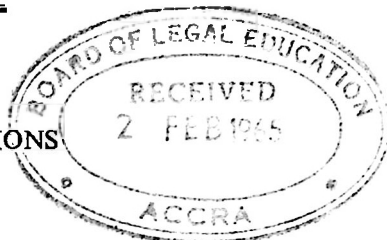


**ARRANGEMENT OF SECTIONS**



*Section*

1. Imposition of tax.
2. Wholesale dealer to pay tax collected by him to Comptroller.
3. Traders and dealers to maintain certain books.
4. Traders and dealers to submit certain returns.
5. Registration of wholesale dealers and retail traders.
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8. Resolution of doubts.
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THE TWO HUNDRED AND FIFTY-SEVENTH

# ACT

OF THE PARLIAMENT OF THE REPUBLIC  
OF GHANA

ENTITLED

## THE SALES TAX ACT, 1965

AN ACT to impose a tax on the sale price or value of certain articles sold by or otherwise disposed of by wholesale dealers to other wholesale dealers or to retail traders, to provide for its collection and recovery and to make provision for matters connected therewith or incidental thereto.

DATE OF ASSENT: *21st January, 1965*

BE IT ENACTED by the President and the National Assembly in this present Parliament assembled as follows:—

Imposition  
of tax.

1. (1) There shall, in respect of each sale, gift, or transfer of an article by a wholesale dealer to a retail trader or to another wholesale dealer, be paid, by such trader or such other dealer to the first-mentioned dealer, a tax of ten *per centum* of the sale price or, in the case of a gift or transfer, of the value of such article at the time such gift is given or of the transfer, and the first-mentioned dealer shall collect such tax.

(2) Where articles are exchanged between a wholesale dealer and a retail trader or between two wholesale dealers, each such dealer and trader shall pay to the Comptroller, within twenty-one days after the receipt of such article by him, a tax of ten *per centum* of the value of the articles at the time of its receipt.

2. Every wholesale dealer shall, within twenty-one days after the end of a month, pay to the Comptroller the tax liable to be collected in respect of transactions made by him during such month.

Wholesale dealer to pay tax collected by him to Comptroller.

3. Every retail trader and every wholesale dealer shall in books maintained for the purposes of this Act in their principal places of business, make in respect of every transaction under this Act relating to an article, the following entries:—

Traders and dealers to maintain certain books.

- (a) the description, quantity and sale price or value of such article, as the case may be;
- (b) the date of the transaction;
- (c) in respect of the book maintained by such trader, the name and address of the dealer who was the other party to such transaction;
- (d) in respect of the book maintained by such dealer, the name and address of the trader or other wholesale dealer who was the other party to such transaction;
- (e) the amount of the tax payable on such transaction; and
- (f) such other matter as may be prescribed by regulation under this Act.

4. Every retail trader and every wholesale dealer shall, within twenty-one days after the end of a month, submit to the Comptroller returns containing the entries relating to such month entered in the books maintained by them under section 3.

Traders and dealers to submit certain returns.

5. (1) No wholesale dealer or retail trader shall carry out any transaction under this Act, unless he has registered himself in the books of the Comptroller—

Registration of wholesale dealers and retail traders.

- (a) in respect of the period commencing on the twenty-first day of January, 1965 and ending on the thirty-first day of December, 1965, within thirty days after the first mentioned day; and
- (b) in respect of any subsequent period commencing on the first day of January and ending on the thirty-first day of December, within thirty days after the said first day.

(2) The Comptroller shall not register a wholesale dealer or a retail trader, except in the period referred to in paragraph (a) of subsection (1), unless he is satisfied that such dealer or trader maintains records in such form as he deems fit.

(3) Subject to the provisions of section 8, the Comptroller may refuse to register a wholesale dealer or retail trader without assigning a cause for such refusal.

(4) Every wholesale dealer and retail trader shall, for the purposes of registration under subsection (1), pay an annual fee calculated at the rate of five pounds in respect of each premises where he carries on his business:

Provided that every wholesale dealer who is also engaged in the business of a retail trader and every such trader who is also engaged in the business of a wholesale dealer shall pay an additional fee, calculated at the aforesaid, rate in respect of each premises in which he carries on business as such trader or dealer, as the case may be.

Receipts,  
etc.

