

2025 SME Tax Compliance Checklist (Kenya)

Running a business in Kenya is exciting — but staying tax compliant can feel overwhelming.

Here's a quick checklist to help you avoid penalties, protect your business, and stay on the right side of KRA.

KRA PIN & eTIMS — Do you have a valid KRA PIN and are you registered on eTIMS (electronic invoicing)?

Income Tax — Are you filing and paying your business income tax returns on time (monthly or annually depending on structure)?

PAYE (Pay As You Earn) — If you have employees, are you correctly deducting and remitting PAYE every month?

NSSF & NHIF / SHIF — Are you remitting staff contributions (NSSF pensions + NHIF/SHIF health insurance) without delays?

Housing Levy — Are you calculating and submitting the mandatory housing levy (1.5% employer + 1.5% employee)?

VAT — If your turnover is above KSh 5M, are you charging VAT correctly and filing monthly VAT returns?

Withholding Taxes — Are you deducting and remitting withholding tax for contractors, rent, or consultancy services where required?

Annual Returns — Has your company filed its annual returns with the Registrar of Companies?



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Annual Company Returns: Filed with the Registrar of Companies (not KRA). Updates the government on directors, shareholders, and compliance status every year.

Don't Risk Penalties

Missing even one of the above could mean fines, backdated interest, or loss of tax compliance status with KRA.

Tip: Most SMEs forget about withholding tax and housing levy — the two biggest causes of unexpected penalties.

What To Do Next

If you answered 'No' or 'Not Sure' to any of these, your business may already be at risk.

Book Your Free Consultation Today

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