

PARLIAMENT OF GHANA LIBRARY

IN THE THIRD SESSION OF THE SEVENTH PARLIAMENT OF THE FOURTH  
REPUBLIC OF GHANA



**REPORT OF THE  
FINANCE COMMITTEE**

*ON THE*

**SPECIAL IMPORT LEVY  
(AMENDMENT) BILL, 2019**

December 2019

## **1.0 INTRODUCTION**

The **Special Import Levy (Amendment) Bill, 2019** was *presented* to Parliament by the Hon. Deputy Minister for Finance, Mr. Kwaku Agyeman Kwarteng on behalf of the Minister responsible for Finance and *read the first time* in the House on **Monday 2<sup>nd</sup> December, 2019**. The Bill was subsequently *referred* to the Finance Committee for consideration and report in accordance with Article 174 of the 1992 Constitution of the Republic of Ghana and Order 169 of the Standing Orders of the Parliament of Ghana.

A Deputy Minister for Finance, Hon. Charles Adu-Boahen and a team of officials from the Ministry of Finance (MoF), the Ghana Revenue Authority (GRA) and the Attorney-General's Department attended upon and assisted the Committee in its deliberations on the Bill.

The Committee is grateful to the Hon. Deputy Minister and the team of officials for attending upon the Committee.

## **2.0 REFERENCES**

The Committee referred to and/or was guided by the following documents *inter alia* during deliberations on the Bill:

- a. The 1992 Constitution of the Republic of Ghana.
- b. The Standing Orders of the Parliament of Ghana.
- c. The Special Import Levy Act, 2013 (Act 861).
- d. The Interpretation Act, 2009 (Act 792)

registered under the Ghana Automotive Manufacturing Development Programme.

## **5.0 CONTENT OF THE BILL**

The **Special Import Levy (Amendment) Bill, 2019** contains two clauses.

*Clause 1* of the Bill seeks to amend Section 1 of Act 861 by extending the period for the imposition of the Levy to the end of the 2024 fiscal year.

*Clause 2* proposes to amend the First Schedule to Act 861 by including kits imported by automotive manufacturers or assemblers registered under the Ghana Automotive Manufacturing Development Programme as part of goods exempted from the payment of the Levy.

## **6.0 OBSERVATIONS**

### **6.1 Fiscal Impact**

The Committee was informed that the continuation of the Levy is expected to lead to a retention in revenue of approximately **Six Hundred and Forty-One Million, Six Hundred Thousand Ghana Cedis (GH¢641,600,000.00)**.

On the other hand, the cost of the concession to automotive manufacturers or assemblers registered under the Ghana Automotive Manufacturing Development Programme is estimated at **Fifty-Five Million, Four Hundred and Fifty-One Ghana Cedis (GH¢55,000,451.00)**.

## 6.2 Automotive Manufacturing Development Programme

The Committee noted that Government has commenced an Automotive Manufacturing Development Programme in order to develop a vibrant automotive industry. To support the industry, Government has put in some concessions including the exemption of kits imported by automotive manufacturers or assemblers registered under the Programme from the payment of the Levy.

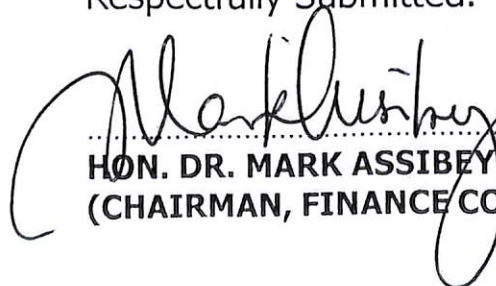
The Committee was informed of Government's conviction that six key automotive manufacturers will establish in Ghana in the near future. These are Toyota, Suzuki, Nissan, Volkswagen, Renault and Sinotruck.

## 7.0 CONCLUSION

The Committee finds that the passage of the Bill would help retain revenue for the development of the country whilst at the same time providing the needed concession to encourage and support the development of a vibrant automotive manufacturing industry in Ghana.

The Committee therefore recommends to the House to adopt this report and pass the **Special Import Levy (Amendment) Bill, 2019** into law in accordance with Article 106(13) of the 1992 Constitution and Order 119 of the Standing Orders of the House.

Respectfully Submitted.

  
.....  
HON. DR. MARK ASSIBEY-YEBOAH  
(CHAIRMAN, FINANCE COMMITTEE)

PARLIAMENT OF GHANA LIBRARY

  
.....  
EVELYN BREFO-BOATENG (MS.)  
(CLERK, FINANCE COMMITTEE)

4<sup>TH</sup> DECEMBER, 2019