



KENYA SCHOOL OF REVENUE ADMINISTRATION

HIGHER NATIONAL DIPLOMA IN TAX ADMINISTRATION



Kenya School of Revenue
Administration



**KENYA REVENUE
AUTHORITY**

ABOUT US

Premier Tax and Customs School

The Kenya School of Revenue Administration (KESRA) is Kenya Revenue Authority's premier training school specializing in Tax Administration and Fiscal Policy. For the past two decades, the school has produced over 1,000 competent and high-cadre Tax and Customs Practitioners for Kenya Revenue Authority and the industry at large.

Vision

To become a world-class training institution in public finance management for human capital development.

Mission

To provide globally competitive training, research and consultancy in public finance management by leveraging on a skilled and experienced faculty and technology.

Accredited World Customs Organization (WCO) Regional Training Centre

KESRA is also one of the only four accredited World Customs Organization (WCO) accredited Regional Training Centres (RTCs) in Eastern and Southern Africa; others include Mauritius, South Africa and Zimbabwe. Trusted to build capacity for Customs Officials in the region.



WHY THE HIGHER DIPLOMA?

SPECIALIZATION

Gain understanding in your area of specialization.



FLEXIBILITY

Learn through our flexible learning option.



CREDIT TRANSFER

Learn through our flexible learning option.



EXPERIENCED FACULTY

Gain knowledge through our industry experts.



BUILD EXPERTISE

Build expertise in key specialized areas for better performance



Introduction

1. This is a flexible modular program with each module taking a maximum of 2 weeks for day classes and 1 month for evening classes.
2. You can enroll for modules at your pleasure based on your time and resource flexibility.
3. At the end of each module the learner shall take an examination and upon passing the module examination be awarded with a module transcript.
4. Once the learner completes all the modules he/she will then graduate with a Higher Diploma.

Higher National Diploma in Tax Administration

The Higher National Diploma in Tax qualification is designed for those who wish to build expertise in specialised areas and refresh their tax compliance knowledge.

Upon completion of the programme, participants will:

- be familiar with the Kenyan and International tax laws
- have an understanding of how tax rules and procedures apply in practice
- be able to compute taxes, liabilities, and understand accounting for tax
- understand tax compliance issues and the risks relating to non-compliance
- understand the audit process.

WHAT DOES IT ENTAIL?

Pursue the following modular programs:

Income Tax
Level 1

Income Tax
Level 2

Income Tax
Level 3

VAT

Excise

Audit Practice

Tax Accounting

Principles of
International Tax

Transfer Pricing

INCOME TAX MODULE

Overview

This module explores tax laws and legal provisions that guide administration of income tax.

Programme Objectives

- To explore the legal underpinnings of income tax nationally, regionally and internationally.
- Facilitate comprehensive understanding of income tax laws in jurisdictions and relate various provisions to specific types of incomes.
- To enable understanding of administration structures, collection, penalties and remedies available to taxpayers.
- Enhance effectiveness in corporate oversight responsibility.
- Incorporate taxation in the governance framework.
- Appreciate the role of taxation in company reputation and competitiveness.

MT01: Income Tax Level 1

Focus areas for the Income Tax Level 1 include:

- | | |
|--|-------------------------------------|
| 1. Overview of Income Tax | 7. TOT and Presumptive Tax |
| 2. Charge to Tax | 8. Tax Procedures Act |
| 3. Ascertainment and taxation of Business Income | 9. Dividend Income |
| 4. Taxation of Employment Income | 10. Ascertainment of Pension Income |
| 5. Taxation at Source | 11. Offences |
| 6. Taxation of Rental Income | 12. Collection and Recovery |

MT02: Income Tax Level II

Focus areas for the Income Tax Level II include:

1. Income Tax Exemption
2. Taxation of Mutual Agreement
3. Taxation of Extractive Industries
4. Returns and Notices
5. Assessments, Objections and Appeals
6. Dispute Resolution
7. Tax credits, reliefs and instalment tax
8. Taxation of Expatriates



MT03 : Income Tax Level III

Focus areas for the Income Tax Level III include:

1. Ascertainment of Agricultural Stock and Income
2. Capital Gains Tax
3. Taxing of Pension Income
4. Taxing Petroleum Industries
5. Capital Allowances
6. Taxation of Mutual Organizations
7. Taxpayer Ledger
8. itax Services

NB: Completion of Income Tax Level I is a pre-requisite of undertaking Income Tax Level I and II.

