaking from both sides of our mouths. If we want to create employment, we cannot be the defenders of importers. Anybody who wants to import can come set up their industry locally. That way, we will give them all the business that they need. If they lack a place to establish their industries, I gladly welcome them to Laikipia County, where they can set up a manufacturing industry. We will not charge them any duty as long as they are producing diapers and sanitary towels locally or within the country.

Allow me to conclude by saying that I speak as a user of sanitary towels and a mother of a toddler who uses diapers. Imported sanitary towels range in price from Ksh75 to around Ksh175. Locally produced sanitary towels range between Ksh55 and...

**Hon. Speaker:** Hon. Anthony Oluoch.

**Hon. Anthony Oluoch** (Mathare, ODM): Thank you, Hon. Speaker. From the onset, I rise to oppose this Bill. The Finance Bill 2024/2025 has redefined public discourse on things that affect us, especially on the question of how, when, what, and where to tax the people of Kenya. I thank our Generation Z because they have reminded us of what is stated under Article 2 of the Constitution and how we, as the Legislature, the Executive, and the Judiciary, arrive at the positions we hold. This generation, in their public discourse on the question of the Finance Bill, has reminded us that the sovereign power belongs to them. All this power is delegated to us. The power, including that to levy taxation, is delegated. It is circumscribed and limited. It must be used for and on behalf of and for the good of the people of this country. This is what the Gen Z have told us.

I have two points to advance, especially because of the time that we have. Let me talk about tax administration. A misrepresentation has been made in this administration and the last two finance bills, stating that the more tax you levy, the more yield you will get in terms of revenue.

Nothing can be far from the truth. There is a big tax revenue shortfall from the 2023/2024 Financial Year. The policy underpinning revenue or tax collection in this country, and especially in this administration, is wanting. There is very little that has been said in terms of what measures have been put in place to seal the loopholes on corruption, which would lead to higher yields, as opposed to imposing more taxes on everything.

I also want to speak on the policy disconnect of the BETA agenda of this Government. I sit on the Departmental Committee on Trade, Industry, and Cooperatives. On the two places where you can get more employment for the youth in this country, in ICT and digital economy, they have levied taxes. They have now come with the position that they have listened to Kenyans, reduced the tax on bread, and removed the Eco Levy. The fact of the matter is that this was a long con. The real Bill is what is in the Report.

**Hon. Speaker:** Member for Manyatta.

**Hon. Gitonga Mukunji** (Manyatta, UDA): Thank you, Hon. Speaker. I want to draw the attention of the House and the public to Article 10 of the Constitution of Kenya, read together with Article 118 on national values and principles of governance and public access to information and public participation. The conversation around the Finance Bill has given this House and leaders in various parastatals, including the Treasury, a wake-up call. There is need to engage Kenyans in the process of developing the Finance Bill. The good and bad ideas in this Finance Bill should not have reached this House without engaging the public from the onset.

We have made it even more difficult for the Chairperson of the Departmental Committee on Finance and National Planning, my brother, Hon. Kimani Kuria. He has had it so rough for the past few weeks because he had to explain the thoughts of the National Treasury from the point of his logic. I call upon the Ministry to change tactics. It is the right time to think about how we can empower and permanently entrench issues related to public participation and engagement in our laws. Moving forward, we need to rethink laws concerning public participation so that the public can be with us from the onset of developing Bills. That way, we will not leave out good ideas and cause a backlash from Kenyans due to a lack of public participation. The punitive clauses that are found in this Bill, such as the motor vehicle tax, cooking oil tax, and tax on airtime, should not have been included. It is important we learn from this. As a country, we need to know and show Kenyans that we are cutting costs.

**Hon. Speaker:** Hon. Wamboka.

**Hon. Wanami Wamboka** (Bumula, DAP-K): Thank you, Hon. Speaker, for this opportunity. From the onset, I oppose the Finance Bill for the very reason that we are of the people who have spoken. Over time, Kenyans are losing their cool day by day. As we witnessed on Tuesday, Kenyans, especially young ones, whom I want to congratulate, were on the street saying this Bill is not good. They are the people who sent us here. My people of Bumula have told me that they are overburdened, no more burdening, and I should vote no. They are the ones who elected me. I must go by what they say.

The Committee, in its Report, proposes to increase the Road Maintenance Levy from Ksh18 to Ksh25 per litre for all petroleum fuels. If this proposal passes, it will directly increase the price of fuel by about Ksh7. However, this proposal may not be effective. You tell boda boda operators that they are your people on the ground, and you will uplift them from the bottom up. At the same time, you want them to buy fuel at a higher price. How are they going to manage? I want to tell the Chairman of this Committee that when people are overburdened, they cannot afford these taxes. You must review the 2023/2024 Finance Bill and realise that you did not achieve what

you wanted because it is too expensive for ordinary Kenyans. You will still not hit your target because you are overburdening these people.

Hon. Speaker, our Constitution talks about public participation. The Chairman of the Committee introduced this as an afterthought, meaning he has not subjected this to public participation. On behalf of *Mama Mboga*, boda boda and people who cannot afford their living, we say no.

Thank you. I oppose.

**Hon. Speaker:** Member for Njoro.

**Hon. Charity Chepkwony** (Njoro, UDA): Thank you, Hon. Speaker, for allowing me to contribute to the Finance Bill debate. I start by appreciating what the Chairmen of the Committees on Finance and National Planning and Committee on Budget and Appropriations have done with their teams.

*[The Speaker (Hon. Moses Wetang'ula) left the Chair]*

*[The Temporary Speaker (Hon. Martha Wangari) took the Chair]*

Hon. Temporary Speaker, allow me to say that Kenyans have cried so much. In my constituency, I got many people making requests for us to make different amendments about bread, motorcycles, cooking oil and too many other issues. I support the Finance Bill because the Committee and the Members of this Parliament have heard the cries of the citizens of this country. Therefore, we cannot sit in this Parliament and forget that we are the representatives of the people and our people need a lot of support in different sectors.

