

PwC 2023 Budget Digest

At a Glance



25 November 2022



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2023 Budget At a Glance

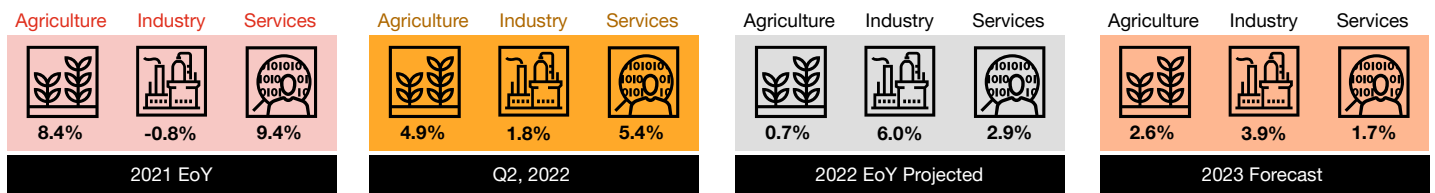
Macroeconomic Indicators

Description	2021 Actual	2022 Target	As at Sept 2022	2023 Target	Medium Term-Target (2023 - 2026)
Growth In Real GDP (Inc oil)	5.4%	3.7%	4.8%*	2.8%	4.3%
Growth In Real GDP (Non - oil)	6.9%	4.3%	6.2%*	3.0%	4.0%
End of Period Inflation	12.6%	28.5%	37.2%	18.9%	8%±2
Overall Fiscal Budget Deficit (% of GDP)	11.3%	6.6%	7.4%	7.7%	6.3%
Gross International Reserves	>= 4.3	>= 3.5	>= 2.9	>=3.3	>= 4.0

*As at June 2022

Source: 2023 Budget Statement; Ghana Statistical Service Bulletin (September 2022); 2022 Budget Statement