MT04: VAT LAW AND PRACTICE

Overview

To explore laws and legal provisions that guide administration of VAT with a focus on understanding of the law and computation of tax.

Programme Objectives

- To provide a solid foundation of the legal principles of VAT in different regimes
- Explore the legal underpinnings of VAT nationally, regionally and internationally. Appreciate the role of VAT in organizational reputation and competitiveness.
- To enable the learner, gain advanced VAT planning skills.
- Explain the rationale of Value Added Tax and VAT Laws.

Focus areas for the VAT Law and Practice include:

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|--|--|
| 1. Overview of VAT | 8. VAT Refunds |
| 2. VAT Legislation and interpretation of terms | 9. ETR Procedures |
| 3. Scope of VAT | 10. Extractive Industry |
| 4. Deduction of input tax | 11. Withholding VAT |
| 5. Registration and de-registration of VAT | 12. Offences under the VAT |
| 6. Principles and Mechanics of VAT | 13. Emerging issues and trends under VAT |
| 7. Accounting for VAT | 14. Case Studies |

MT05 : EXCISE DUTY

Overview

To explore laws and other legal provisions that guide administration of Excise Duty with a focus on understanding of the law and on computation of tax.

Programme Objectives

To equip participants with relevant tax knowledge to:

- Explore the legal underpinnings of Excise Duty nationally, regionally and internationally
- Enable understanding of breaking down of Excise tax laws in a jurisdiction
- Facilitate comprehensive understanding of administration structures, collection, penalties and remedies available to taxpayers.



Focus areas for Excise Duty

1. History and background of Excise Duty
2. Legislation and definition of terms
3. Tariff structure and classification
4. Licensing and registration
5. Security for Excise Duty
6. Excise stamp regime -EGMS
7. Market surveillance
8. Refunds, Rebates & Remissions
9. Accounting for excise duty
10. Objections and Appeals
11. Offences under excise regime
12. Emerging issues and Trends
13. itax

MT06 : PRINCIPLES OF INTERNATIONAL TAX

Overview

The course is to facilitate a general understanding of theory and practice of international tax planning and techniques in company taxation.

Programme Objectives

- Enable understanding of breaking down of international tax laws in jurisdictions
- Show awareness of the issues arising out of the overlapping between national tax systems and knowledge of the key rules concerning the distribution of taxing rights between different countries in relation to all cases of cross-border income
- Demonstrate understanding of the principles underlying those rules and of their objectives;
- Demonstrate analytical skills that would allow them to identify the rules and principles that would be relevant in practical situations
- Use their knowledge of the rules, their understanding of the underlying principles and objectives as well as their analytical skills in solving practical cases involving international taxation issues

Focus areas for Principles of International Tax

- | | |
|--|--|
| 1. The connecting factors / taxing rights | 6. DT Treaty Articles. OECD & UN :5,7,8,9,10,11,12,13 |
| 2. Understanding Residence in relation to International Tax | 7. International tax forums: OECD, ATAF, EU, PATA 30/31 |
| 3. International tax law | 8. BEPs: Action Plans |
| 4. Interpreting double tax treaties and international tax law | 9. International and Indirect tax: Excise, VAT, Gift taxes |
| 5. Double tax treaties and domestic law: The pricing of override (Treaty override) | 10. Money laundering & IFFS |
| | 11. Tax havens, White lists, Grey lists & Black lists |
| | 12. International tax planning. |

MT07 : TRANSFER PRICING

Overview

The programme is aimed at gaining comprehensive theoretical and practical understanding of Transfer Pricing.

Programme Objectives

- Appreciate the importance of international transfer pricing to multinational enterprise groups and tax administrations
- Analyze a country's legal framework for transfer pricing, taking into account international practice and guidance (including the OECD Transfer Pricing Guidelines) and the role of tax treaties
- Understand the arm's length principle, the concept of comparability and the transfer pricing methods and their application practice
- Understand the purpose and content of transfer pricing documentation, and gain better insight in the international guidance on this subject
- Appreciate mechanisms for avoidance and resolution of transfer pricing disputes, including advance pricing agreements, as well as the mutual agreement procedure and arbitration.

