A LANDCOST PRO GUIDE

# A Kenyan's Guide to Government Land Transaction Fees

What every buyer should know before committing to a land transaction in Kenya — the real fees, who pays them, and how they are calculated. Useful wherever you live, and especially important if you are buying from abroad.

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Whether you are buying land in Kenya from Nairobi, Nakuru, or from abroad, the government fees are the same — and they are easy to get wrong. This short guide explains the main government fees and taxes on a Kenyan land transaction, so you can budget accurately and recognise when a quoted figure does not add up. It is useful for every buyer, and especially important if you are managing a transaction remotely from the diaspora, where the fees are harder to verify at a distance.

**Read this first.** The figures below are current for 2026 and are indicative. Government fees change, and the exact amount depends on your property's value, location, and type. Always confirm the current figures through the official Ardhisasa platform (ardhisasa.lands.go.ke) or a qualified advocate before you commit funds. This guide is for information only and is not legal, valuation, or tax advice.

## The one rule that saves buyers the most money

Most fees are calculated on the **government valuer's assessed value** of the property — or the purchase price, *whichever is higher*. You cannot reduce your fees by agreeing a lower price on paper; if the government values the land higher, you pay on the higher figure. Knowing the assessed value early is the single most useful thing you can do when budgeting.

## The main government fees, one by one

### 1. Stamp Duty

**4% urban / 2% rural**

*Paid by the buyer · to the Kenya Revenue Authority (KRA)*

The single largest cost in most transactions. Charged at **4%** of the value for land in cities, municipalities, and gazetted towns, and **2%** for rural or agricultural land. Certain commercial instruments can attract up to 6%. Since a 2024 directive, many areas once treated as rural (parts of Kiambu, Ruiru, Thika, Kitengela and others) are now charged the 4% urban rate — so confirm your area's current classification. Must be paid before the title can be registered.

### 2. Legal / Conveyancing Fees

**~1–2% + 16% VAT**

*Paid by the buyer · to your advocate*

Set by the Advocates Remuneration Order, not negotiable below the scale minimum. Typically around **2%** of the price for properties up to KES 5 million, and **1–1.5%** above that, with a minimum fee of roughly KES 28,000 for a sale. VAT at 16% is added on top. Your advocate handles the search, due diligence, consents, stamp duty facilitation and registration — do not skip this to save money.

### 3. Land Search

**~KES 500–1,500**

*Paid by the buyer · via Ardhisasa / eCitizen*

An official search confirms who owns the land and whether there are any charges, caveats, or disputes registered against it. It costs very little and is the most important protective step in the whole process. Run one before you pay anything, and again after transfer to confirm the title is in your name.

### 4. Government Valuation

**Part of the process**

*Ordered by the Lands office · for stamp duty assessment*

A government valuer assesses the property's market value, which sets the figure your stamp duty is calculated on. If you also commission a private valuation (guided by the Valuers Act, usually **0.25%–1%** of value), budget for that separately.

### 5. Land Control Board (LCB) Consent

**~KES 3,000**

*Paid by the buyer/seller · for agricultural land*

For most agricultural land outside municipalities, the Land Control Board must consent to the transfer, confirming both parties agree freely. The standard fee is around **KES 3,000**; a special sitting to expedite it costs around **KES 10,000**. Consent can take up to a month.

### 6. Registration & Title Fees

**from ~KES 1,000**

*Paid by the buyer · to the Lands Registry*

The registration fee for lodging the transfer starts at around **KES 1,000**, with title processing/issuance commonly around KES 5,000. A separate **Land Information Management System (LIMS) fee of 0.1%** of the purchase price is also payable to the registry.

### 7. Survey / Subdivision Fees

**Formula-based**

*Paid by the buyer/seller · if subdividing*

If land is being subdivided, a licensed surveyor prepares mutation forms and a survey plan. Survey charges are calculated by formula and vary with area and value — this is one of the most commonly over-quoted fees, precisely because the formula is not widely understood.

**8. Capital Gains Tax (CGT)** **15% of net gain**

*Paid by the seller · to KRA*

If you are *selling*, CGT is **15%** of the net gain (sale price less acquisition cost and allowable expenses). It is the seller's responsibility — but buyers should know it exists, because a seller who has not budgeted for it can delay completion, as CGT must be cleared before the title transfers.

## A worked example

Here is how the buyer-side government fees add up on a typical urban purchase. Your own figures will differ, but the shape is representative.

| PROPERTY PURCHASE — KES 5,000,000, URBAN | |
|---|---|
| Stamp Duty (4%) | **KES 200,000** |
| Legal Fees (~1.5% + VAT) | **KES 75,000** |
| Title Registration | **KES 2,500** |
| Document Registration | **KES 1,000** |
| Search Certificate | **KES 1,000** |
| Transfer Application | **KES 1,000** |
| **Estimated government total** | **KES 280,500** |

Note: this example shows the core government and legal fees. Depending on the property, you may also have LCB consent, LIMS (0.1%), and valuation costs. It excludes any agent commission, which is normally paid by the seller.

## Extra steps if you are buying from the diaspora

Everything above applies to every buyer in Kenya. If you are buying from abroad, a few additional practical steps are easy to overlook:

- **You need a Kenyan KRA PIN** to pay stamp duty and register the transfer. Your advocate can help you obtain one.
- **Power of Attorney** — if you cannot be present, your Kenyan advocate can act for you, but the Power of Attorney usually must be signed at a Kenyan embassy or consulate in your country.
- **Payments are now digital.** Since 2026, stamp duty and many land services run through the Ardhisasa / Ardhipay platform. Fees processed outside official channels are a common sign of fraud.
- **Budget for currency movement.** Fees are set in Kenyan shillings. If you are paying from pounds, dollars, or euros, the shilling can move between agreement and completion — leave a margin.

**A quick sense-check.** As a rough guide, total buyer closing costs on an urban purchase usually land somewhere around **6–8% of the property value** once stamp duty, legal fees, and the smaller registry charges are added together. If someone quotes you far more than that without a clear reason, ask for an itemised breakdown — and check each line against this guide.

## Five things to do before you commit any money

- Run an official **land search** on Ardhisasa and confirm the seller actually owns the parcel.
- Confirm the **area classification** (urban 4% vs rural 2%) — it materially changes your stamp duty.
- Ask for the **government valuation** figure, since your fees are pegged to it.
- Engage a **qualified advocate** and get their fee quote in writing, VAT included.
- Get an **itemised estimate of every government fee** before you commit — and keep it to check each invoice against.

### Get every fee calculated for your specific property

LandCost Pro does exactly what step five above describes — it calculates every government fee for your specific transaction in seconds, and gives you a shareable PDF to check any quote against. Useful for any buyer in Kenya, and built with the diaspora especially in mind. It is launching soon. Join the founding members to lock in launch pricing and be first to use it: **AdvisoryAlliance@africamail.com**

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**Disclaimer.** This guide is provided for general information only and reflects rates and processes understood to be current in 2026. It is not legal, valuation, tax, or financial advice, and no reliance should be placed on it for any specific transaction. Government fees, rates, and procedures change and vary by county, property type, and circumstance. Always confirm current figures and requirements through the official Ardhisasa platform (ardhisasa.lands.go.ke), the Kenya Revenue Authority, or a qualified Kenyan advocate before making any financial commitment. Sustainable Rural Development International and Illumia Advisory Alliance accept no liability for decisions made on the basis of this guide.