

ACT OF THE PARLIAMENT OF THE REPUBLIC OF GHANA

ENTITLED

VALUE ADDED TAX (AMENDMENT) ACT, 2010

AN ACT to amend the Value Added Tax Act, 1998 (Act 546) to revise and expand the coverage of the threshold for registration; and re-classify locally produced pharmaceuticals, locally produced text-books and locally manufactured agricultural machinery and tools as exempt supplies.

DATE OF ASSENT:

PASSED by Parliament and assented to by the President:

Section 3 of Act 546 amended

1. The Value Added Tax Act, 1998 (Act 546) as amended and referred to in this Act as the principal enactment is further amended in section 3 by the substitution for subsection (2) of

(2) A person to whom subsection (1) (b) of section 5 applies shall account for the Value Added Tax payable under this section at a flat rate of 3% calculated on the value of the taxable supply.

Section 5 of Act 546 amended

2. The Value Added Tax Act, 1998 (Act 546) referred to in this Act as the principal enactment is amended in section 5 by the substitution for subsection (1) of

"Registration as taxable person

(1) A person is registrable as a taxable person if that person is a person who makes taxable supply of goods or services and has a business turnover that exceeds

(a) GH¢90,000.00 over a twelve month period; (b) GH¢67,500.00 over a nine month period; (c) GH¢45,000.00 over a six month period; or (d) GH¢22,500.00 over a three month period

whichever is achieved earliest."

(2) A person whose business turnover is below GH¢90,000.00 but exceeds GH¢10,000.00 over a twelve month period or a proportionate part thereof is registrable as a taxable person and shall charge and account for the tax as provided under subsection (2) of section 3 of this Act."

Section 25 of Act 546 amended

3. Section 25 of the Principal enactment is amended by the deletion of subsection 1 (b)

Section 62 of Act 546 amended

4. The principal enactment is amended by the substitution for section 62 of

"Obstruction of officer of the Service 62. A person who

(a) obstructs the Commissioner or an Officer authorised by the Commissioner in the performance of functions under this Act;

(b) assaults or refuses to grant access to that person's premises to the officer in the performance of functions

(c) breaks into any premises sealed under the warrant of the Commissioner; or

(d) interferes with any property on which a warrant of distress has been executed.

commits an offence and is liable on summary conviction to a fine of not less than one hundred penalty units or more than eight hundred penalty units or three times the amount of tax or revenue involved, whichever is higher, or to a term of imprisonment of not more than five years or to both."

First Schedule of Act 546 amended

5. First Schedule to the principal enactment is amended (a) by the substitution for item No. 12 of

"12. Transportation includes transportation by bus and similar vehicles, train, boat and air but excluding haulage and vehicle hiring;" (b) by the insertion after item 24 of

26.Agricultural Machinery

"25 Pharmaceuticals Locally produced pharmaceuticals as determined by the Minister for Health and approved by Parliament. Locally produced textbooks and exercise books as determined by the Minister for Education and approved

by Parliament.

Locally manufactured agricultural machinery and other agricultural implements and tools."

Second Schedule of Act 546 amended

6. The principal enactment is amended in the Second Schedule by the deletion of items numbered 3,4 and 5.

L.I. 1817 revoked

7. The Ghana Investment Promotion Centre (Promotion of Tourism) Instrument 2005 (L.I. 1817) is hereby revoked.

8. Section 25 of the principal enactment s amended by the deletion of subsection (l)(b).

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