From this Bill, we are getting Ksh50 million for each constituency in this country regarding electricity matters. It is in the same Bill that we are also adding Ksh401 billion to counties for development. From this Finance Bill, we are here also to appreciate that we have additions to the NG-CDF and National Government Affirmative Action Fund (NGAAF). In this Finance Bill, we are gaining a lot that even our 46,000 Junior Secondary (JSS) teachers will be employed on permanent and pensionable basis.

It is also good to appreciate that in this country we have many roads which are destroyed and every time we end up camping in the office of the Cabinet Secretary, Hon. Murkomen. Therefore, we are getting some funding for our roads. Some of us have projects which have stalled in our respective constituencies and in this regard, we are supporting this Bill which also caters for our elderly, matters of farmers and very many things in this country. We stand here as Members of Parliament to remember that it is good to be honest and it is good also to guide our people. We were elected as Members of Parliament to give good directions to our people. Therefore, whoever is rejecting the Finance Bill is against the will of Kenyans. Kenyans want development. We have heard the cries of Kenyans and we have made the right amendments.

**The Temporary Speaker** (Hon. Martha Wangari): Your time is up. Hon. Mulyungi, Mwingi Central.

**Hon. Gideon Mulyungi** (Mwingi Central, WDM): Thank you, Hon. Temporary Speaker. I am directed by the people of Mwingi Central and the youth in general to reject this Bill. I, therefore, rise to oppose.

This Bill is not only punitive but retrogressive. The amendments done by the Committee on Finance and National Planning were meant to hoodwink Kenyans because in the first instance, why did you put a tax on bread? Why did you put a tax on diapers? Why did you put a tax on

cooking oil? These are essentials. Why did you put tax on M-Pesa? Why did you put a tax on boda boda? I am very disturbed by this Finance Bill, especially because this Government is insensitive even to the sick. There is a tax on cancer equipment which will eventually increase the cost of treatment of cancer.

The Bill in general intends to increase taxation, which eventually will increase the cost of living. This will make life harder and make Kenyans poorer. We recall that the Kenya Kwanza Government promised a bottom-up economic model; taking money to the hustlers, villages and the poor. However, this Bill is now taking money from the poor and bringing it back to Nairobi. I care for the people of Mwingi, the jobless, the youth and the hustlers. Therefore, I reject this Bill. I reject high taxation; high cost of living; I reject poverty and oppression. I condemn the National Treasury for bringing this shoddy Bill to Parliament. I demand its withdrawal. I oppose archaic, punitive, outrageous and careless finance Bills in the future. I say no to this Finance Bill. I say no to oppression, unfair taxation, and poverty. I reject the Finance Bill.

I reject! I reject! I reject!

Thank you.

**The Temporary Speaker** (Hon. Martha Wangari): Member for Butere.

**Hon. Nicholas Mwale** (Butere, ODM): Asante sana Mhe. Spika wa Muda kwa hii nafasi. Nimesimama kupinga Mswada huu wa Fedha mwaka wa 2024. Kama vile unajua, Wakenya wanahangaika, gharama ya maisha iko juu na Serikali ambayo iko kwa mamlaka ilitafuta kura na mamlaka ikiambia Wakenya kwamba watahukisha ushuru, wataweka pesa mfukoni, watabuni kazi na watafanya maisha yawe mema kwa ule Mkenya wa kawaida. Kwa hivyo, huu Mswada wa Fedha unaongeza ushuru ambayo ni kinyume na vile walieleza Wakenya. Huu Mswada unaongeza gharama kwa ubebaji wa miwa kutoka kwa shamba kuelekea kiwandani. Hiyo itadhuru bei ya mkulima kupata ile faida kutoka kwa miwa.

Pia, kuna kipengele ambacho kinahusu maneno ya kuongeza bei kwa vifaa vya kufanya utafiti wa ugonjwa wa saratani. Kwa hivyo, mimi kama Mjumbe wa Butere ninapinga Mswada huu wa Fedha, 2024. Wenzangu ambao wako kwa Serikali watimize ile ahadi ambayo waliambia Wakenya. Tunataka kuona mama mboga akifaidika katika Serikali, boda boda na mtu wa chini ambaye ni *hustler* akifaidika. Tunataka kuona viwanda vikinawiri wala sio kuweka ushuru wa juu. Mimi kama Mjumbe wa Butere ninataka niende katika rekodi kwamba nimepinga Mswada huu na ninajua Wakenya wengi wako na sisi tukipiga kura kuupinga Mswada wa Fedha mwaka wa 2024.

Asante sana.

**The Temporary Speaker** (Hon. Martha Wangari): Member for Sigor, Hon. Lochakapong.

**Hon. Peter Lochakapong** (Sigor, UDA): Thank you, Hon. Temporary Speaker. I rise to support the Finance Bill, 2024. Arising out of the Report of the Committee on Finance that has considered the recommendations through public participation of stakeholders, the Committee has proposed a raft of amendments to the Finance Bill, and based on that, I support it.

Hon. Temporary Speaker, it would be dishonest for those opposing this Report and this Bill to only look at the Finance Bill as proposed and not look at the Report of the Committee. Arising out of the engagement from public participation, the Committee has proposed a raft of amendments that have taken into account the wishes and the thinking of the majority of Kenyans. It will also be important to inform Gen Z that they need to be updated because they are on the streets based on the original Finance Bill without taking into account what the Committee has recommended for amendment.

There was a proposal to increase the Excise Duty on money transfer services, which the Committee has since dropped. Motor vehicle tax of 2.5 per cent has been dropped. The Committee

has also dropped 16 per cent VAT on financial transfer services. This is a good thing. From the Report of the Committee, the proposal to allow KRA to access personal data has been dropped. The proposed 16 per cent VAT on solar has also been dropped. The 16 per cent VAT on ordinary bread has been dropped. So, it is good to tell the country that that is what has happened.

There is a proposal in the Budget of Ksh1 billion for livestock...

