

# GUIDELINES ON THE TAX AMNESTY ACT, 2017 (ACT 955)

## 1.0 INTRODUCTION

**Tax amnesty** is a limited-time opportunity for taxpayers and potential taxpayers who have defaulted in any of their **FOUR (4) BASIC TAX OBLIGATIONS**, namely; Registration with GRA, filing of tax returns by due dates, paying taxes on due dates and making full disclosure (complete and accurate) of Financial Reporting, to discharge their obligations voluntarily in exchange for forgiveness of and /or in some cases the tax, interests and penalties without fear of prosecution.

## 2.0 OBJECTIVES

The tax amnesty programme is aimed at:

- facilitating the regularization of the tax affairs of persons who have defaulted in meeting their tax obligations;
- updating the GRA data base
- improving the tax compliance culture; and
- broaden the tax net

The Tax Amnesty Act, 2017 (Act 955) is specifically designed to afford:

(a ) taxpayers registered with the Ghana Revenue Authority (GRA) the opportunity to voluntarily submit their outstanding tax returns and pay the relevant taxes on all previously undeclared taxes without being made to pay the penalties and interest that otherwise will have been imposed for such default under the provisions of the Revenue Administration Act, 2016 (Act 915) and other tax laws administered by the Commissioner - General.

**And**

(b) Potential taxpayers who are not registered with the GRA but who earned profits or other incomes in previous years will also have the opportunity to register with the Authority and submit all outstanding tax

returns for the relevant period without payment of the relevant tax, penalties and interest that will otherwise have been due on those incomes.

### **3.0 When can a person apply for the tax amnesty?**

The tax amnesty is designed to operate for a limited time period ending on 30<sup>th</sup> September, 2018. In effect an application for the amnesty must therefore be submitted to the GRA on or before 31<sup>st</sup> August, 2018.

### **4.0 Who qualifies for tax amnesty?**

Under the provisions of the Tax Amnesty Act, 2017 (Act 955), tax amnesty is available to the following categories of persons:

- i. A person who:
  - (a) is registered with the Ghana Revenue Authority but has not submitted all returns or amended returns, containing a full disclosure of all previously undisclosed liabilities up to 2017 year of assessment
  - and
  - (b) Pays up all assessed and outstanding taxes
- ii. A previously unregistered person who registers with the Ghana Revenue Authority before 30<sup>th</sup> September, 2018 and files income tax return for **2014, 2015, 2016** years of Assessment

### **5.0 Requirements for tax amnesty**

To benefit from the tax amnesty;

- (a) A person who has registered with the Ghana Revenue Authority previously but has not submitted all previous returns or made full disclosure of all liabilities in previous years of assessment is required to;

- i. submit all outstanding returns or amended returns (**Copy Attached-Appendix 1**, What constitutes a tax return?) with full details of all undisclosed liabilities within the “qualifying period”;

and

- ii. pay all taxes assessed and any taxes due or outstanding under the provisions of the various tax laws

*It must be noted that no penalties or interest shall be imposed on such person for the failure to file the tax returns or make full disclosure of liabilities, once the requirements indicated above are met.*

- (b) A person who is liable to pay tax on incomes earned for the 2014, 2015 and 2016 years of assessment but who has not registered with the Ghana Revenue Authority is required to;

- i. Register with the Ghana Revenue Authority on or before 30<sup>TH</sup> September 2018
- ii. Submit all outstanding tax returns with full disclosure of previously undisclosed incomes was earned within the 2014, 2015 and 2016 years of Assessment

*Such person will not be made to pay the taxes, the penalties and interest that will otherwise be due under the provisions of the laws once the above requirements are met.*

#### **6.0 Who does not qualify for tax amnesty?**

The tax amnesty does not apply in respect of a tax if the person who should have filed tax return(s) and/or paid the tax(s) in the qualifying period but;

- (i) has been notified by or on behalf of the Commissioner-General or by of an assessment or additional assessment in respect of the tax or any matter relating to the tax;

- (ii) is under audit or investigation by or on behalf of the Commissioner- General in respect of an undisclosed income or a matter relating to that undisclosed income **unless** the person makes full disclosure and declares and pays the accrued liabilities before the conclusion of the audit or investigation;
- (iii) has been notified by or on behalf of the Commissioner-General of an enforcement action relating to failure to submit returns or pay any tax assessed or due; or **unless** that person submits the returns or make immediate payments of any taxes assessed or due.
- (iv) has failed to comply with the provisions of any of the tax laws administered by the Commissioner General relating to submission of returns or the payment of taxes that would be due from 1<sup>st</sup> January ,2018

## 7.0 Application for tax amnesty

A person who qualifies for tax amnesty is required to submit an application for amnesty to the Commissioner-General on a Tax Amnesty Application form (**Copy attached-Appendix 2**) which can be obtained from any office of the GRA in the country. Or visit the website, [www.gra.gov.gh](http://www.gra.gov.gh)

The application form must be properly completed and submitted:

- i. at any time during the period commencing from 1st January 2018 and ending on 31<sup>ST</sup> August 2018 together with disclosure forms (**Copy attached –Appendix 3a&3b**) ;
- ii. the returns of income for the relevant years of assessment as indicated in item 4.0 above with a statement of all assets (at cost) and liabilities as at the end of the 2017 year of assessment where applicable; and
- iii. in the case of a person registered with the Ghana Revenue Authority, returns or amended returns ,containing a full disclosure of all previously undisclosed liabilities up to the 2017 year of assessment ,with full payment of all taxes assessed or due.

Where an applicant is unable to provide the full particulars of actual amounts on the application form or in any return or statement relating to the application, the applicant may provide a reasonable estimate of those amounts. Where an estimate is made under such circumstances it must be clearly indicated on the remarks column in Disclosure Form.

**An applicant who is not previously registered with the GRA will be required to complete and submit a Registration Forms in addition to the Application form, Disclosure forms and the returns**

## **8.0 Processing of applications**

The Commissioner-General shall within thirty days after receipt of an application notify the applicant of the decision to grant or refuse the application. Where there is a refusal of an application the Commissioner-General shall specify the reasons for the refusal.

An applicant who is dissatisfied with a decision of the Commissioner-General to refuse that applicant the tax amnesty may, within thirty days of receipt of the decision, lodge a written complaint with the Commissioner-General for a review of the decision.

The Commissioner-General shall make a determination within thirty days of receipt of the complaint and notify the applicant accordingly.

## **9.0 Remission of Tax**

It must be noted that the Tax Amnesty Act, 2017 (Act 955) does not derogate from the powers of the Commissioner-General to remit tax under section 65 of the Revenue Administration Act, 2016 (Act 915)