

**ADDRESS BY THE DEPUTY COMMISSIONER OF STRATEGY,  
RESEARCH, POLICY & PROGRAMMES DEPARTMENT (SRP&P) OF  
GHANA REVENUE AUTHORITY (GRA) AT THE INTERNATIONAL  
CENTRE FOR TAX AND DEVELOPMENT (ICTD) WORKSHOP AT ALISA  
HOTEL, NORTH RIDGE FROM 23-29 FEBRUARY 2024**

1. Dr. Martin Hearson-ICTD Research Director & DIGITAX Programme Lead and the wider DIGITA Team
2. Representatives from the Chamber of Telecommunication
3. All Protocols Observed
4. All Invited Guests
5. The media
6. Ladies and Gentlemen

Good morning and thanks extremely for given me this great honour and opportunity to give opening remarks at this much awaited workshop on the team “**Taxing Mobile Money – Lessons and Ways Forward**”. In fact, we got information about this workshop about Five (5) months ago and this was when we received a message from the International Centre for Tax and Development (ICTD) to partner them to host this international workshop. We say it is international workshop because we have participants coming from Europe, US, Africa and other parts of the world attending this workshop and I say **AKWAABA** to all the participants.

Ladies and Gentlemen, in 2022, ICTD wrote a letter to Commissioner-General of the Ghana Revenue Authority requesting for collaboration in the area of tax research & training. Based on this, we prepared **Memorandum of Understanding (MoU)** which was signed by Commissioner-General and the Chief Executive Officer of ICTD on **11th November, 2022**. The MOU was mainly to help us undertake joint research activities, and also promote and support the GRA's research capacity to improve tax revenue mobilisation in an effective and equitable manner. I must confirm that since the signing of the MOU, ICTD has been very helpful to GRA. We have benefited from

- a STATA Training organised for the staff of my department last year and
- on Friday 1<sup>st</sup> March, 2024 another training on 'Tax and Benefit Modelling - the Case of Ghana is to be organised.
- In addition, GRA partnered them in some of their researches on Ghana's e-levy including the following:
  - i. E-Levy and the merchant payment exemption in Ghana
  - ii. Mobile money taxes: Knowledge, Perceptions and Politics the case of Ghana

The findings and recommendations of these researches have been very useful in shaping Ghana's e-levy which was first implemented in May 2022.

Ladies and Gentlemen, available data showed there was great revenue potential of mobile money taxation in Ghana. Based on this, on 17<sup>th</sup> November, 2021, the government announced in its **Budget Statement and Economic Policy for 2022 Financial Year in Paragraph 247** (iv), an introduction of Electronic Transaction Levy (E-Levy) at the rate of **1.75%** on the value of digital transactions. The rationale of the levy was to broaden the tax net and raise an additional revenue to support

- entrepreneurship,
- youth employment,
- digital infrastructure and
- road infrastructure.

The policy which was expected to take off on **January 1, 2022**, was estimated to raise **GH¢6.96bn** in revenue.

However, the policy process that preceded implementation of the levy did not support this, as most Ghanaians and civil society groups kicked against the policy.

Notwithstanding, the bill was eventually passed into law on **29th March, 2022** as the **Electronic Transfer Levy Act 2022 (Act**

**1075)**, and assented to by the President on **March 31, 2022**, at a revised rate of **1.50%**..

The implementation of the levy eventually started on **1<sup>st</sup> May, 2022**. Currently the charging entities collecting the e-levy are the

- Banks,
- Specialized Deposit-Taking Institutions,
- Payment Service Providers (PSPs), and
- Electronic Money Issuers (EMIs).

Ladies and Gentlemen, although the Authority was tasked to collect **GH¢6.96bn** in revenue from the e-levy in 2022 fiscal year, due to the

- delayed implementation of the policy,
- reviewed exemptions,
- increased avoidance and
- acceptability challenges,

during the Mid-Year Budget review in 2022, the target was revised downward to **GH¢ 611 million**. A reduction of **91.2%**. At the of the year a total revenue of **GH¢ 612.34 million** was collected exceeding the revised target by **GH¢1.34 million (i.e., 0.2%)**.

Ladies and gentlemen, in 2023, Ghana Revenue Authority collected **GH¢ 1.19 bn** from the e-levy. This was against the set target of **GH¢1.11bn** recording an excess collection of **GH¢83.15m (i.e. 7.5%)** and year on year growth of **85.7%**.

The steady rise in the e-levy revenue and attainment of the targets were attributed to:

1. Deployment of technology including integration of all charging entities onto the Electronic Management System (ELMAS) to provide the basis for computing and charging the correct levy, and plugging the loopholes for tax avoidance
2. Improved filing and payment of the levy
3. Vigorous education and research during the modified phase and full implementation phase.
4. Reduction in the rate of the levy from 1.5% to 1.0% which has reduced avoidance and led to increase in transaction levels compared to the previous year.
5. An increase in the level of transaction with a bump in revenue in December 2023 due to the increase in P2P transfers.
6. MTN which accounts for 60% of e-levy revenue added a channel to the common platform in December 2023 and this accounted for the additional spike in revenue.

Ladies and gentlemen, in conclusion, I want to thank all participants and ICTD for putting this workshop together. I also wish to thank Commissioner-General of the Ghana Revenue Authority for hosting this important Workshop. I wish to thank also Communications Public Affairs (CPA) of GRA, Dr. Alex Kombat & Isaac kobina Amoako for assisting in the organization of this workshop. We hope the outcome of this DIGITAX workshop will help improve Ghana's tax revenue and our collaboration with ICTD.

May God bless you all and enjoy your stay in Ghana.

Thank you.