

ELECTRONIC TRANSFER LEVY (AMENDMENT) BILL, 2022

MEMORANDUM

The object of the Bill is to amend the Electronic Transfer Levy Act, 2022 (Act 1075) to reduce the levy on electronic transfers to one percent; to provide for the filing of returns and the time for the payment of the Levy.

The Electronic Transfer Levy was implemented in May 2022 with a modified phased approach where the charging entities temporarily used their own systems to assess and charge the Levy. In July 2022, the next phase saw the introduction of the Ghana Revenue Authority Common Platform for the assessment of the Levy.

Government has received several proposals for the review of the Levy and is working closely with all stakeholders to evaluate the general impact of the Levy in order to decide on the next line of action.

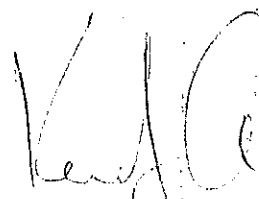
As a result of consultations with stakeholders, the rate of the Levy will be reduced to one percent of the transaction value. This reduction is expected to lead to increase in electronic transfers which will offset any losses in revenue resulting from the reduction in the rate of the Levy.

The Bill requires charging entities to file returns with the Commissioner-General and provides the timeline for the payment of the Levy.

Clause 1 amends section 1 of the Act 1075 to reduce the rate of Levy to one percent of the transaction value.

Clause 2 of the Bill introduces new provisions to provide for the filing of returns by charging entities in the manner and at the time and place determined by the Commissioner-General. The clause also requires charging entities to pay the Levy charged on electronic transfers to the Commissioner-General within twenty-four hours.

Clause 3 of the Bill amends section 10 to substitute the definition for 'agent' and to define 'charging entity'.



KEN OFORI ATTA

Minister responsible for Finance

Date 20th December, 2022

ELECTRONIC TRANSFER LEVY (AMENDMENT) BILL, 2022

ARRANGEMENT OF SECTIONS

Sections

1. Section 1 of Act 1075 amended
2. Sections 3A and 3B inserted
3. Section 10 of Act 1075 amended

A
BILL
ENTITLED

ELECTRONIC TRANSFER LEVY (AMENDMENT) ACT, 2022

AN ACT to amend the Electronic Transfer Levy Act, 2022 (Act 1075) to reduce the Levy on electronic transfers to one percent; to provide for the filing of returns; the time for the payment of the Levy and for related matters.

PASSED by Parliament and assented to by the President:

Section 1 of Act 1075 amended

1. The Electronic Transfer Levy Act, 2022 (Act 1075) referred to in this Act as the "principal enactment" is amended in section 1 by the substitution for subsection (1), of

"(1) There is imposed by this Act, an Electronic Transfer Levy of 1% on electronic transfers."

Sections 3A and 3B inserted

2. The principal enactment is amended by the insertion after section 3, of

"Filing of returns

3A. A charging entity shall file a return in respect of the Levy with the Commissioner-General in the manner and at the time and place determined by the Commissioner-General.

Payment of Levy

3B. A charging entity shall pay to the Commissioner-General the Levy that has been charged on electronic transfers within twenty-four hours after charging the amount."

Section 10 of Act 1075 amended

3. The principal enactment is amended in section 10 by

(a) the substitution for "agent", of

"agent" means a person registered with the Ghana Revenue Authority who provides agency services to customers on behalf of a principal under an agency agreement;"

(b) the insertion after "bank" of

"charging entity" means an entity listed in the First Schedule;"

PARLIAMENT OF GHANA LIBRARY
PARLIAMENT HOUSE
ACCRA