

Ghana Revenue Authority announces support to taxpayers in response to COVID-19

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Executive summary

The Ghana Revenue Authority (GRA), the entity responsible for administering tax laws, in accordance with the provisions of the *Ghana Revenue Authority Act, 2009* (Act 791), has instituted measures to ensure that taxpayers are able to meet their tax obligations during the COVID-19 pandemic.

This Alert highlights the measures announced by the GRA.

Detailed discussion

The GRA has outlined measures to ensure that taxpayers are able to meet their tax obligations during this period of COVID-19. This is in pursuance of the implementation of the tax measures presented to Parliament by the Minister for Finance and Economic Planning (the Finance Minister) to mitigate the economic burden on taxpayers. These measures were announced to the public on 27 April 2020.

The measures announced by the GRA are:

1. Extension of time to file Self-Assessment Estimate Return

The due date for filing Self-Assessment return by entities with a 31 December financial year-end which was originally 31 March 2020 has been extended to 30 April 2020.

2. Extension of time to file Annual Return – Company Income Tax (CIT) and Personal Income Tax (PIT)

The due date for filing the Annual Return has been extended from four months to six months after the end of the basis year. However, companies that can file their returns before the extension period are encouraged to do so. According to the GRA, such companies will be classified as compliant and eligible for early issuance of both the Tax Clearance Certificate and the Withholding Tax Exemption Certificate.

3. Annual Tax Month

The month of June will be the Annual Tax Month for 2020 instead of April 2020.

4. Monthly filing of returns

Taxpayers are expected to file their monthly returns by the due dates using the email addresses provided by the GRA.

5. Payment of taxes

Taxpayers are expected to pay their taxes by SWIFT TRANSFER and are advised to contact their local Tax Office for bank details.

6. Waiver of penalties

Taxpayers who pay all their outstanding debts due to the GRA by 30 June 2020, will be granted a waiver of penalties on their principal debts.

7. Contributions and donations to COVID-19 Deductible

Donations and contributions toward the fight against the COVID-19 pandemic will be allowed as a deductible expense.

8. Vehicle Income Tax (VIT)

The due date for the sale of VIT stickers for the second quarter has been extended by one month ending on 15 May 2020.

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