**The Temporary Speaker** (Hon. Martha Wangari): Member for Migori, Hon. Fatuma.

**Hon. Fatuma Mohammed** (Migori County, Independent): Thank you, Hon. Temporary Speaker, for this opportunity. I stand here to confirm that I will vote 'no'. I oppose this Bill with the strongest words possible.

Hon. Temporary Speaker, I would like those speaking in this House to go to their phones and see what is happening on the streets. If there is any public participation that needs to be done, it is now. Go out and see what is happening on the streets. All our uniformed policemen are out there to tackle it out with the youths. The youths are not from Kibera or Majengo; they are from Karen, Kayole, and Lavington. They are Christians, Muslims, and all mixed races. They are against this Bill. But because they voted for me, today, I will vote for them saying it is a 'no'.

There is a problem with the youths getting jobs in this country. The majority of them are now depending on social media to make some pennies to feed their families. As we say that we have lowered the cost of bread, may I tell you that bread will not be affordable at all for the youths because the smartphones that they use to do TikTok and any other small businesses that can give them funds have been levied about Ksh225 on top of the current price. We are well aware that we do not have smartphones manufactured here of a better quality that they can use for their business.

Hon. Temporary Speaker, we are hurting the hustlers that we promised to help. They have created jobs for themselves and we are still following them up where they are to hurt them more. We know that electricity is very expensive in this country, more so it is even irregular. You get electricity for one hour, and in two hours, it is gone. We have put an extra levy on the basic solar system batteries, meaning if you cannot be connected to electricity, you cannot get solar. What else are we trying to tell Kenyans? Are we telling investors to go to hell?

I am telling you, Hon. Temporary Speaker, since this government came into power, we have about 30 companies that have closed down, including my favourite science company called Cadbury which makes Cadbury chocolates. Soon we will not get chocolates at all because the company has closed down. Others are like Procter & Gamble, Rickett & Banker, Colgate Palmolive and even Rubber. I can go on up to approximately 30 companies that have closed down.

Unfortunately, we brag here that we are creating jobs. May I inform you that there is a proposal to impose a levy on imported sanitary pads in Kenya. Fellow men, I want you to know that all the women in this House, as well as your daughters and sons are aware of the fact that these sanitary pads are being taxed here, while in other countries, they are being given out...

**The Temporary Speaker** (Hon. Martha Wangari): Member for Mandera South, Hon. Abdul Haro.

**Hon. Abdul Haro** (Mandera South, UDM): Thank you, Hon. Temporary Speaker, for giving me this opportunity to put my voice to this very important debate.

I must say that the Finance Bill, as it was originally prepared by the National Treasury, was a Bill that I was prepared to vote 'no' on several clauses. However, the Finance Committee has listened to stakeholders and has come up with a raft of proposals that are recommending to amend the Finance Bill.

Hon. Temporary Speaker, there are quite several areas that are directly important to my constituents. Although the entire Finance Bill is important to my constituents, there are several

areas that are directly important to them. Those areas have been proposed for amendment by the Finance Committee, after listening to the stakeholders. The 16 per cent VAT on bread is particularly important to my constituents. I am happy it has been dropped. The 2.5 per cent vehicle tax is also very important to my constituents, and I am very happy it has been dropped. The Excise Duty on edible oils is equally important to my constituents, and I am happy it has been dropped. The money transfers and foreign exchange tax has also been dropped. The Eco Tax on diapers and sanitary pads has also been dropped. These products are important to my constituents. The Housing Levy, NSSF, and the NHIF, which are now a tax-deductible are also very important, which means those who are salaried will not have a lot of taxes to pay.

The proposal to amend the Data Protection Act to allow KRA to access our data has been removed. That is also an important area to my constituents. The 16 per cent VAT on the supply of solar and lithium batteries is important because it promotes the uptake of clean energy for my constituents and the rest of Kenyans.

Hon. Temporary Speaker, on the other side, I am also happy that Ksh18 billion has been set aside for the employment of 46,000 JSS teachers on permanent and pensionable terms. I am also happy that the Appropriation Bill is going to fund the extra hiring of 20,000 JSS teachers. Coming from an area where teachers are few in the schools, I am very happy that this is happening.

The Ksh1 billion for restocking livestock that had died as a result of drought and floods is also very important for my constituents. I am happy with that. The school feeding programme, which is going to be funded by the Government, is also very important to my constituents. I am happy...

**The Temporary Speaker** (Hon. Martha Wangari): Your time is up. Member for Westlands.

**Hon. Timothy Wanyonyi** (Westlands, ODM): Thank you, Hon. Temporary Speaker. From the outset, I oppose this Bill because Kenyans are feeling the weight of being overtaxed. Let me paraphrase what the former Prime Minister of England Winston Churchill said. He said a nation trying to tax itself into prosperity is like a man standing in a bucket and trying to lift himself by the handle. The problem in this country is not about Kenyans not paying taxes. Kenyans pay taxes. The problem is that this money is not used properly. There is a lot of wastage in the Government. There is a lot of corruption. And nowadays, corruption is in the budget. They hide money in the budget, and people negotiate for deals. If this money is put to good use, the Government will have enough money to do their projects and serve Kenyans.

Several proposals have been made and some of them have been dealt with by the Committee. But we must bring amendments when it comes to the Committee of the whole House because this Bill does not address an equitable and inclusive fiscal policy that fosters sustainable development.

The Finance Bill 2024, as it stands, is punitive and it will have devastating effects on young people, not only in Nairobi, but all over the country. You have seen people who are demonstrating now are young, the Generation Z. They have come out in droves and if anybody is trying to wish them away, please know that they do not care. They are serious and are coming out with issues. They have taken our numbers and are sending us messages. These children are now saying no. This Government promised them that it was going to lift their lives from bottom to up, but it now looks like it will never happen.

Hon. Temporary Speaker, this Bill does not address those issues, and I oppose it.

**The Temporary Speaker** (Hon. Martha Wangari): Hon. Mark Mwenje.

**Hon. Mark Mwenje** (Embakasi West, JP): I thank you, Hon. Temporary Speaker. I rise to reject the Finance Bill 2024. From the onset, I just want to bring to your attention that Gen Z has been encouraging us to steal the Bill and run out with it. We hope that the Speaker will communicate that the process does not work that way.

