This book discusses the effect of taxes on the growth of Small and Medium Enterprises (SMEs) in Kenya and possible alternatives in a bid to encourage tax compliance and growth of SMEs without compromising environmental conservation efforts. After a review of issues on taxation and enterprise, the author identifies the types of taxes levied on SMEs in the plastic manufacturing sector and examines the effect of taxation policy on the growth of SMEs. Consequently, she suggests policy measures that can influence tax compliance and growth of SMEs in the plastic manufacturing sector in Kenya. She also discusses factors that constrain the growth of SMEs such as: tax categories, taxation policies and the regulatory environment. She argues that stagnation of the growth of SMEs is as a result of non-supportive tax laws. In this regard, the author recommends that the Kenya government should impose lower taxes which would ensure collection of revenue and still enable the economy to have sustainable development which is environmental friendly. This book is recommended to policy makers, businessmen and Business Studies scholars who wish to gain knowledge about taxation and its impact on SMEs.