

## **PRESS RELEASE**

### **MINORITY EXPRESSES CONCERN ABOUT TAX EXEMPTIONS, THE NEW KICKBACK**

1. Ghana's economy is going through one of the most difficult times in our history. The near collapse of our economy, occasioned by a combination of reckless mismanagement and crass ineptitude of the current government, has compelled Ghanaians to endure a painful domestic debt exchange programme and some of the most stringent austerity measures under an IMF program.
2. Our economic woes have been far from over, as we are currently in talks with our external and bilateral creditors, including China, to forgive us or cancel, at least, a part of our national debt. This is a pre-condition to enable us access the second tranche of USD600 million as part of the USD3 billion IMF Extended Credit Facility.
3. It stands to reason therefore, that now more than ever, we need all the domestic revenue we can mobilise to prevent our economy from sinking further. Unfortunately, amid all the turbulence the economy is experiencing, people whose actions and inactions have already hurt this economy badly, want to use tax exemption as a new way of enriching themselves further at the expense of the state.
4. The reasons for our assertion are not far-fetched. As we speak, most of our traditional creditors who used to lend us money have shut their doors in our face. As a result, Ghana has no borrowed funds with which to give out contracts for projects. This also means that the corruption-induced money that government officials got by inflating contracts and receiving kick-backs is also diminishing.
5. To satisfy their insatiable greed, people who are used to living on the proceeds of corruption have turned their attention to tax revenue. The suspicion that public officers sometimes accept bribes from private businesses in order to assist them escape taxation is an old one. However, the escalation in the sheer number of companies being presented to Parliament as candidates for tax exemption under this Akufo-Addo/Bawumia government, is frightening.
6. Currently, there are about 45 companies that have been presented to Parliament as one-district-one-factory companies, GIPC strategic investors, etc, to be exempted from the payment of taxes. In total, Government is asking Parliament to grant tax exemptions to the tune of **USD449,446,247.95** for these 45 companies. That is the equivalent of over **five and a half (5.5) billion Ghana cedis!**

Because this is an issue that impacts our economy significantly, we have compiled a full list of all the 45 companies and their respective exemptions being requested. As a Minority in

Parliament, we have a duty to let the Ghanaian taxpayer who is being burdened with all manner of taxes, know this truth.

7. We are further told that there are a total of 118 companies being processed at the Ministry of Trade & Industry, Ministry of Finance and the Ghana Investment Promotion Centre to be brought to Parliament for tax exemptions. The total value of exemptions for these 118 companies is about **seven billion Ghana cedis!**
8. It is the considered view of the Minority that these requests for tax exemptions running into several billions of Cedis, are unconscionable, inordinate and bear all the trappings of organised crime.
9. Ghanaians would recall the strange events on the floor of Parliament sometime this year, specifically on 28th July, 2023. On that occasion, the Minister of Trade and Industry, K.T Hammond, backed by the Chairman of the Trade Committee of Parliament, Carlos Ahenkorah, ganged up against one of their own and Chairman of Parliament's Finance Committee, Kweku Kwarteng, accusing him of frustrating certain tax waivers. Their concern was that Parliament was conducting the necessary due diligence into these requests to ensure that the Ghanaian people are not shortchanged. Why the indecent haste, if we may ask?
10. We in the Minority are serving notice that we shall resist these tax waiver applications fiercely! In their current forms, we shall resist each and every one of the tax waiver applications with all the tools and strategies at our disposal.
11. We shall give support to these requests only on condition that any company that seeks tax waiver or exemption shall cede commensurate equity stake in their investment projects or business to the State in accordance with section 14(3) and section 15 of the Exemptions Act, 2022 (Act 1083).
12. Ladies and gentlemen, the phenomenon of tax exemption as an avenue for corruption is a frightening development that threatens the domestic revenue reforms that the state is currently undertaking.
13. As we speak, government is seeking to rake in some GHS11 billion from a plethora of new tax measures it has outlined in the 2024 budget. The effect of these new taxes will result in the poor becoming poorer, suffocating industry and businesses and further increasing the hardships Ghanaians are already experiencing.