Hon. Temporary Speaker, the Finance Bill 2024 has a lot of grievances, whether the motor vehicle or bread tax. Exempting VAT from the transfer of businesses makes me wonder; whose business is this that wants to be acquired? There are also too many other taxes. If you look at the Report, it has retained Excise Duty on motorcycles. It has also retained tax on data and we are talking about digital hubs.

On gambling, there is a tax that has been increased for both VAT and Excise Duty. This will lead to a black market, and more importantly, less collection as we saw last year. The target was Ksh31 billion, but we only collected Ksh26 billion. We should learn from the Capital Gains Tax; last year, we increased it, but we are reducing it this year. We are doing that because we collected less last year.

I would also like to speak to the Eco Levy on medical equipment such as cancer. Why are we increasing taxes on cancer patients? Imports. We are an importing nation. We must accept IDF until we can produce locally to satisfy our local market. We must consider that we are still an importing nation. If you walk around Nairobi, you will find out that shops have been closed.

Clause 57 proposes that if you fail to integrate into eTIMS, the fine is Ksh2 million. The Committee is proposing to lower this, but they have not indicated the amount. So, that is what you stand to lose.

Hon. Temporary Speaker, the Finance Bill 2024 and last year's, based on the number of businesses it is killing, operate like a serial killer. Serial killers leave a trademark so that they can be identified. Do you want to find it in this Finance Bill 2024? It is in Clause 66. Why would you put that Clause there?

Clause 63 talks about accessing your data. I want to challenge the entire House to look at the amendments of the Committee. They have not said whether they are withdrawing this clause. This clause remains as per the recommendation in the Report. And I want to tell the Members on the other side that this clause will hurt them more than it will hurt me.

Finally, why are we deleting Section 54 of the Housing Act 2024? Who are we selling these houses to?

**The Temporary Speaker** (Hon. Martha Wangari): Ng'elechei.

**Hon. Caroline Ng'elechei** (Elgeyo Marakwet County, Independent): Thank you, Madam Speaker, for giving the people of Elgeyo Marakwet an opportunity to speak on the Finance Bill 2024. First of all, is it at times very dishonest or very ignorant for Members of Parliament, who would want to celebrate the increase in the NG-CDF and NGAAF and other funding for maybe electricity and water, to evade telling Kenyans where the money is supposed to come from?

I think there is a misconception in the public, especially Generation Z. They do not understand that the Finance Bill is there to enable the budget to be implemented. We cannot purport to implement the budget without knowing where to get the money from. For Generation Z to get jobs, we need to impose a tax on imported goods so that we encourage our local manufacturers to produce and employ the youth. This tax will ensure that the JSS teachers get employed. Recently, we saw the intern doctors demonstrating. The Government could not raise funds to facilitate and pay them. The only way that this can be realised is by ensuring that we get tax and levies from *mwananchi*.



There are also a lot of misconceptions. I am a farmer and I come from Elgeyo Marakwet where people farm. I support the tax on imported potatoes, eggs, and avocados because we also need our farmers to produce and sell their produce in the local market. If we waive the tax on eggs and potatoes that are from outside, they will always flood our markets from our neighbouring countries, and our farmers are going to lose it big time.

Hon. Temporary Speaker, somebody called Benjamin Franklin once said; in this world, nothing can be said to be certain, except death and taxes for a country to run. I pity the current Government because when we borrow, there is complaint and public outcry that we are borrowing. When it tries to get the money locally by increasing taxes and levies, there is still an outcry. I think there is something that people who have knowledge and ideas are misleading the young people who may not be aware of what this is.

*[The Temporary Speaker (Hon. Martha Wangari) left the Chair]*

*[The Speaker (Hon. Moses Wetangula) resumed the Chair]*

**Hon. Speaker:** Hon. Charles Onchoke.

**Hon. Charles Onchoke** (Bonchari, UPA): Hon. Speaker, thank you for the opportunity to contribute to this Bill. The people of Bonchari have sent me various views about this Bill that they have taken time to go through, and on their behalf, I would like to state them as follows: that there is wanton wastage of Government or public funds, and that if they were to be stemmed, then we could have a better economy and a better Bill.

Two, the VAT on bread is not acceptable to the people of Bonchari. The tax on motor vehicles and most of these other taxes seem to be dampening the economy. We would like to see a situation where taxes promote the growth of our economy.

The basis of taxation is two things: the base and the rate. It seems that the National Treasury and KRA are fixated on the rate while the base is stagnated. I wish we could focus more on the rate so that there is relief for Kenyans who are paying the taxes. The people of Bonchari Constituency want more humane and affordable taxation because they are currently impoverished and overburdened. They have problems paying school fees and medical bills because they do not have money in their pockets. We are told that the economy is doing well. However, if that is so, it should reflect in the tax base. Instead, rates are being raised without compensation on the tax base which is said to be growing. The two items that are touted to indicate that the economy is growing are the drop-in inflation and exchange rate. However, the rising public debt and unemployment – where two out of three people particularly the youth are unemployed – are not discussed. Those are very critical items of the state of any economy. There should be measures in our fiscal plan that speak to addressing unemployment in this country.

Hon. Speaker, with those remarks and following the recommendations of the people of Bonchari Constituency, I object the Bill.

**Hon. Speaker:** Hon. Ronald Karauri.

**Hon. (Capt.) Ronald Karauri** (Kasarani, Independent): Thank you, Hon. Speaker, for giving me an opportunity to contribute to this Bill. I want to start by commending the Generation Z Kenyans who came out in large numbers to demonstrate against the Bill. Some of us were never involved in politics early, but these young people have realised that there will be no change if they do not get involved. We have received too many text messages from Kenyans all over the country.

Some were asking for donations and school sponsorship but most of them were about the Finance Bill.