6. (1) Every wholesale dealer shall give to any retail trader or other wholesale dealer in respect of every transaction between them immediately after the conclusion of the transaction a receipt or other document specifying the price or value, as the case may be, at the time of the transaction of the article affected thereby and the amount of tax payable thereon.

(2) Every person to whom receipts or other documents have been given under subsection (1) shall retain such receipts or documents and shall, within twenty-one days after the end of a month, transmit to the Comptroller copies thereof received by him during such month.

Council's  
officers to  
assist  
Comptroller.

7. The Comptroller may, if he so deems fit, authorise any officer of any Council to discharge any of his functions under this Act, and, if such officer is so authorised, he shall discharge such functions.

Resolution  
of doubts.

8. (1) If there is any doubt in respect of all or any of the following matters, such doubt shall be resolved by the Comptroller, subject to an appeal to the Minister:—

- (a) whether a person is a retail trader or a wholesale dealer;
- (b) whether a person is engaged in carrying on the business of both such trader and dealer;
- (c) whether a person referred to in paragraph (b) is, save as otherwise expressly provided in this Act, for the purpose of any provision therein, engaged in carrying on the business of such trader or dealer, as the case may be;
- (d) the sale price or value of an article;
- (e) the tax payable on such article; and
- (f) whether or not an article is an article to which this Act applies.

(2) Where any person is aggrieved by a decision of the Comptroller under this Act, he shall, within twenty-one days after such decision, appeal to the Minister and the Minister's decision shall be final.

(3) Where there is no appeal from the decision of the Comptroller, his decision shall be final.

(4) Notwithstanding any appeal made under the preceding provisions of this section, the tax shall be paid in accordance with the provisions of this Act and, after the determination of the appeal, any refund or balance payable, as the case may be, shall be paid within such time as may be specified by the Comptroller.

9. For the purposes of this Act, the Comptroller may—

(a) inspect the business premises or the residence of any retail trader, wholesale dealer, or any other person and examine at such premises or residence any books or other documents kept there by such trader, dealer or person; and

Inspection  
of pre-  
mises, etc.

(b) request in writing such trader, dealer or person to furnish him within the period specified in the request any books or documents specified therein for examination at the office of the Comptroller or at some other place specified by him.

10. The tax may be recovered in a court of competent jurisdiction in the official name of the Comptroller with full costs of suit from any person liable to pay the tax as a debt due to the Republic.

Recovery  
of tax.

11. (1) Where any retail trader or wholesale dealer is in default in respect of the payment of the tax, the Comptroller may seize and sell, after giving him notice of twenty-one days, such property of such trader or dealer as he may think fit.

Sale of  
property of  
persons in  
default.

(2) After recovering the tax payable by such seizure and sale of property and any expenditure in connection with such seizure and sale, the Comptroller shall pay any excess out of the proceeds of the sale to the retail trader or the wholesale dealer who was the owner of such property.

12. If any person—

(a) makes any false or incorrect statement orally or in writing in connection with any matter relating to this Act,

(b) obstructs the Comptroller in the discharge of his functions under section 9 of this Act, or

(c) contravenes any of the provisions of this Act,

Offences  
and  
penalties.

he shall be guilty of an offence and shall, after summary trial, be liable to conviction to a fine of five hundred pounds or to imprisonment for a term not exceeding one year or to both such fine and imprisonment.

Offences by  
bodies of  
persons.

13. In the case of an offence by a body of persons—

- (a) where the body of persons is a body corporate, every director and officer of the body corporate shall be deemed to be guilty of the offence; and
- (b) where the body of persons in a firm, every partner of that firm shall be deemed to be guilty of the offence:

Provided that no such person shall be deemed to be guilty of the offence, if he proves that such offence was committed without his knowledge or that he exercised due diligence to prevent the commission of the offence.

Compound-  
ing pro-  
ceedings.

14. The Comptroller may, in lieu of taking any civil or criminal proceedings under this Act, compound such proceedings on payment to him of the tax due, and of such pecuniary penalty, not exceeding five hundred pounds, as may be fixed by him.

Tax pay-  
able not-  
withstand-  
ing pro-  
ceedings for  
punish-  
ment, etc.

15. (1) The institution of proceedings for, or the imposition of, a fine or a term of imprisonment under this Act shall not relieve any persons from liability to payment or any tax for which he is or may become liable.

