

ARRANGEMENT OF SECTIONS

No. 29 of
1958.

Section

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First Schedule—RATE OF TAX UPON INDIVIDUALS.

Second Schedule—RATES OF TAX UPON COMPANIES.

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GHANA

No. 29 OF 1958.

Assented to in Her Majesty's Name and on Her Majesty's behalf this 11th day of September, 1958.

K. A. KORSAH
Acting Governor-General.

AN ACT further to amend the Income Tax Ordinance, 1943.

[11th September, 1958.] Date of
assent.

BE IT ENACTED by the Queen's Most Excellent Majesty, by and with the advice and consent of the National Assembly of Ghana in this present Parliament assembled, and by the authority of the same as follows:—

1. This Act may be cited as the Income Tax (Amendment) Act 1958, and shall be read as one with the Income Tax Ordinance, 1943, hereinafter referred to as the principal Ordinance.

Short title
and Applica-
tion.
No. 27 of
1943.

2. (1) In subsection (1) of section 10 of the principal Ordinance paragraph (g) shall be amended by substituting the brackets and letter "(i)" for the brackets and letter "(g)" in the first line thereof and there shall be inserted immediately after paragraph (f) the following new paragraph:—

Amendment
of section 10
of the
principal
Ordinance.

"(g) In the case of a Minister, Parliamentary Secretary or other Member of Parliament, an amount equal to one-third of the total official emoluments received by him during the relevant year. Provided that the deduction allowable under this paragraph shall be in addition to any deduction for travelling expenses but in lieu of any other deductions which might be allowable under this section".

(2) The amendment made by this section shall have effect for the year of assessment 1957-58 and for subsequent years of assessment.

Repeal and
Replacement
of the First
Schedule
to the
principal
Ordinance.

Repeal and
Replacement
of sections 25
and 26 and
of the
Second
Schedule
to the
principal
Ordinance.

New Rates of
Income Tax
on
Companies.

Rates of
Income Tax
on certain
Ghana
companies.

3. As respects tax chargeable for the year of assessment 1958-59 and for subsequent years of assessment, for the First Schedule to the principal Ordinance, there shall be substituted the provisions of the First Schedule to this Act.

4. As respects tax chargeable for the year of assessment 1958-59 and for subsequent years of assessment the following sections shall be substituted for sections 25 and 26 of the principal Ordinance and the provisions of the Second Schedule to this Act shall be substituted for the Second Schedule to that Ordinance:—

" 25. (1) Save and except any company coming within the provisions of section 26, there shall be levied and paid upon the chargeable income of every company, tax at the rate set forth in Table I of Part I of the Second Schedule to this Ordinance:

Provided that where any such company proves to the satisfaction of the Commissioner that any dividends have been paid out of such chargeable income an amount equal to such dividends may be charged at a lower rate or not charged with any tax, as the Commissioner shall determine.

(2) In the case of any company not incorporated in Ghana there shall be levied and paid upon such part of such income not retained in Ghana tax at the rate set forth in Table 2 of Part I of the Second Schedule to this Ordinance "

" 26. (1) Subject to the provisions of this section there shall be levied and paid upon the chargeable income of any company incorporated and controlled in Ghana on or after the 1st day of April 1944:

- (a) which has an issued share capital of not more than £10,000 and a chargeable income of not more than £5,000 for each relevant year of assessment, tax at the rates set forth in Table A of Part II of the Second Schedule to this Ordinance, or
- (b) which has an issued share capital of more than £10,000 and a chargeable income of not more than £5,000 for each relevant year of assessment, tax at the rate set forth in Table B of Part II of the Second Schedule to this Ordinance, or
- (c) whose chargeable income is more than £5,000 but not more than £10,000, tax at the rates set forth in Table C of Part II of the Second Schedule to this Ordinance.

(2) This section shall not apply to any company whose chargeable income for any year of assessment prior to the year 1958-59 has exceeded £10,000; and it shall finally cease to apply to any company when for any future year of assessment the said company's chargeable income exceeds £10,000.

(3) This section shall not apply to any company the total sum of whose chargeable income for any year of assessment together with such directors' emoluments as are allowed under section 10 of this Ordinance in computing such chargeable income exceeds or has in the past exceeded £10,000.

(4) This section shall not apply to any company formed to acquire the whole or any part of a trade or business previously carried on by another company.

(5) For the purposes of this section, a company shall not be deemed to be controlled in Ghana for any year of assessment unless the company satisfies the Commissioner that, throughout the period during which the income arose the beneficial interest in a majority, in paid up value, of all shares and stock of such company was held by individuals resident in Ghana".

5. The principal Ordinance is hereby amended by the insertion, immediately after section 26, of the following new section:—

Addition of
a new
section 26A
to the
principal
Ordinance.

"26A. (1) There shall be levied and charged upon all dividends on shares or stock and upon interest upon loans, whether secured or unsecured, payable to any non-resident person by any company incorporated in Ghana, tax at the rate set forth in Part III of the Second Schedule hereto.

Extraordinary Income
Tax on
Dividends
and Interest
payable to
non-resi-
dents.

(2) Tax paid under the provisions of this section shall not be applied either in whole or part payment of any tax imposed under any other provision of this Ordinance.

(3) The tax imposed under the provisions of this section shall be withheld by said company out of said dividend or interest; and shall be accounted for and paid to the Commissioner by said company within thirty days after said dividend or interest has become due and payable to said non-resident person; and the amount of tax due and payable hereunder shall be a debt from said company to the Government, and shall be recoverable as such.

Provided that where such income is wholly or partially exempted from tax by reason of the provisions of any double taxation agreement or arrangement made under the provisions of section 32 of the principal Ordinance the tax provided for by this section shall not to the extent of such exemption be imposed nor withheld.

(4) For the purposes of this section the term "non-resident person" shall include any company not incorporated in Ghana.

6. Subsection (3) of section 27, and paragraph (iii) of the proviso to subsection (1) of section 28 of the principal Ordinance are hereby repealed.

Repeals.

7. Subsection (1) of section 29 of the principal Ordinance is hereby amended by the insertion between the word "in" in the fifth line thereof and the words "the Second Schedule" in the sixth line, the words and figures "Table 2 of Part I of".

Amendment
of section 29
of the
principal
Ordinance.

PART III (Section 26A)

EXTRAORDINARY TAX ON DIVIDENDS AND INTEREST
PAYABLE TO NON-RESIDENTS BY GHANA COMPANIES

Dividend or Interest	
For every pound payable	s. d. 6

This printed impression has been carefully compared by me with the Bill which has passed the National Assembly, and found by me to be a true and correctly printed copy of the said Bill.

K. B. AYENSU

Clerk of the National Assembly.



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