We also got money via Mpesa, as members of the public tried to confirm our identity. Regrettably, the maximum amount I got was less than Ksh50 while most of my counterparts got over Ksh100,000. I encourage Kenyans to keep contributing because I have a foundation which supports the education of needy children in Kasarani. I understand the frustration of these Kenyans. When there is tax on bread and there are no jobs, I understand why they would go to the streets. When there is failure in collection of taxes, targets are not achieved, bloated budgets and expenditures, it is very likely that people will go to the streets. Recently, I saw on television a policy maker from KRA who was unable to explain the motor vehicle tax. This only creates a public perception that these taxes are out to hurt and not help them.

Even as I say that we must come back to reality. We have a budget deficit that we need to bridge. We need to stop borrowing. Hon. Members passed a Budget Policy Statement (BPS) in this House. I talked to one of my colleagues and he told me that he will pass the BPS but reject the Finance Bill. When we talk about integrity, it needs to start here. Changes have already been made and I want to commend the Departmental Committee on Finance and National Planning for adjusting. The VAT on bread, Excise Duty on vegetable oil, motor vehicle tax and Excise Duty on mobile money transfer have been dropped. I would be a very deceptive individual if I do not change my stance and support the Bill, with amendments.

For the Generation Z, let me inform you the headlines on yesterday's newspapers. The *Daily Nation* headline was 'Ruto backs down'. *The Standard* talked about 'Ruto beats a retreat'. My advice to them is that they have already won. In terms of the budget policy, the changes have been made in the Finance Bill and you should be celebrating...

**Hon. Speaker:** Hon. Eve Obara.

**Hon. Eve Obara** (Kabondo Kasipul, ODM): Thank you very much, Hon. Speaker, for giving me an opportunity to also add my voice to this debate. On behalf of the people of Kabondo Kasipul Constituency and all the concerned Kenyans who sent me their messages, I reject the Bill.

I listened to the Chairperson of the Budget and Appropriations Committee, Hon. Ndindi Nyoro giving a raft of areas that will be affected by budget cuts in case we do not approve this Bill. As he explains to the people on why he recommends budget cuts, he also needs to explain how much was raised from taxes, foreign and local loans borrowed, housing levy receipts and how much was disbursed to the Hustler Fund.

I have also heard talks about Generation Z. We have missed the point. This is not about the Finance Bill we are discussing here. I believe this is a reaction of the frustrations the people of Kenya are having because of the high cost of living, loss of jobs and drastic reduction of their disposal income because of taxes. We need to give them hope.

Going back to today's discussion on the Finance Bill, I have noted that the Committee met several industry players. If we are honest, many of them rejected the Bill, with reasons. The Committee has attempted to make amendments which we have seen. But I believe it is not enough because there is still a budget gap of Ksh76 billion. The recommendations they have given to bridge this gap are insufficient. They may also have a ripple effect on the people of Kenya. This is because increasing the cost of Fuel Maintenance Levy will only...

**Hon. Speaker:** Hon. Khamis Abdi, Member for Voi.

**Hon. Khamis Chome** (Voi, WDM): Asante sana, Mhe. Spika. Nimesimama kutoa mchango wangu kuhusu Mswada wa Fedha, 2024. Kwanza kabisa, kama mwakilishi wa eneo Bunge la Voi, nimepata ujumbe mwingi ambao unanihimiza nisiunge mkono Mswada huu.

Ninakubaliana nao. Sababu za msingi ni kuwa Mswada ulivyotengenezwa tangu awali, sio mzuri kwa uchumi, wananchi, waekezaji na nchi kwa jumla. Nimeona nia na lengo la kuwahadaa wananchi. Hii ni kwa sababu yale yaliyokuwa yakiuma sana tumeambiwa yataondolewa. Lakini, swali ni, kwa nini mambo hayo yalikuwa kwa Mswada huu mwanzoni?

Vijana wetu wameongea na kujitokeza. Inahuzunisha na kufedhehesha kuona kuwa maafisa wa polisi wamewafuata kuwagadhibu na kuwasumbua, ilhali, wanaenda kulingana na Katiba hasa *Article 37*, ambayo inawaruhusu kukutana, kuandamana na kupeana *petition*. Ingekuwa vizuri kwa nchi yetu kama tunganishwa demokrasia na kwenda kistaarabu. Mhe. Spika, utunzi wa sheria unatajikana kuzingatia hali ya wananchi. Hata ukiiangalia vizuri, kwa jina la Kiingereza, Mswada huu unanuia kurekebisha Mswada mwingine. La msingi ni kuwa tufanye iwe rahisi. Malengo ya kukusanya ushuru hayakuafikiwa. Sababu kubwa hasa ni kuwa hali ya uchumi imekuwa ngumu. Wawekezaji wameondoka na kazi zimepotea. Mswada huu ungelenga kupunguza yale yaliyokuwa yakiwakaza wananchi ama ubakie vile vile.

**Hon. Speaker:** Your time is up. Hon. Liza Chelule.

**Hon. Liza Chelule** (Nakuru County, UDA): Asante sana Mhe. Spika kwa kunipa hii nafasi pia nichangie mjadala wa Mswada wa Fedha katika Bunge hili.

Kwanza Mhe. Spika, ninaunga mkono Mswada ambao umeletwa kwenye Bunge hili ili tujadili kama Wajumbe. Tunaelewa tulikuwa na Waziri wa Hazina ya Fedha na Mipango ya Kitaifa wiki mbili zilizopita. Mwenyewe alipeana taarifa ya mahitaji ya kila Wizara. Aligusia sana Wizara ya Elimu na Ile ya Kilimo na Mifugo. Sisi sote tunaelewa kwamba ni muhimu sana kusaidia wakulima ambao ndio wengi miongoni mwetu. Ninaelewa kwamba katika kilimo tumeangalia kila sekta ndogo wakiwemo wakulima wa matunda yaani *horticulture* na wafugaji wa ng'ombe wa maziwa. Nimefurahi sana kwa kuwa kuna pesa imetengwa ili wakulima wa maziwa wajengewe viwanda vya kuhifadhi na kuboresha maziwa yao. Hii ndio itapatia nafasi vijana waajiriwe kazi. Pia, itapeana usaidizi mkubwa sana kwa wakulima wetu.

