

LEGAL NOTICE No. 8

THE TEA ACT

(Cap 343)

IN EXERCISE of the powers conferred by section 25 of the Tea Act, the Minister for Agriculture, in consultation with the Board, makes the following regulations –

THE TEA (*AD VALOREM* LEVY) REGULATIONS, 2011

1. These Regulations may be cited as the Tea (*Ad Valorem* Levy) Regulations, 2012 and shall commence one month after the date of publication.
2. In these Regulations, unless the context otherwise requires-

“*Ad valorem* levy” means a per centum of the value of all made tea imposed by the Minister at the point of export or import in accordance with Section 18 of the Act;

“Authorized agent” means a representative appointed by the Board to collect *ad valorem* levy on its behalf;

“Customs value: means the export or import value of the made tea upon which the *Ad Valorem* Levy is assessed”,

“Kenya Standard 1927:2005 Tea Packets and Containers-Specifications (KS1927: 2005)” means the Kenya Standard that specifies the requirements and methods of test for tea packets and containers, applicable to tea packaging for retail in the form of tea bags, tea packets, instant tea and ready to drink containers but does not include tea sacks.

“Point of export” means a designated customs border point at which made tea is taken out of Kenya to any place outside Kenya;

“Point of import” means a designated customs border point at which made tea is brought into Kenya from any place outside Kenya;

3. The Minister imposes an ad valorem levy payable at the rate of 1% per centum of the customs value for made tea exports or imports.
4. The Ad Valorem Levy imposed under paragraph 3 shall not apply to made tea imports imported in bulk into Kenya for blending and re-export.
5. Any made tea packed in Kenya in accordance with Kenya Standard 1927:2005 Tea packets and containers - Specification (KS1927: 2005) or an equivalent standard shall be exempt from payment of the ad valorem levy.
6. A tea exporter or importer shall pay an ad valorem levy to the Board or its collection agent based on the customs value of each consignment of made tea at the point of export or import.
7. Upon payment of the ad valorem levy the Board or its authorized agent shall issue the tea exporter or importer with a receipt.
8. Where the levy is paid to an authorized agent under paragraph 6 the authorized agent shall remit the amount of the levy collected to the Board not later than the tenth day of the following month.
9. A tea exporter or importer shall provide information on all export and import consignments to the Board in Form V and W of the First Schedule of The Tea (Licensing, Registration and Trade) Regulations 2008.
10. A tea exporter or tea importer who provides false information required under Regulation 9 is shall be guilty of an offence and liable upon conviction to the penalties provided under Section 23 of the Act.
11. A tea exporter or importers shall provide receipts to the Board or its collection agent as proof of payment of the requisite ad valorem levy.

12. Any Ad valorem levy which remains unpaid shall be recovered by the Board as a civil debt due to it from the person by whom it is payable.
13. Any Ad valorem levy that remains unpaid for thirty days or more shall attract interest at commercial bank rates, prevailing at the time the levy becomes due, until it is fully paid.
14. The Board or its authorized agent shall, upon successful processing of the customs documentation, verify the tea export or import consignment.
15. The Board shall upon verification, issue a Release Order in Form A set out in the First Schedule.
16. The Board shall not issue a Release Order if an exporter or importer unless that person has complied with the provisions of the Act.
17. The Board may cancel the export or import Release Order if an exporter or importer contravenes the provisions of the Act.
18. Legal Notice No. 331 of 1994 is revoked.

FIRST SCHEDULE

FORM A

(r.9)

TEA EXPORT/IMPORT RELEASE ORDER

Name of Exporter/Importer.....

Postal Address.....

Contact Person and Designation.....

Telephone/Mobile No/Fax.....

E-mail Address.....

Tea Export/Import Registration No.....

Issue Date.....

Customs Entry No and Date.....

Net Weight (Kgs made tea).....

Physical location of consignment.....

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Signature of Exporter/Importer or Authorized Agent

Date

FOR OFFICIAL USE ONLY

Release Authority Stamp

Name Signature Date

For and on behalf of Tea Board of Kenya

Made on the 24th January, 2012

SALLY KOSGEI

Minister for Agriculture