

GHANA REVENUE AUTHORITY

Administrative Guidelines for the Implementation of the Penalty and Interest Waiver Act, 2021 (Act 1065)

Administrative Guideline Number: GRA/AG/21/0001

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1.0 Introduction

The Coronavirus (COVID-19) pandemic has affected the livelihoods of many Ghanaians and enterprises. Some sectors of the economy and sections of the population continue to suffer the devastating consequences of the pandemic such as job losses, closure of businesses and cash flow challenges. It is against this backdrop that the Government, in its Budget Statement and Fiscal Policy for 2021, provided for the waiver of penalty and interest. In furtherance of this policy, the Penalty and Interest Waiver Act, 2021 (Act 1065) has been passed to provide the legal framework for its implementation. Section 11 of Act 1065, provides for the issuance of Administrative Guidelines for the waiver of penalty and interest by the Commissioner-General.

2.0 Objective

The purpose of this guidelines is to give clarity and provide guidance to officers of the Ghana Revenue Authority (GRA) as well as taxpayers on the procedures to be followed in the waiving of penalty and interest.

3.0 Persons qualified for the waiver.

A waiver for penalty and/or interest applies to a person who:

- a) has not previously registered with the Ghana Revenue Authority, or
- b) has registered with the Ghana Revenue Authority but
 - (i) has not submitted returns, or
 - (ii) is in arrears for the submission of returns, or
 - (iii) is in arrears for the payment of taxes.

4.0 Persons not qualified for the waiver.

The waiver shall not apply:

- a) where the person fails to comply with the provisions of an enactment administered by the Commissioner-General that relates to the furnishing of a return or payment of a tax due from 1st January, 2021.
- b) to payments and returns due from 1st January, 2021 under an enactment administered by the Commissioner-General.

5.0 Period covered by the waiver

The waiver shall cover penalty and interest on accumulated tax arrears up to 31st December, 2020.

6.0 Application for waiver

1. A person who qualifies for the waiver under the law may apply to the Commissioner-General in writing using the prescribed form (Appendix 1) which is available at all GRA Offices and the GRA website (www.gra.gov.gh)
2. Where a person has already been assessed by the Ghana Revenue Authority, the application shall be accompanied with evidence of the assessed penalty and interest.
3. Where the penalty and interest have not been assessed by Ghana Revenue Authority, the Commissioner-General may make an assessment before the waiver can be granted.
4. Where a person has defaulted in filing a return(s) or payment of taxes due, the person shall submit the outstanding return(s) and indicate the tax liability involved, together with the penalty and interest thereon.
5. Where a person has already filed a return(s) and wishes to amend the return(s), the person may apply to file an amended return(s) with the necessary disclosures in order to benefit from the waiver.
6. Where a person has not registered with the GRA, but wants to benefit from the waiver, that person shall apply for registration as a taxpayer and make full disclosure of the necessary information for assessment.
7. The completed application form shall be submitted to the taxpayer's registered tax office or in the case of applications relating to Customs, to the Office of the Commissioner, Customs Division.

7.0 Period for submission of application

An application for waiver shall be submitted to the Ghana Revenue Authority between 1st April, 2021 and 30th September, 2021.

8.0 Conditions for grant of the waiver

A person shall only qualify for grant of the waiver where that person:

- a) submits return(s) or amended return(s), containing a full disclosure of undisclosed liabilities relating to the period up to 31st December, 2020,
- b) pays or makes the necessary arrangements to **PAY ALL** resulting taxes, and
- c) pays or makes the necessary arrangements to pay assessed and outstanding taxes.

9.0 Immunity from recovery or prosecution

Where a person has applied and been granted waiver of penalty and interest under this Act, the Commissioner-General shall not:

- 1) recover the assessed penalty and interest on the tax paid or tax due or
- 2) commence prosecution or an enforcement action in respect of that person on the penalty and interest waived.