Ningependa kuongea juu ya vijana walioandamana wakasema wanataka kuandikwa kazi katika Serikali kulingana na utaratibu wake. Pesa zimewekwa katika Wizara ya Elimu ambapo walimu wengi wataandikwa kazi. Wale wamepewa kazi ya *internship* katika Wizara mbali mbali watapatiwa nafasi ya kuandikwa kazi kikamilifu.

Mswada huu ni wa maana kwa vile hakuna sababu ya Serikali yetu kuendelea kuomba pesa kutoka nchi nyingine. Pesa tunazokopa kwa riba ya juu zitalipwa na watoto na wajukuu wetu. Ni vyema sisi sote kama viongozi wa nchi hii tuwe na nia nzuri. Wengi tunaongea mambo ya barabara, maji na stima. Haya yote ni maendeleo. Kwa hivyo, ninachukua nafasi hii kusema, tulichaguliwa katika Bunge hili ili tuongee juu ya majukumu yetu kama viongozi. Jukumu kuu ni kuwaambia Wakenya ukweli kuhusu yanayoendelea. Hakuna haja tunyamaze kama viongozi na baadaye tukope pesa kutoka nchi nyingine ndiyo tutatue shida zetu.

Ninaunga mkono Mswada huu na ninasimama kwa niaba ya walionichagua.

**Hon. Speaker:** Hon. Ngusya.

**Hon. Charles Ngusya** (Mwingi West, WDM): Finally. Hon. Speaker, thank you for giving me this opportunity to add my voice on this matter. It has been the most canvassed Finance Bill in Kenyan history.

Allow me to start by thanking the Departmental Committee on Finance and National Planning for a meticulous and excellent job. Based on the circumstances, I think dropping 18 taxes from this Bill was not easy. This is what could have caused an economic earthquake or crisis in our country. I thank them for dropping the following proposals: motor vehicle tax; Excise Duty on telephone, internet and mobile banking; 16 per cent VAT on supply of solar; and Eco Levy on

some few items. They have also dropped the proposals to levy capital gain tax on the transfer of property.

However, Hon. Speaker, based on all the 18 issues they addressed, I still feel the mood in the country and even what we call the Finance Act of 2023/2024. Kenyans have not recovered from all these issues. Based on what I have been instructed by my voters, and what Kenyans are doing even now all over the streets, I oppose this Finance Bill. We can do many things.

I am opposing the Bill because of the proposal to increase import declaration fee from 2.5 per cent to 3 per cent, yet Kenya is a net importer. Sixty per cent of what we consume in this country is imported. This means we are going to have a multiplier effect in our economy.

The other issue was the increase of duty in respect of gaming and betting. Nobody has spoken about this issue. It is proposed that it be increased from 12.5 per cent to 20 per cent. This is the only fund we rely on to take our sportsmen and other people to compete in international competitions like the Olympic games that we will witness in France next month. It is not going ...

**Hon. Speaker:** Thank you, Hon. Nguna. Hon. Member of Parliament for Bureti.

**Hon. Kibet Komingoi** (Bureti, UDA): Thank you very much, Hon. Speaker. I rise to support the Finance Bill together with the proposals the Departmental Committee on Finance and National Planning has recommended in its Report.

We must come to an agreement, as a House, that we cannot propose one thing and do another. We made proposals, as a House, and passed the Appropriation Bill allowing the Budget and Appropriations Committee to appropriate the funds that we had thought are of essence and also of great concern to the people. In agreeing to the Appropriation Bill, the monies that we had voted for the constituencies to cater for the various projects that are within our constituencies and the nation's development, we, therefore, agreed that we will raise these revenues either through ordinary tax or the proposals that are going to fund those projects. I find it hypocritical for Members to rise up here and say that they will reject the Finance Bill in totality and refuse to acknowledge, therefore that it must be accompanied by reductions or elimination of some of the projects and the expenditures that we had proposed.

Hon. Speaker, the Appropriation Bill had proposed close to Ksh1 trillion on repayment of interest on debt. These are loans that were taken by the previous governments combined and we must pay these debts. To move forward as a nation, we must approve and acknowledge that we should raise our own revenues by whatever means possible, but making sure that the most vulnerable of us are protected.

I support this Bill and the proposals because it makes provision for the employment of 46,000 JSS interns as permanent and pensionable staff. The Teachers Service Commission (TSC) should re-consider the letters they sent to JSS interns who went on strike demanding to be employed and benefit from these monies that we are raising for their employment.

I support the Bill with the amendments in the Report of the Departmental Committee on Finance and National Planning.

**Hon. Speaker:** Member for Mumias West.

**Hon. Johnson Naicca** (Mumias West, ODM): Thank you, Hon. Speaker. Like all my colleagues, I have also received messages from my constituents telling me to reject this Bill.

At the outset, I reject the Bill because it carries a lot of things which are not affordable to ordinary Kenyans. However, I can see that the Departmental Committee on Finance and National Planning conducted public participation. Many industries gave their views. There are amendments that were suggested and some of them are positive. We cannot shut our eyes on this issue. If the proposed amendments will be brought on the Floor of the House, I will support the Bill.

If 16 per cent VAT on bread will be withdrawn as suggested, I will have no issue with it. If the tax on transportation of sugarcane will be amended and withdrawn, my people will be happy about it. There is also VAT on financial services, foreign exchange, and foreign trips. This is where you will have issues with passports, if you are looking for jobs outside the country. If this will be amended, together with the other amendments that we will receive, then I will have no issue with the Bill.

The Committee has also proposed to withdraw 2.5 per cent tax on motor vehicles. If that happens, we will have no problem. If money to employ the JSS teachers is available, then we will have no problem with the Bill. If they also withdraw the vegetable oil tax, I will have no issue with it. We are waiting for the amendments to come and we effect them.

Thank you.