Focus areas for Transfer Pricing

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|--|--|
| 1. Analysis of Article 9 & local laws | 8. Intangibles |
| 2. Introduction to Transfer Pricing | 9. Intra-group service |
| 3. ALP and Global Formula
Apportionment Pros and Cons(FAR) | 10. Restricting and Reconstructions |
| 4. Comparability analysis | 11. Cost Contribution Arrangements |
| 5. Transfer Pricing methods | 12. TP and Intra-group finding arrangements;
Thin cap, Intra-group loans, Intra-group
guarantees, Captive insurance entities
etc. |
| 6. Administrative procedures | 13. Permanent Establishment and attribution
of profit to a PE. |
| 7. Adjustments, Dispute Resolutions
(ADR, Courts, MAP, Safe Havens, PA),
TP Documentation, Risk Assessment
etc. | 14. Documentation in TP – Preparation of
transfer pricing policy document. |

NB: Completion of the Principles of International Tax module is a pre-requisite of undertaking the Transfer Pricing module.

MT08 : TAX ACCOUNTING

Overview

To explore the mechanisms and role of Tax Accounting and Government tax policy on business financial reporting and financial decision-making based on the Kenyan Tax Laws and legal pronouncements.

Programme Objectives

- Exceptions to certain policies in Taxation
- To have an understanding of the interplay of deferred taxes, current taxes, and effective tax rates
- To appreciate the impact of taxes on cash flow
- Explain the rationale of the tax accounting and how to relate them with financial models

Focus areas for Tax Accounting

Advanced aspects of the taxation of business income;

1. Conversion of partnership into liability companies, Limited companies including holding companies including related parties;
2. Taxation of Special Organizations;
3. Insurance companies, back duty and in depth examinations,
4. Investment Deductions
5. Current developments in public finance and taxation.



MT09 : AUDIT PRACTICE

Overview

The general Purpose of this course is to ensure students get the general understanding Tax Audits in the individual and company context.

Programme Objectives

- Demonstrate an understanding of the nature and scope of auditing and related services.
- Describe and discuss the regulatory framework of auditing and related services.
- Show understanding and explain the ethical standards of auditors in corporate governance.
- Explain the stages of an audit and methods of gathering audit evidence.
- Show understanding and be able to interpret different types of audit reports.

Focus areas for Audit Practice

- | | |
|---|--|
| <ol style="list-style-type: none"> 1. Audit Theory and Practice -
Fundamental Audit Principles <ul style="list-style-type: none"> • Audit concept and Nature • Purpose of Audit • Case selection and risk profiling 2. Audit planning <ul style="list-style-type: none"> • Audit responsibilities and objectives • Audit Plan • Analytical procedures and documentation Audit Risk Profiling 3. Audit Evidence <ul style="list-style-type: none"> • Evidence Collection • Nature, Types and Persuasiveness of Evidence • Audit Procedure and Sampling • Types of audit evidence • Methods of collecting audit evidence | <ol style="list-style-type: none"> 4. Tax Auditing <ul style="list-style-type: none"> • PAYE and Tax at source audits • Audit of Sole Proprietorship • Audit of Partnership • Corporate tax audit • Audit of State Corporations, NGOs and Public Entities • VAT Audit • Excise Duty audit 5. Identifying Cases for Investigation <ul style="list-style-type: none"> • Investigation procedure • Risk based Audit • Audit reporting • Current issues |
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GENERAL COURSES

Research Methods

Programme Objectives

- To be grounded in research design and related issues including an understanding of the basic principles of social research design and process, the formulation of research questions or hypothesis and a range of approaches to address them
- Students familiar with the reasons for using quantitative and qualitative research methods, or a mix, application of sampling and sampling designs
- Students who are proficient in questionnaire or survey design; open and semi-structured in-depth interviewing
- To review literature according to the theoretical review
- To equip participants with skills to present their research effectively, in both written and oral form.
- Students who are able to plan, conduct and write an independent piece of research by drawing relevant recommendations and conclusions

Focus areas for Audit Practice

1. Overview of research process
2. Classification of research
3. Purpose of research
4. Statement of the problem
5. Ethics in research
6. Developing Research theories
7. Research design
8. Sampling Design
9. Data analysis and presentation
10. Writing and presenting Report

GENERAL COURSES

Business Law

Programme Objectives

- To describe the Kenyan legal system and the legal environment of business.
- To describe the relationship of ethics and law in business.
- To define relevant legal terms in business.
- To explain basic principles of law that apply to business and business transactions.
- To describe business law in the global context.
- To describe current law, rules, and regulations related to settling business disputes

Focus areas:

1. Role and sources of law
2. Law of persons
3. Contract law
4. Law of tort
5. Sale of goods
6. Agency
7. Indemnity
8. Negotiable instruments
9. Insolvency law, insurance law
10. 1Property employment

