

IN THE FIRST SESSION OF THE SIXTH PARLIAMENT OF THE FOURTH REPUBLIC OF  
GHANA

REPORT OF THE FINANCE COMMITTEE

ON THE

VALUE ADDED TAX (AMENDMENT) BILL

2<sup>ND</sup> JULY, 2013

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**REPORT OF THE FINANCE COMMITTEE ON THE VALUE ADDED TAX  
(AMENDMENT) BILL, 2013**

**1.0 INTRODUCTION**

The Value Added Tax (Amendment) Bill was presented to Parliament by the Hon. Minister for Finance and read for the first time on Friday, 28<sup>th</sup> June, 2013. The Rt. Hon. Speaker referred the Bill to the Finance Committee for consideration and report in accordance with Article 174(1) of the 1992 Constitution and Order 169 of the Standing Orders of the Parliament of Ghana. The Committee was also to determine whether the Bill is of an urgent nature to be taken through all the stage in one day in accordance with Article 106 (13) of the Constitution and Order 119 of the Standing Orders of the House.

The Committee was assisted in its deliberations by the Hon. Minister for Finance, Mr. Seth E. Terkper, Deputy Ministers of Finance, Hon. Kwaku Ricketts- Hagan and Hon. Cassiel Ato Forson, Officials from the Ministry of Finance, Attorney-General's Department and the Ghana Revenue Authority (GRA).

The Committee is grateful to the Hon. Minister, Deputy Ministers and Officials from the Ministry of Finance, Attorney-General's Department and the GRA for attending upon it.

**2.0 REFERENCE**

The Committee referred to the following additional documents during its deliberations:

- The 1992 Constitution of Ghana.
- The Standing Orders of the Parliament of Ghana.
- Value Added Tax Act, 1998 (Act 546)

### 3.0 BACKGROUND

The Value Added Tax Act was amended to exclude the application of the tax to imported telephone handsets. Following the proposed imposition of a 20% import duty on telephone handsets, it has become important to amend the Act to apply to mobile handset imported into the country.

### 4.0 PURPOSE OF THE BILL

The Bill seeks to amend the Value Added Tax Act, 1998 (Act 546) to enable the Value Added Tax to cover the supply and import of telephone handsets.

### 5.0 THE BILL

The Bill amends the first schedule to the Value Added Tax Act, 1998 (Act 546) by the deletion from the First Schedule of Item No. 24 and its description.

### 6.0 OBSERVATIONS

#### *Urgency of the Bill*

The Committee in its deliberations considered the Bill to be of an urgent nature and must be taken through all the stages in one day in accordance with Article 106 (13) of the Constitution and Order 119 of the Standing Orders of the House.

### 7.0 Amendments proposed

The Committee after its deliberations proposes the following amendment:

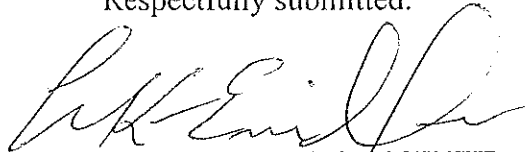
Long Title- Amendment Proposed – line 3, delete “handset” and insert “handsets”

### 8.0 CONCLUSION

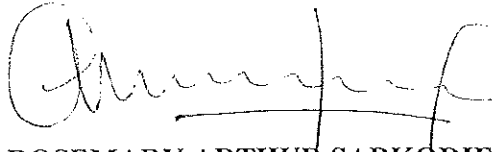
The Committee has thoroughly examined the Bill and recommends to the House to adopt its report and take the Value Added Tax (Amendment) Bill through all the stages in

accordance with Article 106 (13) of the Constitution and Order 119 of the Standing Orders of the House.

Respectfully submitted.



HON. GABRIEL KODWO ESSILFIE  
(VICE CHAIRMAN, FINANCE COMMITTEE)



ROSEMARY ARTHUR SARKODIE (MRS)  
(CLERK, FINANCE COMMITTEE)