

TIWB Programme N° L2012-0002 & IE2019-02

Host Administration:
Kenya Revenue Authority (KRA)

Expert Source:
**Organisation for Economic Co-operation and Development (OECD) /
African Tax Administration Forum (ATAF)**

Programme Dates:
July 2012 – June 2020

Kenya indicated their interest for TIWB tax audit assistance in transfer pricing (TP) and international taxation issues in early 2012, becoming in this way one of the pilot TIWB programmes. An OECD/ATAF expert assisted the KRA strengthening its auditors' capacities, by conducting a total of 18 onsite missions, in addition to ad-hoc remote assistance, from July 2012 to June 2020. Seven audit cases in the food, floral, extractives, logistics, IT and commodities sectors were supported by the TIWB expert. Tax issues covered under this TIWB programme included assets and depreciation, intangibles, intragroup services, permanent establishments and TP. The tax audit programme was supplemented by an industry expert who provided in-depth insight and knowledge on the valuation of intellectual property.

Impact of the practical audit assistance programme

This TP programme helped Kenya achieve the following results:

- **Human Resource development - Skill and Knowledge Transfer:** In total, the TIWB Expert trained 25 KRA tax auditors on TP issues relating to business restructuring, financial transactions and intellectual property valuation. The TIWB workshops received very positive feedback from KRA auditors.
- **Institutional Development – Legislative changes, tools, process and procedures:** Together with TIWB audit and industry experts, the KRA developed draft changes to TP legislation relating to issues such as beneficial ownership, commodity transactions, domestic transactions, transactions with low-tax jurisdictions and TP documentation.