

Tax Alert

Revenue Administration (Amendment) Act, 2020 (Act 1029)

November 2020

In a bid to increase the effectiveness of tax administration and the collection of taxes in Ghana, the Parliament of Ghana has passed into law an amendment called Revenue Administration (Amendment) Act, 2020 (Act 1029) which was gazetted on 6 October 2020. Act 1029 seeks to amend some Sections in the Revenue Administration Act, 2016 (Act 915), which is the principal enactment for the administration and collection of revenue by the Ghana Revenue Authority and for related matters.

The amendment basically makes the underlisted changes to Act 915:

- Tax objection process
- Establishment of an independent tax appeals board
- Waiver of penalties on voluntary disclosure for making false or misleading statements

This tax alert intends to provide an overview of the above changes.

Tax Objection Process

Act 1029 makes provision for a 2-tier process;

- Taxpayers who are dissatisfied with a tax decision to appeal against a tax decision made by the Commissioner-General (C-G) of the Ghana Revenue Authority (GRA) within thirty (30) days to an Independent Tax Appeals Board herein referred to as “the Appeals Board”.
- Secondly, a taxpayer who is dissatisfied with the decision made by the Appeals Board may within thirty (30) days from the date the decision was served seek redress in High Court.

Prior to this provision, taxpayers only had the option to appeal against a tax decision made by the C-G at the High Court within 30 days of the decision.

Establishment of an Independent Tax Appeals Board

Act 1029 has now introduced an Independent Tax Appeals Board to the Revenue Administration process in Ghana. The Independent Tax Appeals Board will act as an Independent Board setup to hear and determine appeals against tax decisions made by the C-G.

The Board, therefore, provides a platform for taxpayers and the Revenue Authority to resolve tax disputes amicably.

Decisions made by the Appeals Board remains binding on all parties (such as the taxpayer and the GRA) to the case under consideration unless a High Court says otherwise.

The Appeals Board's membership composition, tenure of office, sources of funding for its operations, proceedings and process for hearing appeals have all been spelt out in the newly introduced Fourth Schedule of the Revenue Administration Act.

Waiver of penalties on voluntary disclosure for making false or misleading statements

Prior to Act 1029, the Revenue Administration Act, 2016 (Act 915) imposed a penalty payable by a taxpayer who voluntarily discloses an error before its discovery by a tax officer or before the next tax audit on the taxpayer. However, Act 1029 seeks to waive any penalty on a person who voluntarily discloses errors inadvertently made before it is discovered by a tax officer or before the next tax audit of that person.

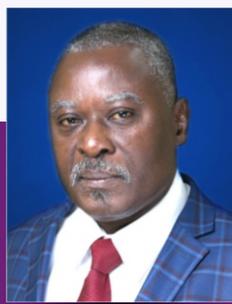
It's pertinent to note that the waiver shall not apply in any of the following circumstances:

- Tax has been assessed by the C-G on the person liable to pay in respect of the tax or any other matter relating to the tax.
- The taxpayer fails to make full disclosure and fails to declare and pay the accrued liabilities before the conclusion of an audit or investigation.
- The taxpayer liable to pay the tax has been notified by the C-G or by a person acting on behalf of the C-G of an enforcement action relating to the failure to comply with an enactment administered by the C-G unless that person immediately pays off any taxes assessed or due.

Other related matters – Provision of Tax Clearance Certificate

Act 1029 requires a tax clearance certificate from each member of a consortium or joint venture, and sub-contractors that submits a tender or applies for a contract including a contract to supply goods, works and services to a Government Ministries, Government Agencies, Local Government Authorities and other bodies in which public funds are vested.

Kindly direct all queries to:



Emmanuel Asiedu

Partner, Tax

✉ easiedu@kpmg.com

☎ +233(204)322 256



Kofi Frempong-Kore

Partner, Tax

✉ kfkore@kpmg.com

☎ +233(501)324329



The KPMG name and logo are registered trademarks or trademarks of KPMG International.

© 2020 KPMG, a partnership established under Ghanaian law, is a member of the KPMG network of independent member firms affiliated with KPMG International Cooperative (“KPMG International”) is a Swiss entity

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.