(2) Without prejudice to any other provision in this Act, where any person fails to submit a return under section 4, the Comptroller may assess the tax and such person shall pay the tax within such period as may be specified by the Comptroller in writing.

Regula-  
tions.

16. The Minister may, by legislative instrument, make regulations in respect of all or any of the following matters:—

- (a) any matter required to be made by regulations under this Act;
- (b) the returns, books and other documents to be furnished for the purposes therein;
- (c) the fixing of fees for any matter connected with, or relating to, the principles and provisions of this Act;
- (d) appeals to the Minister; and
- (e) any other matter connected with or relating to those principles and provisions.

Protection  
for acts  
done in  
good faith.

17. No legal proceedings shall be taken against any officer or person for any act done by him in good faith in the discharge of his functions under this Act.

Functions  
of officers,  
etc., under  
Act.

18. For the purpose of carrying out the provisions of this Act, every officer or person discharging any function thereunder shall have similar powers and duties as are given under any other enactment to any person employed in the Department of Customs and Excise.

19. (1) In this Act, unless the context otherwise requires—

Interpreta-  
tion.

- “ article ” means any article other than an article specified in the Schedule hereto;
- “ Comptroller ” means the person for the time being in charge of the Department of Customs and Excise or any person authorised by him to discharge any of his functions under this Act, including an officer of a Council;
- “ Council ” means a Council within the meaning of the Local Government Act, 1961 (Act 54);
- “ Minister ” means the Minister responsible for Finance;
- “ retail trader ” means a person whose business is the supply or sale of any article to consumers principally for their consumption and not for resale;
- “ tax ” means the tax imposed under section 1 of this Act;
- “ transaction ”, in relation to any article, means the sale, gift, transfer or exchange of such article; and
- “ wholesale dealer ” means a person whose business is the supply or sale of any article to any other person for resale and includes a manufacturer, or importer, having a transaction with a retail trader;

(2) The Minister may, by regulation under this Act, amend the Schedule hereto—

- (a) by the addition thereto, of a new item;
- (b) by the omission therefrom, of any item; and
- (c) in any other manner.

20. This Act shall come into force on the twenty-first day of January, 1965.

Com-  
mencement  
of Act.

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*SCHEDULE*

*Section 19*

1. Any article purchased for the use of the President of Ghana.
2. Any article of raw food produced in Ghana.
3. Any article of food prepared in Ghana other than an article of food preserved or packed in airtight containers.
4. Milk.
5. Charcoal.

6. Any vehicle within the meaning of the Purchase Tax Act, 1961 (Act 67).

7. Any article actually shipped as ship's stores or exported.

8. Any article for the service of the Government of Ghana which has been declared as such by the Head of a Ministry or Department of that Government.

9. Machinery, plant, material or rolling stock purchased by any person under contract to the Government where the exemption from this tax forms part of the terms of the contract.

10. (1) School stationery, instruments, scientific apparatus, appliances, materials and similar requisites, including furniture and other non-consumable equipment for use exclusively in the classroom, workshop, laboratory, housecraft room, assembly hall, recreation room, dormitory, dining hall or kitchen, and sports and gymnastic equipment (excluding wearing apparel), purchased by or on behalf of secondary schools, training colleges, and other institutes of higher education, approved by the Minister responsible for Education.

(2) All exercise books, notebooks, jotters, drawing books and mapping books between a maximum size 13 ins. x 8 ins. and a minimum size of 6 ins. x 4 ins. if they contain not more than 200 leaves and not less than 20 leaves, including school book-keeping exercise books containing not more than 24 leaves and bound with flexible cover and exercise books ruled in squares or with a single vertical margin but not including any other book ruled with feint lines and vertical rullings, coloured crayons, white and coloured chalk in sticks, water colour paints in the form of tablets or in tubes, artists brushes of a diameter or width not exceeding half-an-inch, geometry sets, modelling materials, school attendance registers, and log books, purchased for schools by the Headmaster or any person authorised in that behalf by him.

11. All goods, other than beverages and tobacco, purchased by the Commandant of the Workers Brigade for the official use of the Workers Brigade and not for commercial purposes, supported by a declaration from the Commandant or any person duly authorised by him.