



**GHANA EDUCATION TRUST FUND
(AMENDMENT) BILL, 2025**

ARRANGEMENT OF SECTIONS

Section

1. Section 2 of Act 581 amended
2. Section 3A of Act 581 amended



Ghana Education Trust Fund (Amendment) Bill, 2025

A
BILL

ENTITLED

**GHANA EDUCATION TRUST FUND (AMENDMENT)
ACT, 2025**

AN ACT to amend the Ghana Education Trust Fund Act, 2000 (Act 581) to provide financing for free secondary education, free tertiary education for persons with disability and free education for persons with special needs and to allow for the deductibility of the Ghana Education Trust Fund Levy.

PASSED by Parliament and assented to by the President:

Section 2 of Act 581 amended

1. The Ghana Education Trust Fund Act, 2000 (Act 581), referred to in this Act as the “principal enactment”, is amended by the substitution for section 2, of

“Object of the Fund

2. (1) The object of the Fund is to provide finance to supplement the provision of education at all levels by Government.

Ghana Education Trust Fund (Amendment) Bill, 2025

(2) For the purposes of attaining the object under subsection (1), the moneys from the Fund are to be used

- (a) to provide, through the Ministry, financial support to the agencies and institutions under the Ministry for the development and maintenance of essential academic facilities and infrastructure in public educational institutions, particularly, in tertiary institutions;
- (b) to provide supplementary funding to the Scholarship Secretariat for the grant of scholarships to gifted but needy students for studies in the second-cycle and accredited tertiary institutions in the country;
- (c) to contribute moneys from the Fund towards the operation of student loans schemes for students in accredited tertiary institutions through loan scheme mechanisms and agencies approved by the Minister;
- (d) to provide, through the Ghana Tertiary Education Commission, grants to tertiary institutions to
 - (i) train brilliant students as members of faculties; and
 - (ii) undertake research and other academic programmes of relevance to national development;
- (e) to fund free secondary education;
- (f) to fund free tertiary education for persons with disability;

Ghana Education Trust Fund (Amendment) Bill, 2025

- (g) to fund free education for persons with special needs; and
- (h) to provide moneys to support any other educational activities and programmes for the promotion of education as the Minister may, in consultation with the Board, determine.”.

Section 3A of Act 581 amended

2. The principal enactment is amended by the substitution for section 3A, of

“Imposition of Ghana Education Trust Fund Levy

3A. (1) There is imposed by this Act, a Ghana Education Trust Fund Levy on the

- (a) supply of goods or services made in the country other than exempt goods or services; and
 - (b) import of goods or services other than exempt imports.
- (2) The rate of the Levy is two and a half per cent.
- (3) The Levy shall be paid at the time the goods or services are supplied or imported.
- (4) Except as otherwise provided in this Act, the Levy is charged on the supply of goods or services where the supply is
- (a) a taxable supply; and
 - (b) made by a taxable person in the course of the taxable activity of that person.”.



Ghana Education Trust Fund (Amendment) Bill, 2025

Date of *Gazette* notification: 21st November, 2025.



GHANA EDUCATION TRUST FUND (AMENDMENT) BILL, 2025

MEMORANDUM

The object of the Bill is to amend the Ghana Education Trust Fund Act, 2000 (Act 581) to provide financing for free secondary education, free tertiary education for persons with disability and free education for persons with special needs and to allow for the deductibility of the Ghana Education Trust Fund Levy.

Act 581 establishes the Ghana Educational Trust Fund with the object of providing finance to supplement the provision of education at all levels by the Government, including the development and maintenance of essential academic facilities and infrastructure.

The Fund is, however, inadequate in the face of expanding educational programmes and the need for additional infrastructure.

Government realises that the absence of a dedicated source of funding for the Free Senior High School Programme initiated in 2018 has raised concerns about the sustainability of the Programme. Government has also resolved to strengthen social protection through the implementation of the Policy on Free Tertiary Education for Persons with Disability and free education for persons with special needs.

In response to these challenges, Government has amended the Earmarked Funds Capping and Realignment Act, 2017 (Act 947) to uncap the Ghana Education Trust Fund to make available dedicated funds for the financing of free secondary education and free tertiary education for persons with disability.

There is, however, the need to expand the objects of the Fund to include the financing of free secondary education, free tertiary education for persons with disability and free education at all levels for persons with special needs.

Act 581 further imposes the Ghana Education Trust Fund Levy to mobilise resources for the Ghana Education Trust Fund. The Levy is charged on the supply of goods and services other than exempt supplies

GHANA EDUCATION TRUST FUND (AMENDMENT) BILL, 2025

and the import of goods and services, other than exempt imports. The Levy is also applied in addition to the standard rate of the Value Added Tax. In the same vein as the National Health Insurance Levy, the Levy is currently not creditable as input tax, which contributes to a cascading tax burden on consumption.

While the Levy has been instrumental in funding educational infrastructure and programmes, the non-deductibility of the Levy has added to the cost of doing business and has created compliance complexities for taxpayers.

Government, in the 2025 Budget Statement, outlined its commitment to making the Value Added Tax system more efficient and business-friendly by harmonising consumption taxes and allowing input tax credit for earmarked levies.

The Bill, therefore, seeks to amend the Ghana Education Trust Fund Act, 2000 (Act 581) to expand the object of the Fund to include the financing of free secondary education, free tertiary education for persons with disability and free education for persons with special needs and to make the Ghana Education Trust Fund Levy input tax deductible.

The amendment is expected to encourage more students with disability to pursue tertiary education, reduce the financial burden on families and affirm the unwavering commitment of Government to inclusivity, equal opportunity and social equity in education. The amendment is also expected to improve attendance, concentration and learning outcomes for learners with special needs and advance inclusive and accessible education for persons with special needs.

The amendment will also improve compliance, reduce tax-induced price distortions, improve the profitability of businesses and foster a more transparent and growth-supportive Value Added Tax regime, while continuing to safeguard the resources needed to finance the education sector.



**GHANA EDUCATION TRUST FUND
(AMENDMENT) BILL, 2025**

Clause 1 of the Bill amends section 2 of Act 581 to expand the permitted uses of the moneys of the Ghana Education Trust Fund to include the funding of free secondary education, free tertiary education for persons with disability and free education for persons with special needs.

Clause 2 amends section 3A of Act 581 by deleting the provision that renders the Ghana Education Trust Fund Levy non-deductible as an input tax.

HON. HARUNA IDDRISU (MP)
Minister responsible for Education

Date: 12th November, 2025.