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VALUE ADDED TAX (AMENDMENT) BILL, 2026

MEMORANDUM

The object of the Bill is to amend the Value Added Tax Act, 2025 (Act 1151) to provide for an adjustment in the Value Added Tax threshold for services and zero-rate the local purchase of gold under the Ghana Accelerated National Reserve Accumulation Programme.

The Value Added Tax Act, 2025 was passed to consolidate the various amendments to the Value Added Tax as well as introduce additional provisions to address emerging trends in the Tax regime.

With the passage of Act 1151, the Act removed the threshold for services and clothed the Commissioner-General with the authority to decide who qualifies to be registered. An amendment of Act 1151 is necessitated to introduce a threshold for services and rather allow the Commissioner-General to determine those whose should register despite the threshold.

Also, Government has developed a timebound strategy through the Ghana Accelerated National Reserve Accumulation Policy to raise reserves to fifteen months of import cover by the end of 2028. This strategy is anchored on a goldbased reserve accumulation approach, complemented by structural measures to expand nontraditional exports, boost productivity in the cocoa sector, mobilise remittances, develop new oil fields, stem chronic foreignexchange leakages, particularly within the energy sector and most importantly uphold fiscal discipline.

The goldbased reserve accumulation approach involves the purchase of gold from domestic large scale gold producers to enable Government to meet these targets. Due to the large cash outlay and the need to enable the producers obtain Value Added Tax input deductions, Government has decided to apply a rate of zero to the domestic purchase of gold under the policy.

The proposed amendment to Act 1151 therefore seeks to introduce a threshold for services and rather allow the Commissioner-General to determine the persons who qualify to register for the tax despite the threshold.

The Bill also seeks to provide for the zero-rating of domestic gold purchases under the Ghana Accelerated National Reserve Accumulation Policy.

Clause 1 amends section 6 of the Act to provide for a threshold to the provision of services and gives the Commissioner-General the power to determine who qualifies to be registered for Value Added Tax despite the existence of the threshold.

Clause 2 amends the Second Schedule to the Act by making provision for the zero-rating of domestic gold purchases under the Ghana Accelerated National Reserve Accumulation Programme.

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DR. CASSIEL ATO FORSON (MP)
Minister responsible for Finance

Date:

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VALUE ADDED TAX (AMENDMENT) BILL, 2026

ARRANGEMENT OF SECTIONS

Section

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VALUE ADDED TAX (AMENDMENT) BILL, 2026

A

BILL

ENTITLED

VALUE ADDED TAX (AMENDMENT) ACT, 2026

AN ACT to amend the Value Added Tax Act, 2025 (Act 1151) to provide for an adjustment in the Value Added Tax threshold for services and to zero-rate the local purchase of gold under the Ghana Accelerated National Reserve Accumulation Programme.

PASSED by Parliament and assented to by the President:

Section 6 of Act 1151 amended

1. The Value Added Tax Act, 2025 (Act 1151) referred to in this Act as the "principal enactment" is amended in section 6 by the substitution for subsection (1), of

"(1) Except as otherwise provided in this Act, a person who engages in a taxable activity and is not registered for the Tax shall register if

(a) at the end of any period of twelve months or less, the person has made, during that period, taxable supplies exceeding seven hundred and fifty thousand Ghana Cedis; or

(b) at the end of any month, there are reasonable grounds to expect that the person will make taxable supplies exceeding seven hundred and fifty thousand Ghana

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Cedis during the following period of twelve months or less.".

Second Schedule of Act 1151 amended

2. The principal enactment is amended in the Second Schedule by the insertion after subparagraph (11) of paragraph 2, of

"(12) A domestic supply of gold under the Ghana Accelerated National Reserve Accumulation Programme.".