10.0 Administrative procedures

10.1. Timelines for communication of decision

- 1. After receipt of an application, the Commissioner-General shall within thirty (30) days serve notice of his/her decision on the applicant.

10.2 At the Taxpayer Service Center (TSC) Level

- 2. An application in respect of domestic taxes shall be received at the Taxpayers Service Centre (TSC) of the taxpayer’s registered tax office.
- 3. The TSC Manager shall acknowledge receipt of the application.
- 4. The TSC shall vet the application and assess the appropriate penalty and interest where this has not been done.
- 5. The TSC Manager shall record all applications received and forward same within five (5) working days to the appropriate Area Manager.
- 6. The TSC Manager shall prepare and submit to the Area Manager a monthly status report on the applications received within five (5) working days after the end of the month.

10.3 At the Area Office Level

1. All applications received by the Area Manager shall be recorded and evaluated.
2. A report on the applications received and evaluated shall be submitted within three (3) working days to the appropriate Deputy Commissioner (DC).
3. The Area Manager shall prepare a monthly status report from all TSCs under their jurisdiction and submit same to the Commissioner, Domestic Tax Revenue Division (DTRD), through the appropriate Deputy Commissioner within ten (10) working days after the end of the month.

10.4 At the Deputy Commissioner (DC) Level

1. The DC shall review the report on all applications received and make recommendations within two (2) working days to the Commissioner, DTRD.
2. The Commissioner, DTRD, shall evaluate and forward the applications to the Commissioner-General for approval.

10.5 At the LTO/Kinbu Sub-LTO Level

1. All applications received by the Deputy Commissioner/Assistant Commissioner shall be recorded and evaluated.
2. The Deputy Commissioner/Assistant Commissioner shall review all applications received and make recommendations within two (2) working days to the Commissioner, DTRD.
3. The Commissioner, DTRD, shall evaluate and forward the applications to the Commissioner-General for approval.

10.6 At the Head Office

1. Receipts of reports and recommendations from the appropriate DCs shall be considered for approval by the Commissioner, DTRD.
2. The Commissioner, DTRD, shall prepare and submit monthly status reports on waiver granted to the Commissioner-General.

10.7 Customs Division

1. All applications shall be submitted to the Office of the Deputy Commissioner, Operations, or Deputy Commissioner, Post Clearance Audit, for processing and submission to the Commissioner, Customs.
2. The Commissioner, Customs, shall evaluate and forward the applications to the Commissioner-General for approval.

10.8 At the Head Office (Commissioner-General)

1. The Commissioner-General shall prepare and submit to the Minister:
 - a) an interim report indicating waivers granted as at 30th September, 2021; and
 - b) a final report on the waivers granted as at 31st December, 2021.

11.0 Waiver Certificate

A waiver certificate shall be issued to an applicant only after completion of payment of the principal amount.

12.0 Payment arrangement

1. Where a person applies for installment payments of the principal amount, the office shall follow the laid down procedures in respect of threshold duration prescribed in the revised operational manual.
2. The installment payment plan application shall be submitted not later than 30th September, 2021.
3. A taxpayer who fails to comply with a proposed installment payment plan shall not be entitled to the waiver and the tax outstanding becomes payable immediately.
4. The installment arrangement plan shall be signed by the person and attached to the application.
5. All re-scheduled payment plans **SHALL NOT** go beyond 31st December, 2021.

13.0 Complaint and Determination of Complaint

1. An applicant who is dissatisfied with a decision of the Commissioner-General in respect of the refusal or denial of the waiver of penalty and interest may, within thirty (30) days after receipt of the decision, lodge a written complaint with the Commissioner-General for a determination of the matter.
2. The Commissioner-General shall, within thirty (30) days after receipt of the complaint, make a determination and notify the applicant accordingly.
3. Where the applicant is dissatisfied with the determination made under subsection (2), the applicant may pursue the matter in court.

Signed

Date 28/04/24

**Rev. Ammishaddai Owusu-Amoah
Commissioner-General**