This government is simply robbing Peter to pay Paul by exacting taxes from Ghanaians, only to dole out huge tax exemptions to their cronies for kickbacks. It is for this reason that we call on all Ghanaians to join us in this fight.

Please find below a list of all the companies for which tax exemptions requests are pending.

	<b>Private Investor</b>	<b>Programme</b>	<b>Request (USD)</b>
1	Agrohao Ghana Company Limited	1D1F	747,032.51
2	Amponsah-Efah Pharmaceuticals Limited	1D1F	1,951,650.72
3	B5 Plus Limited	1D1F	11,441,638.32
4	Beekaf Foods Ghana Limited	1D1F	271,845.87
5	By Oa & J Pharmaceuticals Limited	1D1F	159,837.94
6	Canadian Commercial Corporation	Power Generation	1,862,437.40
7	CIMAF	1D1F	8,623,885.31
8	Ciments de l'Afrique Ghana Limited	1D1F	8,623,885.31
9	CK Engineering and Construction Limited	1D1F	332,553.13
10	Continental Blue Investment Ghana Limited	Strategic Investment	6,871,873.00
11	Echo Poly Industries Limited	1D1F	207,324.38
12	Emperor Foods and Beverages Limited	1D1F	219,068.64
13	EPAC Flexible Packaging Ghana Ltd	1D1F	1,330,889.37
14	Everpack Limited	1D1F	6,491,213.32
15	Everpure Holdings Limited	1D1F	1,724,132.52
16	Ferro Fabrik Limited	1D1F	8,039,595.00
17	Fu Cai Company Limited	1D1F	4,198,703.65
18	Golden Africa Consumer Products	1D1F	2,351,354.64
19	Golden Africa Soap Industries Ghana Limited	1D1F	1,341,537.92
20	Golden Latex Products Limited	1D1F	419,603.23
21	Happy Sunshine Company Limited	1D1F	7,043,270.93
22	Keda (Ghana) Ceramics Company Limited	1D1F	15,515,797.00
23	Korban Company Limited	1D1F	1,260,551.56
24	Lesdy Company Limited	1D1F	42,687.19

25	Lesfam Industries Limited	1D1F	1,235,410.41
26	Mass Industries Limited	1D1F	1,166,833.01
27	Matrix Industries Limited	1D1F	3,871,147.21
28	Miro Forestry Ghana Limited	1D1F	1,389,019.00
29	Multipac Company Limited	1D1F	9,526,392.83
30	Nungua Warehouse Ghana Limited	1D1F	117,965.88
31	Prestige Integrated Agro Company Limited	1D1F	467,470.91
32	Rikpat Company Limited	1D1F	366,138.64
33	Rision Industry Company Limited	1D1F	356,301.51
34	RMS GPT Ghana Limited	1D1F	2,555,239.53
35	Sankofa Brewery Limited	1D1F	148,391.25
36	Sentuo Oil Refinery	Strategic Investment	261,648,352.00
37	Snedo Transformers Technologies Limited	1D1F	994,614.56
38	Specialty Beers (Ghana) Limited	1D1F	1,065,736.67
39	Sunda Ghana Investment Limited	1D1F	22,897,602.41
40	Sunda Ghana Limited	1D1F	23,690,843.79
41	Triton Och Industries Ghana Limited	1D1F	12,212,297.84
42	Yaabiko Enterprise Limited	1D1F	192,053.45
43	Yellowtail Limited	1D1F	1,122,131.25
44	YMHY Doors Ghana Manufacturing Company	1D1F	686,432.18
45	Grand Chem Limited	1D1F	12,663,504.76
	<b>TOTAL</b>		<b>USD449,446,247.95</b>

God bless our homeland Ghana.

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**HON. CASSIEL ATO FORSON (PhD), MP**  
**MINORITY LEADER**

*MONDAY, 27<sup>TH</sup> NOVEMBER, 2023*  
*ACCRA.*