GENERAL COURSES

Data Analytics

Programme Objectives

- Explain the various sources of data used for analysis
- Demonstrate the usage of SPSS/R/Python in data entry, processing and cleaning.
- Manipulate and visualize different data types using the statistical softwares SPSS/R/Python
- Fit relevant statistical models for data analysis using SPSS/R/Python
- Perform various Statistical Inference on appropriate data sets using SPSS/R/Python
- Apply basic machine learning analytics in the Big Data situations and environment

Focus areas:

1. Sources of Data
 - Introduction to data collection methods
 - Statistical and non statistical data sources
 - Data types and data sets
2. Getting data into Statistical Softwares (SPSS, R and or Python)
 - Basic Introduction to SPSS/R/Python
 - Data types and Measurement Scales
 - Data entry methods in SPSS/R/Python
 - Data Cleaning and preparation for analysis
 - Data importing

Focus areas:

3. Data Manipulation Techniques
 - Accessing variables and managing data subsets
 - Recoding of categorical data
 - Splitting, Merging, Transposing
 - Casting and decasting
4. Data Visualization Methods and Tools
 - Charts
 - Tables
 - Graphs
5. Application of Statistical Models in Data Analysis
 - Correlation and regression analysis
 - Time series modelling
6. Inferential Statistics
 - Inferences about the means
 - inferences about the proportion
 - Analysis of Variance
7. Machine Learning and Big Data Analytics
 - Introduction to Machine Learning (ML) and Big Data Analytics
 - Basic Applications of ML and Big data in making business analytics
8. Case Study and Case Study Discussions:
 - Trainee's Data Analytics Capstone Project

GENERAL COURSES

Business Statistics

Programme Objectives

- Describe the different measurement scales as used in statistics and research.
- Perform and interpret the various tests of hypotheses involving one sample and more than one sample.
- Apply the correlation and regression analysis to a real world data and interpret the results.
- Perform the Analysis of Variance (ANOVA) and interpret the results

Focus areas:

- | | |
|--|--|
| <ol style="list-style-type: none"> 1. Introduction: <ul style="list-style-type: none"> • Basic Definitions, Measurement Scales • Role of Statistics in Evidence Based Decision Making. 2. Data Collection and Processing <ul style="list-style-type: none"> • Data Collection methods • Data Editing, Filtering, Missing value 3. Hypothesis testing I(One Sample tests) <ul style="list-style-type: none"> • Tests for the mean • Tests for the proportions | <ol style="list-style-type: none"> 4. Hypothesis testing II (Independent Sample tests) <ul style="list-style-type: none"> • Testing the Difference between Two means • Tests for the differences in two proportions and two variances. 5. Analysis of Variance (ANOVA) 6. Non parametric tests <ul style="list-style-type: none"> • The Chi-square tests • Kolmogorov-Smirnoff Tests • Kendall's Tau 7. Correlation and Regression Analysis 8. Spearman and Pearson's correlation coefficients <ul style="list-style-type: none"> • Simple regression models • Multiple regression models |
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GENERAL COURSES

Governance, Compliance and Risk Management

Programme Objectives

- Understand the driving force behind the development of corporate governance and its significance to the stakeholders in a company
- Incorporate best practices of corporate governance into organizational strategy
- Appreciate various kinds of risks that firms face in their daily operations and adopt best risk management strategies for competitive advantage.
- Introduce ways in which the compliance functions are carried out and align them to reporting on various organizations performance.
- Forecast emerging issues in Governance Risk Management and Compliance

Focus areas:

1. Introduction
 - What is GRC?
 - Why GRC Matters
2. Culture and GRC
 - Corporate Culture as a Critical driver to GRC
 - Various culture mix among corporations
3. Framework of Corporate Governance
 - Codes of Corporate Governance
 - Principles of Corporate Governance
 - Corporate Governance in Kenya
 - Case studies
4. Board Effectiveness
 - Building Effective Boards
 - Board Committees
 - Board Structures

Focus areas:

