

IN THE HIGH COURT OF KENYA AT NAIROBI

MILIMANI LAW COURTS

COMMERCIAL AND TAX DIVISION

CORAM: D.S. MAJANJA J.

TAX APPEAL NO. E064 OF 2020

BETWEEN

LG ELECTRONICS AFRICA LOGISTICS FZE KENYA BRANCH.....APPELLANT

AND

COMMISSIONER OF DOMESTIC TAXES.....RESPONDENT

RULING

I have considered the arguments on both sides. It is not disputed that the appellant is a going concern and as stated by the counsel for the respondent, it has recently paid the respondent Kshs. 200,000,000/-. It is unlikely that the appellant will not be in a position to pay the taxes if ultimately found due by this court.

In order to secure the respondent's interest in this matter, the Notice of Motion dated 05.06.2020 is allowed on the following terms:

1. There shall be a stay of enforcement of the decision of the Tax Appeal Tribunal Appeal No. 359 of 2018 and further agency notices on condition that the appellant shall provide a bank guarantee for the sum of Kshs. 1.5 million within 14 days in favour of the respondent pending the hearing and determination of appeal.
2. Mention on 25.08.2020 for further directions on the appeal.

DATED and DELIVERED at NAIROBI this 6th day of JULY 2020.

D. S. MAJANJA

JUDGE

Mr Ouma with Ms Macharia instructed by Anjarwalla & Khanna LLP Advocates for the appellant.

Mr Opande, Advocate instructed by Kenya Revenue Authority for the Commissioner of Domestic Taxes.