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**THE SACCO SOCIETIES REGULATORY AUTHORITY
(SASRA)**

SASRA Circular No. 18 of 2011

Date: 7th July, 2011

To:

All Chairmen & CEO's of Deposit Taking Sacco Societies

Dear Sir/Madam,

RE: SACCO DEPOSIT LEVY

Section 15(1) of the Sacco Societies Act grants the Authority powers to impose Sacco Societies deposit levy on the deposit held in deposit-taking Saccos. The moneys received in respect of the levy forms part of the general fund from where the Authority draws funds to defray expenses incurred in the course of discharging its mandate.

The Authority pursuant to the above provision published the levy at a rate of 0.15% of the deposits held vide Legal Notice No. 208 of 24th December, 2010. However concerns have been raised on the chargeable rate and its likely impact on the operations of Saccos.

SASRA has noted the concerns raised by KUSCCO and is in the process of reviewing the rate taking cognizance of all the prevailing circumstances.

We therefore, wish to inform all our concerned stakeholders that the Authority will communicate the position before the end of December 2011. In the meantime the rate shall remain the same until otherwise advised.

We reiterate our commitment to develop the sector through prudential regulation and shall continuously communicate and engage all stakeholders during this transitional period for the greater benefit of the sector.

Yours sincerely,



Carilus Ademba, HSC
CHIEF EXECUTIVE OFFICER

CC: Mr. Seno Nyakenyanya, CBS
Permanent Secretary,
Ministry of Co-operative Development and Marketing,
NAIROBI.

Commissioner for Cooperative Development,
Ministry of Co-operative Development and Marketing,
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