

## **ICAG BUSINESS LESSONS (WEEK 29)**

### **Good morning**

This is **week 29** of the year 2022 in the Gregorian calendar. 23 weeks remain until the end of the year.

### **TUESDAY MOTIVATION**

Optimism is the faith that leads to achievement. Nothing can be done without hope and confidence.

- *Helen Keller*

### **TAXATION QUOTE OF THE WEEK:**

Governments have only one source of income. Taxes

- Unknown

### **TAXATION CONCEPT OF THE WEEK: CUSTOMS TAX**

The Customs Division of the Ghana Revenue Authority is responsible for the collection of Import Duty, Import VAT, Export Duty, Petroleum Tax, among other taxes.

The Customs division also ensures the protection of revenue by preventing smuggling. This is done by physically patrolling the borders and the other strategic points, examination of goods, checking documents relating to the goods.

### **Taxes and Duties Administered by Customs**

- Import duties on goods imported into Ghana
- Export Duties on goods exported from Ghana
- Import VAT/NHIL on goods imported into Ghana
- Excise Duties
- Vehicle Importation Tax
- Petroleum Tax
- ECOWAS levy, and others.

### **IMPORT DUTIES**

This is the major tax collected by the customs divisions of the GRA. It covers a broad spectrum of imported goods and the tax rates are diverse.

Import is defined as means to bring or cause to be brought into Ghana.

Import duties are payable on almost all imports into Ghana except those specifically exempted.

Such exempted Items include:

- Agricultural inputs
- Industrial machinery, solar, wind, thermal energy and electrical generating set of 375KVA and above, among others

## **IMPORT VALUE ADDED TAX/ NATIONAL HEALTH INSURANCE LEVY**

This form of VAT is assessed on imported goods and collected at the time of entry of such goods. The NHIL/Getfund is chargeable on imported goods. The VAT and NHIL/Getfund is chargeable at a rate of 12.5% and 5% respectively on the duty inclusive of the value of the imported items.

## **EXPORT DUTY**

This is payable on goods exported. The value of goods exported shall be the cost to the purchaser abroad including freight charges incurred for transport up to the port or place of exportation, harbour dues, loading charges and all charges and expenses accruing up to the point where the goods are deposited on board at the place of departure from Ghana.

## **THIS WEEK IN HISTORY – TOP 10 EVENTS**

18/07/2018 - Google fined record \$5.1 billion by the EU for abusing its power in mobile phone market

18/07/2015 - PayPal is spun off from eBay as a separate publicly traded company on the NASDAQ

18/07/1979 - Gold hits record \$303.85 an ounce in London

18/07/1974 - World's tallest structure, 646 metre Polish radio mast, completed.

19/07/2019 - Largest wind farm in Africa opens at Lake Turkana, Kenya, generating 310 megawatts

20/07/2001 - The London Stock Exchange goes public.

20/07/1953 - The United Nations Economic and Social Council votes to make UNICEF a permanent agency

21/07/2020 - European Union agrees huge €750 billion (\$859 billion) post-COVID-19 stimulus bill

21/07/2018 India scraps tax on sanitary products after campaign by activists

21/07/1977 – The start of the four-day-long Libyan–Egyptian War.

**Have a blessed week!**

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Please send all comments and suggestions to **Alhassan Trawule** on **0242 732976**.

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