



## PROPOSALS ON THE DRAFT FINANCE BILL 2025

### Introduction

Area	TOPIC	Current	Proposed	Justification/References
<b>VAT Act</b>				
PART III	VALUE ADDED TAX	155. Inputs or raw materials (either produced locally or imported) supplied to pharmaceutical manufacturers in Kenya for manufacturing medicaments as approved from time to time by the Cabinet Secretary in consultation with the Cabinet Secretary for the time being responsible for matters relating to health.	<b>Amend to read</b> Inputs or raw materials (either produced locally or imported) supplied to pharmaceutical manufacturers in Kenya for manufacturing medicaments as approved from time to time by the <b>Pharmacy and Poison Board</b> for the time being responsible for matters relating to <b>pharmaceutical, medical products and technologies</b>	Cap 244 mandates the Pharmacy and Poison Board as the sole mandate to regulate, including approval, handling of raw materials and medical products in the country
FIRST SCHEDULE [s. 2(1)] EXEMPT SUPPLIES Part I	GOODS SECTION A	129. Weighing machinery (excluding balances of a sensitivity of 5 cg or better), of tariff number 8423.10.00, purchased or imported by registered hospitals upon approval by the Cabinet Secretary responsible for matters relating to health.	129. Weighing machinery (excluding balances of a sensitivity of 5 cg or better), of tariff number 8423.10.00, purchased or imported by registered hospitals upon <b>the Pharmacy and Poison Board</b> for the time being responsible for matters relating to <b>pharmaceutical, medical products and technologies</b>	Cap 244 mandates the Pharmacy and Poison Board as the sole mandate to regulator, including approval and handling of health products and technologies in the country



ZERO-RATING Part	A — ZERO RATED SUPPLIES	11. Inputs or raw materials (either produced locally or imported) supplied to pharmaceutical manufacturers in Kenya for manufacturing medicaments, as approved from time to time by the Cabinet Secretary in consultation with the Cabinet Secretary responsible for matters relating to health	11. Inputs or raw materials (either produced locally or imported) supplied to pharmaceutical manufacturers in Kenya for manufacturing medicaments, as approved from time to time by the <b>Pharmacy and Poison Board</b> for the time being responsible for matters relating to <b>pharmaceutical, medical products and technologies</b>	Cap 244 mandates the Pharmacy and Poison Board as the sole mandate to regulate, including approval, handling of raw materials and medical products in the country
FIRST SCHEDULE [s. 2(1)]	EXEMPT SUPPLIES Part I: GOODS		<b>Add a new cause to read</b> 145. Inputs and raw materials used in the manufacturing of pharmaceuticals, health products and technologies	Incentivise local manufacturing of pharmaceutical and health products to cushion the country in emergency response and argument resilience in the health system
			<b>Add a new cause to read</b>  146. Locally manufactured pharmaceuticals, health products, and technologies  Provided that in this paragraph-- "locally manufactured pharmaceuticals means a pharmaceutical for healthcare service delivery which is manufactured in Kenya and whose ex-factory value comprises at least thirty per cent of local content; and	Incentivise local manufacturing of pharmaceutical and health products to cushion the country in emergency response and argument resilience in the health system

SUBMISSION BY 19.05.2025

Dr Dagane Daba, Member of Legal /Ethics Committee

PHARMACEUTICAL SOCIETY OF KENYA