5. Corporate Governance and Shareholders Rights
 - Shareholder Activism
 - Corporate Governance Forums
 - Corporate Governance and Compliance to Risk
 - Case Studies
6. Risk Management
 - Meaning and Classification of Risks
 - Steps in Risk Management Process
7. Fraud Risk and Reputation Risk
 - Elements of Fraud Risk
 - Approaches to Management of Fraud Risk
 - Reputation Risk
8. Enterprise Risk management
 - Measurement of Enterprise Risk
 - Enterprise Risk Management Techniques
 - Implementation of ERM
 - Pitfalls of ERM
9. Internal Controls and Risk Management
 - System of internal controls
 - Risk Management Frameworks and Standards
 - Risk Matrix
 - Cases in Risk Management
10. Compliance Management
 - Process of Compliance Management
 - Internal Compliance Reporting
 - Technology and Compliance Management
 - Compliance and Ethics
7. Current issues in GRC
 - CEO compensation and Succession Plans
 - Performance Measurement and Reporting

GENERAL COURSES

Leadership and Management

Programme Objectives

- Explain the difference between leadership and Management
- Incorporate best practices of leadership and management
- Appreciate team performance and coaching in an organization
- Manage change and communicate change effectively in an organizational set up
- Understand and adopt appropriate change model in an organization

Focus areas:

1. Introduction
 - Difference between management and leadership
 - Management and leadership challenges
2. Practical Effective Leadership
 - Leadership Styles
 - Delegation
 - Situational leadership
 - Adapting leadership style
 - Influencing and motivating a team
 - Case studies
3. Practical Effective Management
 - Essentials of Management
 - Qualities of Excellent Management
 - Management Development
 - Decision making and Delegation
 - Case studies4.

Focus areas:

4. Teamwork, Coaching and Performance
 - Team learning and Performance
 - Team evolution stage
 - Coaching and Mentoring
 - Managing pressure
 - Case studies
5. Managing Change
 - Change and team response
 - Dimensions of Change
6. Resistance to Change
 - Resistance to change in organizations
 - Overcoming resistance to change
 - Effective change management
7. Drivers of change
 - Elements of change management
 - Role of Change management in an organization
8. Change models and Executive
 - Types of models
 - Executive support
 - Case Studies
9. Communication and Plans
 - Communication skills
 - Internal communication
 - Practical planning
10. Current issues in Management and Leadership
 - Case studies and activities

Learners Notes



1. Enrolment Requirements

To enrol, candidates should possess:

- Bachelor's Degree
- Certified Public Accountant (CPA-K), Association of Chartered Certified Accountants (ACCA), Chartered Financial Analyst (CFA)
- Any other relevant Professional Course

2. For award of the Higher National Diploma in Tax Administration, participants must complete:

- The 9 Core Modules and general courses namely: Research Methods, Business Law, Data Analytics, Governance, Compliance and Risk Management, Leadership and Management.
- The assesment passmark is 50%
- A project illustrating understanding of the subject matter.
- To progress to the next level, participants must complete the preceding module

3. Mode of Study

- The modes of study are Day and Evening.

Attendance Patterns

Study Mode	Days	Timing	Module Duration
Day	Monday to Saturday	8:00am - 5:00pm	2 Weeks per module
Evening	Monday to Friday	5:30pm - 8:30pm	4 Weeks per module

EVENING CLASSES

WEEKS	MODE OF STUDY	LOAD
4	Face to Face	3 HRS X 5 DAY X 4 WKS = 60 HRS/Module
1	Practical	7 hours x 5 days x 1 WK = 35 HRS/Module
1	Assignments	7 hours x 5 days x 1 WK = 35 HRS/Module
24	Project (equivalent to six modules)	6 x 60 = 360 HRS/Course
1	Examination	3HRS X 5 = 15 HRS/Module

DAY CLASSES

WEEKS	MODE OF STUDY	LOAD
4	Face to Face	6HRS X 10 DAYS = 60 HRS/Module
1	Practical	7 hours x 5 days x 1 WK = 35 HRS/Module
1	Assignments	7 hours x 5 days x 1 WK = 35 HRS/Module
24	Project (equivalent to six modules)	6 x 60 = 360 HRS/Course
1	Examination	3HRS X 5 = 15 HRS/Module

MODULE	TUITION	PRACTICALS	ASSIGNMENT	TOTAL HRS
1	45	35	35	115
2	45	35	35	115
3	45	35	35	115
4	45	35	35	115
5	45	35	35	115
6	45	35	35	115
7	45	35	35	115
8	45	35	35	115
9	45	35	35	115
10	45	35	35	115
11	45	35	35	115
12	45	35	35	115
13	45	35	35	115
14	45	35	35	115
15	45	35	35	115
TOTAL				1725
Project				690
GRAND TOTAL				2415



Transcending to Excellence

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