TAX ADMINISTRATION IN GHANA

This is all about the machinery put in place to determine, monitor and enforce the collection of taxes by government of a country; Subsequently our focus is Ghana our beloved country.
Characteristics

• Transparency

• Regulations

• Commissioner Generals Practice Notes

• Operational Guidelines
Characteristics

• A healthy collaboration between:
  i. Defined policy and ability to execute
  ii. Politically acceptable system which also conforms to administrative capabilities of the Authority
  iii. Effective and efficient tax planning policies ensured in our fiscal machinery.
REFORMS

Prior to integration

• Period up to and including 2009

• Independent revenue collecting institutions

  i. IRS
  ii. CEPS
  iii. VAT SERVICE
  iv. RAGB
Integration

• Ghana Revenue Authority Act, 2009 (Act 791)
  i. The Commissioner General
     a. Commissioner DTRD (Domestic direct and indirect taxes)
     b. Commissioner Customs Division
     c. Commissioner Support Services (HR, Admin. And Finance)
  ii. Tax office segmentations:
     a. LTO
     b. MTOs
     c. STOs
Legislations

• Our reference will be on the following tax legislations:
• Ghana Revenue Authority Act, 2009 (Act 791)
• Revenue Administration Act, 2016 (Act 915)
• Income Tax Act, 2015 (Act 896) & Regulations
• Value Added Tax Act, 2013(870) & Regulations
• Transfer Pricing Regulations, 2012 (L.I.2188)
• Tax Amnesty Act, 2017 (Act 955)
• Taxation (Use of Fiscal Electronic Device),2018 (Act 966)
Expanding the Tax Net/Tax Automation:

• Introduction of Single Window, paperless system at the Ports during the last quarter of 2017 to date;

• Collaboration between the business community and GRA towards expansion of the tax net through tax education;

• Automation of businesses processes of the DTRD to have a linkage with the Customs Division is helping to build data for Domestic tax planning strategies.
Registration as a Taxpayer

• Each individual is required to register for the Taxpayer Identification Number/certificate.

• One can only enjoy relevant tax incentives/ benefits if one is a registered TIN certificate bearer.
An Electronic platform

• Total revenue integrated processing systems (trips\textsuperscript{Tm});

• This is the new wheel that is driving our revenue assessment and collection process; and

• makes it possible for every taxpayer to transact his/her tax business in any DTRD office in the country.
Compliance tools

• The government has introduced the tax amnesty law (Tax Amnesty Act, 2017 (Act 955))

• for people/ taxpayers who hitherto were not complying with the tax laws, to take advantage of.
Comfort Policy- business environment

• Tax Administration is also considering introducing certain provisions like:- voluntary disclosures,
  tax dispute resolutions,
  Independent Tax Appeals Board
so as to bring comfort to the taxpayers who may have disputes with the Commissioner General.

• The GRA is also making proposals for the review of the Transfer Pricing Regulations, 2012 (L.I. 2188) to include provisions on safe havens amongst other things.
Ensuring Compliance:

• Tax administration has been embarking on another intensive tax education drive since the last six months to improve revenue mobilization as well as enriching data base on potential tax payers.

• In March this year, the Vice President, His Excellency Dr Mamoud Bawumia showed up so much support to the GRA tax education campaign during the tax and good governance week by personally filing his annual tax returns.
Office Segmentations:

i. there is one Large taxpayers office –LTO, headed by a Deputy Commissioner where large businesses /MNEs and specialized tax activities are carried out;

ii. there are 15 Medium taxpayer offices; and

iii. 50 Small taxpayers offices.

In all, the DTRD operates at 65 offices throughout the country.
The self assessment regime is our main approach to tax assessment for all tax types.
Tax Incentives

• There are incentives for businesses - carry forward losses for example – farming, mining, petroleum.
• There is also exemption of tax from the business of young entrepreneurs for five years.
THE END

• THANK YOU