

## **ICAG BUSINESS LESSONS (WEEK 20)**

### **Good morning**

This is **week 20** of the year 2022 in the Gregorian calendar. 32 weeks remain until the end of the year.

### **MONDAY MOTIVATION**

Nobody can go back and start a new beginning, but anyone can start today and make a new ending.

—*Maria Robinson*

### **FUN FACT OF THE WEEK**

The hardest working muscle in your body is your heart: It pumps more than 2,000 gallons of blood a day and beats more than 2.5 billion times in a 70-year life span

According to recent research, the human nose can distinguish at least a trillion different odors.

Moreso, all of an adult human's blood vessels, if laid out end to end, would be about 100,000 miles, so they could encircle the earth four times

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

All taxes discourage something. Why not discourage bad things like pollution rather than good things like working or investment?

—*Lawrence Summers*

### **TAXATION CONCEPT OF THE WEEK: TAX INCENTIVE – PART 1**

Incentives are measures that make one investment more attractive than another alternative investment. They are meant to provide a more favourable regime to investors.

In many cases they offset the disadvantages that investors face due to high taxes, inadequate infrastructure, bureaucratic rules and poor administration in the host country.

Incentives may be given to both domestic and foreign investors or restricted to either of them.

They promote general or specific economic or social development objective within a particular region, industry, activity or class of persons.

Tax Incentive is thus an aspect of a country's tax code designed to encourage a particular economic activity by reducing tax payments for a company in the said country.

Tax incentives include the following:

- tax holidays,
- investment allowances,
- accelerated depreciation,
- additional expense deductions,
- reductions in the withholding tax rates

- relief for expatriate taxes, etc

## **TAX INCENTIVES FOR SOME SELECTED ACTIVITIES/ SECTORS**

### **a. Agriculture**

Where a person conducts a farming business wholly within Ghana, the following are subject to tax at the rate of 1% during the concession period.

- In the case of farming tree crops, income from the business for a period of ten years of assessment commencing from and including the year which the first harvest of crops occurs;
- In the case of farming livestock (other than cattle), fish or cash crops, income from the business for a period of five years of assessment commencing from the year during which the business commences;
- In the case of farming cattle, income from the business for the period of ten years of assessment commencing from and including the year during which the business commences.

### **Agro Processing**

The income of a person from an agro processing business conducted wholly in Ghana is subject to tax at the rate of 1% for a period of five years of assessment commencing from and including the year in which commercial production commences.

### **Rural Banking**

The income of a person from a rural banking business is subject to a tax at a rate of 1% for the period of ten years of assessment commencing from and including the year in which the business is established.

### **Waste Processing**

The income of a company from a waste processing business is subject to tax at a rate of 1% for a period of seven years of assessment commencing from and including the year in which the business commences.

### **Residential Premises**

The income of a certified company from a low-cost housing business is subject to tax at the rate of 1% for the period of five years of assessment commencing from and including the year in which operations commence.

## **THIS WEEK IN HISTORY: TOP 15 EVENTS**

**16/05/2005** – Kuwait permits women's suffrage in a 35–23 National Assembly vote

**16/05/1991** – Queen Elizabeth II of the United Kingdom addresses a joint session of the United States Congress. She is the first British monarch to address the U.S. Congress.

**17/05/2018** - Ebola outbreak in Democratic Republic of Congo spreads to the city of Mbandaka.

**17/05/1997** – Troops of Laurent Kabila march into Kinshasa. Zaire is officially renamed Democratic Republic of the Congo.

**17/05/1994** – Malawi holds its first multi-party elections.

**17/05/1989** - Nelson Mandela receives a BA from University of South Africa

**18/05/2014** - Swiss voters reject a \$25 per hour minimum wage

**18/05/1998** - United States v. Microsoft: The United States Department of Justice and 20 U.S. states file an antitrust case against Microsoft.

**18/05/1991** – Northern Somalia declares independence from the rest of Somalia as the Republic of Somaliland.

**18/05/1990** - East and West Germany sign a monetary union treaty

18th May is International Museum Day

**19/05/2018** – The wedding of Prince Harry and Meghan Markle is held at St George's Chapel, Windsor, with an estimated global audience of 1.9 billion.

**19/05/2015** - UK inflation is recorded as a negative for the first time since 1960

**19/05/1960** - Belgian parliament requires rest day for self employed

**20/05/2015** - 5 major world banks (JPMorgan, Barclays, Citigroup, RBS and UBS) fined US\$5.7bn for manipulating currency markets - some of the largest ever fines

**20/05/2013** - Yahoo purchases Tumbler for \$1.1 Billion.

## **DID YOU KNOW?**

Registration for tuition for August 2022 Professional exams is in progress. Join the ICAG for the classes for all sessions. Classes starts 4<sup>th</sup> May through to 24<sup>th</sup> July 2022. Don't be left out!

Compiled by:

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

Join the ICAG...and be a Business Leader. **Call us on 0544 336701/2 or 0277801422/3/4**

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