

**IN THE FOURTH SESSION OF THE FOURTH PARLIAMENT OF THE FOURTH  
REPUBLIC OF GHANA**

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

**1.0 INTRODUCTION**

The Value Added Tax (Amendment) Bill was laid in the House on Friday 14<sup>th</sup> March 2008 and referred to the Finance Committee for consideration and report in accordance with the 1992 Constitution and the Standing Orders of the House.

To consider the Bill the Committee met with the Minister of State at the Ministry of Finance and Economic Planning, Hon. Dr. A. Akoto-Osei, the Commissioner of Value Added Tax Service (VATS), Mr. Anthony E. Minlah and officials from the VATS and the Ministry of Finance and Economic Planning and reports as follows:

**2.0 RATIONALE OF THE BILL**

The object of this Bill is to remove the imposition of Valued Added Tax (VAT) on telephone handsets, including mobile or cellular phones and satellite phones.

**3.0 CONTENT OF THE BILL**

The Bill has only one Clause which seeks to amend the First Schedule by inserting after item 23 the following – telephone sets including mobile or cellular phones and satellite phones.

### **3.0 OBSERVATION**

The Committee was informed that the Bill seeks to amend Schedule 1 of the VAT (Amendment) Act 1996, Act 546 so as to exempt telephone handsets including mobile and satellite phones from the imposition of the import duty.

The Committee was also informed that the decision to remove this tax on the telephone handsets is to make phones more accessible and affordable to the general public. It is also to provide the public greater access to the possession and use of telephones.

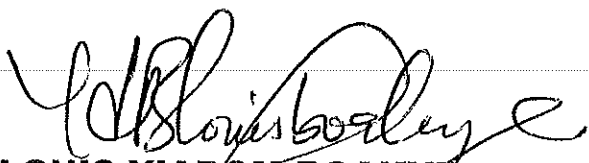
The Committee observed the exemption is part of the systematic programme of Government to improve telecommunication in the country.

### **4.0 CONCLUSION**

After carefully considering the Bill, the Committee believes that the Bill is in the right direction and hence recommends that the House to adopt its report and pass the Customs, Excise(Duties and Other taxes)(Amendment) Bill.

Respectfully submitted.

  
**HON. NII ADU DAKU MANTE**  
**CHAIRMAN**

  
**LOUIS YIADOM BOAKYE**  
**FOR CLERK, FINANCE COMMITTEE**

17<sup>th</sup> March 2008