**Hon. Speaker:** Hon. Kiaraho.

**Hon. David Kiaraho** (Ol Kalou, JP): Thank you, Hon. Speaker, for giving me this opportunity to air my views on the Finance Bill, 2024. I will start by reminding all of us that this is a House of debate.

It is our noble responsibility to articulate and look into, with a microscopic eye, all issues before us with the sole purpose of coming up with data or a document which is favourable to our nation and the people who sent us here. Since yesterday, I have been listening to various views by Hon. Members. The initial draft of the Bill was wanting. It had very many negative issues. I commend the Departmental Committee on Finance and National Planning for executing its mandate and fine-tuning this document.

On the same note, I commend the Committee for listening to the people and acknowledging the importance of public participation. Most of the issues which were raised during public participation have been addressed. I come from Nyandarua County which is an agricultural area. There was an issue on potatoes and eggs in the initial draft, which had very adverse effects. It has been removed from the Bill.

I can see my time is up. Thank you, Hon. Speaker.

**Hon. Speaker:** Kilifi Woman Representative. Give her the microphone.

**Hon. Gertrude Mwanyanje** (Kilifi County, ODM): Ahsante, Mhe. Spika. Ninapinga Mswada wa Fedha. Ninaelezea Bunge hili kuwa pesa za Bajeti zinaweza kupatikana tu kwa njia tatu: kutoza wananchi kodi, kuendea mikopo nje, au kupunguza Bajeti ambayo imepangwa.

Wananchi kule nje wanaandamana kwa sababu ya kutozwa kodi katika Bajeti ambayo ilikuwa imeletwa hapa. Yale makadirio ya kutoza kodi ndiyo yamefanya watu waandamane. Ninaunga mkono wale wanaoandamana kule Kilifi leo. Waliona katika orodha ya kutozwa ushuru kuna mkate na magari ya mwananchi wa kawaida. Watu kama Mhe. Ichung'wah na Mhe. Osoro ni vijana wadogo ambao wamefura vichwa. Hawatumii magari siku hizi. Wanatumia ndege ili waende kwa kila mkutano. Ndiyo maana wanasema magari yatozwe ushuru. Wanataka kutoza ushuru vyombo vya kupima saratani.

**Hon. Muchangi Karemba** (Runyenjes, UDA): On a point of order, Hon. Speaker.

**Hon. Speaker:** Order, Hon. Mbeyu. There is a point of order. Yes, Hon. Karemba. Give him the microphone.

**Hon. Muchangi Karemba** (Runyenjes, UDA): Hon. Speaker, I rise on Standing Order 107(f). Is the Hon. Member in order to refer to Hon. Osoro and his colleague as being big-headed? That is very unparliamentary and she should withdraw those remarks.

**Hon. Speaker:** Hon. Mbeyu, I was consulting with a Member. I did not hear that. If you said it, you are out of order. Withdraw those unkind remarks to your colleagues.

**Hon. Gertrude Mwanyanje** (Kilifi County, ODM): Mhe. Spika, sijajua amesema nini, lakini nitampatia mfano tu. Nimesema wameweka kodi ya magari ya mwananchi wa kawaida kwa sababu saa hizi tunawaona wakitembea kwa ndege wakienda mikutano. Huu ni ukweli. Niko na ushahidi. Wiki mbili zilizopita, Mhe. Ichung’wah alishuka *port* na ndege. Niko na picha kwa simu yangu. Kwa hivyo, hawawezi kuweka kodi ya magari.

**Hon. GG Kagombe** (Gatundu South, UDA): On a point of order, Hon. Speaker.

**Hon. Speaker:** Yes, Hon. Kagombe.

**Hon. GG Kagombe** (Gatundu South, UDA): Hon. Speaker, I rise on Standing Order 107. We are setting a very bad precedence. Where you make a ruling that someone should withdraw a statement, and they proceed to make contributions as if you have not said anything. Hon. Karemba stood here and pointed out issues that have been delivered in this House but are disorderly and outrightly false.

**Hon. Speaker:** You have made your point. Hon. Mbeyu, I told you to withdraw the remarks that are offensive against your colleagues. However, you proceeded to say that somebody landed somewhere in an aircraft. Does that make someone big-headed? Withdraw those remarks.

**Mhe. Gertrude Mwanyanje** (Kilifi County, ODM): Mhe. Spika, nimeondoa. Ninataka Mhe. Kagombe apambane na hali yake kule mahakamani. Atuwache tuwazungumzie wananchi wa kawaida...

*(Loud consultations)*

**Hon. Speaker:** Order! Order, Members! Hon. Mbeyu, I have given you an opportunity to contribute to the Finance Bill. Hon. Kagombe is not in the Finance Bill. You are out of order...

*(Hon. Gertrude Mwanyanje stood in her place)*

Take your seat. Do not be unnecessarily excited because you are approximately the 150<sup>th</sup> Member to contribute. You have been sitting here seeing how Members who are even senior than you have been conducting themselves. Do not excite the House. Do not get excited. Contribute on the Bill.

**Mhe. Gertrude Mwanyanje** (Kilifi County, ODM): Asante, Mhe. Spika.

Tumeona watu wakiandamana kwa sababu ya huu Mswada wa Fedha. Hii ni kwa sababu vyombo vya kupima ugonjwa wa saratani katika mahospitali yetu vitatozwa kodi. Mambo yaliyowekwa katika Mswada huu ndiyo ninayazungumzia. Wanatuambia wametoa lakini hatujaona marekebisho yenyewe. Hadi tuyaone marekebishwa ndipo wananchi wakubali. As for *KRA to access financial status* za Wakenya ni aibu. Wakenya wako na haki ya pesa zao kuwa siri. Mkate na mafuta kutozwa ushuru pia ni aibu. Kamati ya Fedha na Mipango ya Kitaifa...

