



# GRA

## GHANA REVENUE AUTHORITY

### ADMINISTRATIVE GUIDELINES ON ELECTRONIC TRANSFER LEVY

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## **1. INTRODUCTION**

The Electronic Transfer Levy Act, 2022 (Act 1075) imposes a Levy on all electronic transfers made other than electronic transfers that are excluded under the Act.

## **2. APPLICABLE LAW**

These Administrative Guidelines are issued under the Electronic Transfer Levy Act, 2022 (Act 1075).

## **3. INTERPRETATION**

In these Administrative Guidelines, unless the context requires otherwise

“Act” means the Electronic Transfer Levy Act, 2022 (Act 1075).

“Charging Entities” means the entities listed in the First Schedule of the Act.

Unless the context requires otherwise, definitions and expressions used in these Administrative Guidelines have the same meaning as they have in the Act.

## **4. THE PURPOSE OF THESE ADMINISTRATIVE GUIDELINES**

The purpose of these Administrative Guidelines is to give clarity and provide guidance to officers of the Ghana Revenue Authority (GRA), tax practitioners, consultants, taxpayers and the general public on the provisions in the Act and to ensure consistency in its implementation.

## **5. PERSONS MANDATED TO CHARGE THE LEVY**

The Levy shall be charged and remitted by a Charging Entity to GRA. The Act specifies the following as Charging Entities:

- a. Electronic Money Issuers such as MTN MoMo, Vodafone Cash, AirtelTigo Money, Zeepay, G-Money, Yup wallet etc.
- b. Payment Service Providers such as E-Tranzact, JuniPay, Korba, Nsano etc.
- c. Banks such as Consolidated Bank Ghana, GCB Bank, Agricultural Development Bank etc.
- d. Specialised Deposit-Taking Institutions such as rural and community banks, savings and loan companies, finance houses etc.

## **6. ELECTRONIC TRANSFERS**

Under the Act, “Electronic Transfer” is defined as “a transaction carried out electronically on the initiative of the originator through an institution or a platform to make available an amount of money to a beneficiary”. Thus, the Levy is charged on transfers only. Transactions such as bank deposits and withdrawals, mobile money Cash-in and Cash-outs etc. are excluded from the Levy.

## 7. TRANSFERS COVERED

The Electronic Transfer Levy applies to the following transfers as specified in the Second Schedule to the Act:

- a. Mobile money transfers done between accounts on the same electronic money issuer - *sending money from a mobile money wallet to another individual or entity on the same platform's mobile money wallet.*
- b. Mobile money transfers from an account on one electronic money issuer to a recipient on another electronic money issuer - *sending money from a mobile money wallet on one platform to another individual's or entity's mobile money wallet on another platform.*
- c. Transfers from bank accounts to mobile money accounts - *transferring money from an individual's or entity's bank account to another individual's or entity's mobile money wallet. This includes pay-outs to mobile money wallets from gaming and games of chance such as lottery and betting.*
- d. Transfers from mobile money accounts to bank accounts - *transferring money from an individual's or entity's mobile money wallet to another individual's or entity's bank account.*
- e. Bank transfers on an instant pay digital platform or application originating from a bank account belonging to an individual subject to a threshold to be determined by the Minister of Finance - *In essence, for an electronic transfer to attract the Levy under this section, it must meet the following qualifications. The electronic transfer must:*
  - i. *Be from an account maintained by a bank to another account maintained by a bank- this qualification applies whether the accounts are maintained by the same bank (intra-bank transfers) or maintained by different banks (interbank transfers).*
  - ii. *Be an instant payment – the main focus of this requirement is that the transfer is “instant”. Where payments are not instant, the Levy will not apply. For purposes of clarification, Automated Clearing House (ACH) and Society for Worldwide Interbank Financial Telecommunications (SWIFT) transfers will not attract the Levy.*
  - iii. *Use a digital platform or application- Transfer must be made on an electronic device such as mobile phones, computers etc. This also includes transfers made using devices such as Automated Teller Machines (ATMs) but does not include deposits and withdrawals of cash on ATMs.*
  - iv. *Originate from a bank account held by an individual – the sender must be an individual but the recipient may be an individual or entity. Transfers originating from bank accounts held by entities to a bank account are therefore excluded.*

## 8. TRANSFERS NOT COVERED

The Levy does not apply to the following transfers as specified in section 2(2) of the Act:

- a) A cumulative transfer of GH¢100.00 a day made by the same person - *The GH¢100.00 threshold is the value of electronic transfers above which the Levy will be applied. This accrues to persons (individuals or entities) who have updated their records with the Charging Entities using the National Identity Card Number (Ghana Card PIN) or Taxpayer Identification Number (TIN).*
- b) A transfer between accounts owned by the same person - *This includes transfers to joint accounts by either account holder, transfers into a trust account by a trustee etc - A person qualifies for this exclusion when they update their records with the Charging Entities using Ghana Card PIN or Taxpayer Identification Number.*

- c) A transfer for the payment of taxes, fees and charges on the Ghana.Gov system or any other Government of Ghana designated payment system.
- d) Specified merchant payments - *GRA will maintain a register of all commercial establishments registered for Income Tax or Value Added Tax to confirm qualification for the exclusion under section 2(d) of the Act.*
- e) Transfers between principal, agent and master-agent accounts - *GRA will determine the validity of all agency agreements between principals/master-agents; master-agents/ agents; and principals/agents (including evidence that the agreements have been duly stamped in accordance with the Stamp Duty Act, 2005 (Act 689) to confirm their qualification for exemption under section 2(e) of the Act.*
- f) Electronic clearing of cheques.

## **9. VALUE FOR DETERMINING THE LEVY CHARGEABLE**

The value on which the electronic transfer Levy shall be applied is the amount transferred by the sender, excluding any charges related to the payment service, the minimum threshold amount and the Levy.

## **10. REVERSALS/REFUND OF THE LEVY**

There are instances where the deducted Levy will be required to be reversed or refunded. These instances include:

- a. Errors in transferring money to a wrong account/wallet
- b. Wrongful charge by the Charging Entity
- c. Unavailability of GRA E-Levy Assessment Application Programming Interface (API).
- d. Charging Entity's inability to connect to the GRA E-Levy Assessment Application Programming Interface (API).

Reversals will occur when the erroneously deducted Levy is still in the possession of the Charging Entity. In contrast, Refunds will occur when the erroneously deducted Levy has been paid into the Consolidated Fund.

### **10.1 SCENARIOS FOR REVERSALS AND REFUNDS**

#### **Scenario 1 - Reversals**

Any error detected before the Levy is transferred into the Consolidated Fund would require the Charging Entity to immediately reverse the transaction and credit the customer with the wrongfully charged Levy.

#### **Scenario 2 - Refunds at the request of the Charging Entity**

Any error detected after the Levy has been transferred into the Consolidated Fund would require the Charging Entity to apply to GRA for a refund.

### Scenario 3 - Refunds initiated after the post-transfer audit process is completed

Here, the refund amount will be generated as a result of a post-transfer audit process. In this scenario, the Charging Entity will receive a report indicating the affected customer and the amount to be refunded.

#### 11. SETTLEMENTS AND SUBMISSION OF INFORMATION

##### a. Daily Settlements into the Consolidated Fund

The Charging Entity must remit the total amount of the Levy collected each day into the Consolidated Fund at GMT 00:00 of the next day.

##### b. Furnishing of Information

The Charging Entity must furnish GRA with the details of Levy collected in a form prescribed by the Commissioner-General by the last working day following the month in which the information relates. Copies of the form can be downloaded from [www.gra.gov.gh](http://www.gra.gov.gh). The form can be submitted through GRA's Taxpayers Portal.

#### 12. POST-TRANSFER AUDIT

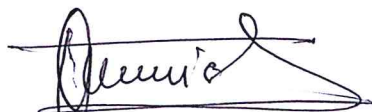
The GRA will implement a post-transfer audit system that will provide the GRA with complete visibility over all applicable electronic transfers and allow the generation of accurate and relevant revenue assessment reports. For post-transfer audit, the system will:

- i. Identify any transfers that have been charged incorrectly.
- ii. Identify any transfers that have not been charged the Levy.
- iii. Allow GRA to refund the Levy for transfers that have been reversed successfully.
- iv. Verify the computation of the Levy for each transfer.

The system would be integrated with all Charging Entities.

#### 13. EFFECTIVE DATE OF IMPLEMENTATION

The effective date of implementation is **1<sup>st</sup> May 2022**.



Signed: .....

Date: 28/04/22 .....

Rev. Dr Ammishaddai Owusu-Amoah  
Commissioner-General