**Hon. Speaker:** Time up. Member for Lamu East.

**Mhe. Ruweida Mohamed** (Lamu East, JP): Asante, Mhe. Spika kwa fursa hii ili nichangie huu Mswada. Ninaunga mkono.

Niko na imani kuwa Eneo Bunge la Lamu Mashariki litaunganishwa na Wakenya wengine. Hivi sasa, tangu tupate Uhuru, Lamu Mashariki iko kivyake. Haijaunganishwa na Wakenya. Eneo Bunge lote hakuna hata njia moja ya lami wala *grid* ya kitaifa. Pesa zikipatikana, watu wangu wa Lamu Mashariki wataunganishwa na Wakenya wengine. Kuunganishwa kwa Maeneo Bunge itafanyika kwa sababu ya barabara na *grid* ya kitaifa. Lamu haijapata *grid* ya kitaifa wala barabara.

Watu wa Lamu Mashariki tumekuwa tukitoa ushuru kama Wakenya wengine. Maeneo bunge mengine yameendelea. Nahisi tuzidi kutoa ushuru sana ndiyo nasi watu wa Lamu Mashariki tupate maendeleo.

Ninaunga mkono kwa dhati nikiwa na imani kuwa Serikali hii ndiyo itatuunganisha sisi na Wakenya wengine. Lazima tuwe wavumilivu na tufikirie Wakenya wengine. Wengine wetu bado tuna hamu na maendeleo ambayo hatujapata. Nyinyi mlio mjini mna barabara na stima kila pahali. Mmeshiba. Kule kwetu sisi husema walioshiba samli wanatoa miba. Kwetu bado tuna njaa ya maendeleo. Hatuwezi kupinga pesa kupatikana. Toeni ushuru, wacheni mchezo. Kuna watu wanaumia. Ushuru ndiyo kuendelea kwa nchi. Sisi tunavumilia.

*Interns* waliofuzu kuwa walimu katika eneo bunge langu la Lamu Mashariki hawawezi kufanya kazi kwetu kwa sababu gharama za usafiri ni ghali kuliko mshahara. Lakini tumekubali walipwe ili Wakenya wengine waendeleo. Lazima walimu waandikwe kwetu. Walioajiriwa *permanent and pensionable* ndio wanaweza kwenda kufanya kazi Lamu Mashariki. Shule zetu zingine hazina walimu wa masomo mengine kama Kemia, tangu shule zijengwe. Wakati huu ndiyo Serikali hii ina matumaini ya kupata walimu.

**Hon. Speaker:** Hon. K'oyoo Onyango.

**Hon. James K'oyoo** (Muhoroni, ODM): Thank you for finally recognising and giving me this opportunity.

From the outset, I reject this proposed Bill. I implore my colleagues to remember that budget-making is the responsibility of this House. We should never abdicate our responsibilities. I was conversing with my colleagues on the other side and we all agreed that the proposals were unfair to our people. A meeting was arranged somewhere and somehow the leadership of this country and my colleagues met and agreed. I am happy that they have proposed to remove certain provisions.

I want to warn my colleagues. The Government will circumlocute those provisions and bring them in other ways. This Bill will hurt the public and their outcry will reach you. I say so because they have not pin-pointed where the changes will be and where the money will come from. A letter that I saw this morning from the Cabinet Secretary of the National Treasury and Economic Planning confirmed my fears. The assertions of my colleague, the respected Chairperson of the Budget and Appropriations Committee, reinforces the fears. He has read a raft of things that await us in case we do not pass this their way. These proposals are deceptive. We should stand firm and ensure the dangerous changes to the people we represent are not allowed. I repeat in this House the adage that there is no taxation without representation. In my constituency, serious manufacturing, farming, and business are going on. The Government harvests a lot of money from Muhoroni Constituency through sugarcane farmers during every taxation cycle.

**Hon. Victor Koech** (Chepalungu, CCM): On a point of order.

**Hon. Speaker:** Hold on, Hon. K'oyoo. There is a point of order from Hon. *Mandazi*. What is your point of order?

**Hon. Victor Koech** (Chepalungu, CCM): Thank you, Hon. Speaker. In the same way Hon. Nzengu rose to request a ruling on Hon. Members who had inserted their cards as early as 7.00 a.m. today, with all fairness, I request that you rule the same for the afternoon session.

Thank you, Hon. Speaker.

**Hon. Speaker:** I thought Hon. K'oyoo was out of order but he is not. When we rise in the next few minutes, leave your cards...

**Hon. James K'oyoo** (Muhoroni, ODM): Hon. Members should be patient. I have been queuing here since 10.00 O'clock yesterday, and I was here very early in the morning. Because of

my resilience, you have finally given me the opportunity. I remind Hon. Members that my constituency churns a lot of money to the National Treasury but it only sees development in the neighbourhood. My constituents did not know why there was no development in their region until the Deputy President carelessly asserted that this country is led through shareholding. It happens that my constituents are not shareholders. They see elaborate electrification programmes in the neighbourhood. We are at the epicentre of different constituencies. The county government roads are being tarmacked in the neighbourhood. Every year, the constituency is affected by challenges like marauding floods. When we ask for money, we are told there is no budget for it and we should wait yet we see development in the neighbourhood. We want taxation but it should also come with...

**Hon. Speaker:** Hon Members, before we rise, like I directed you this morning, we hope by 3.30 p.m. the Mover will be called upon to reply. Make sure you have your electronic card for voting. I am told Clerks-at -the-Table had already circulated information so that we can spend less time on voting and do other business. It matters not whether it is roll-call or electronic voting. Even electronic voting is not a secret vote. It appears on the screen; it will be on *The Hansard* and everybody will know how you voted. Therefore, it matters not whether you are saying Yes or No on the Floor. An electronic vote, for purposes of the House, is not a secret vote.

*(Loud consultations)*

Order, Hon. Members. Will you be upstanding?

*(Hon. Caroline Ng'elechei remained seated)*

Oder, Hon. Ng'elechei.

### ADJOURNMENT

**Hon. Speaker:** Hon. Members, the time being 1.01 p.m., this House stands adjourned until today, Thursday, 20<sup>th</sup> June 2024, at 2.30 p.m.

The House rose at 1.01 p.m.



*Published by*  
Clerk of the National Assembly  
Parliament Buildings  
Nairobi