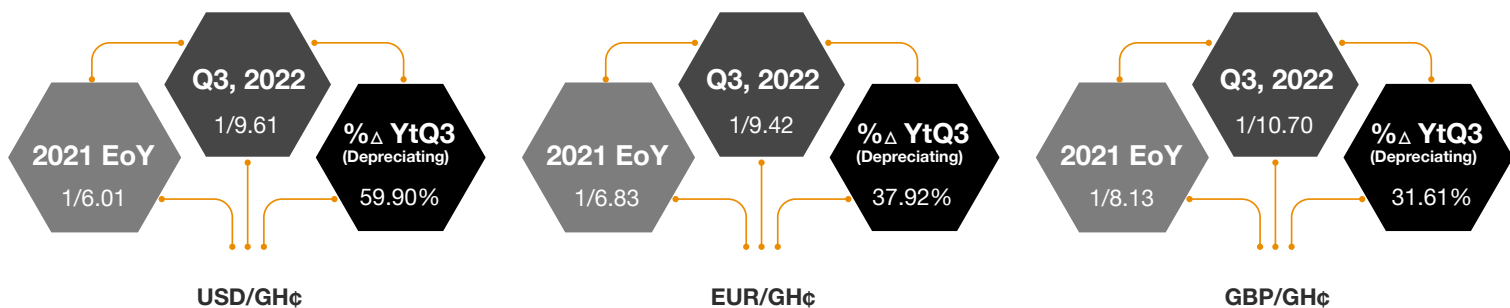
Real GDP Growth per Sector



EoY = End of year

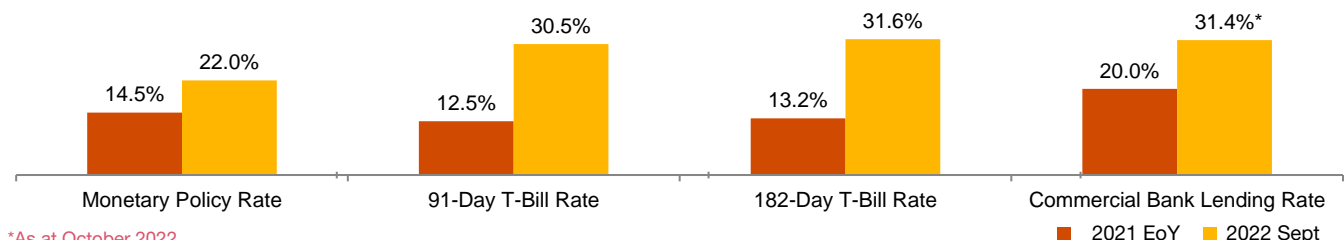
Source: Budget Statement, November 2022

Exchange Rates



Source: Bank of Ghana Monthly Exchange rate indicators

Interest Rates

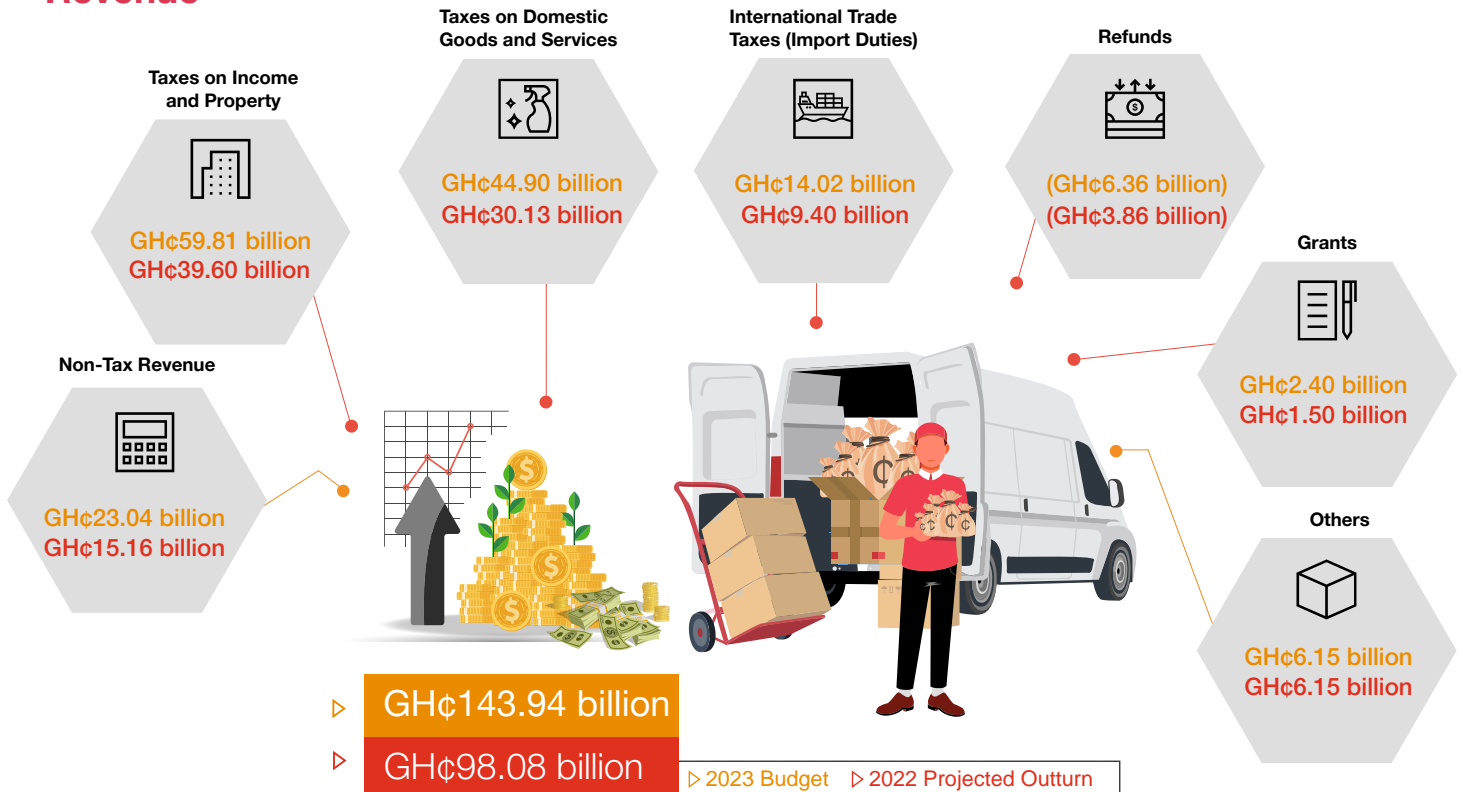


*As at October 2022

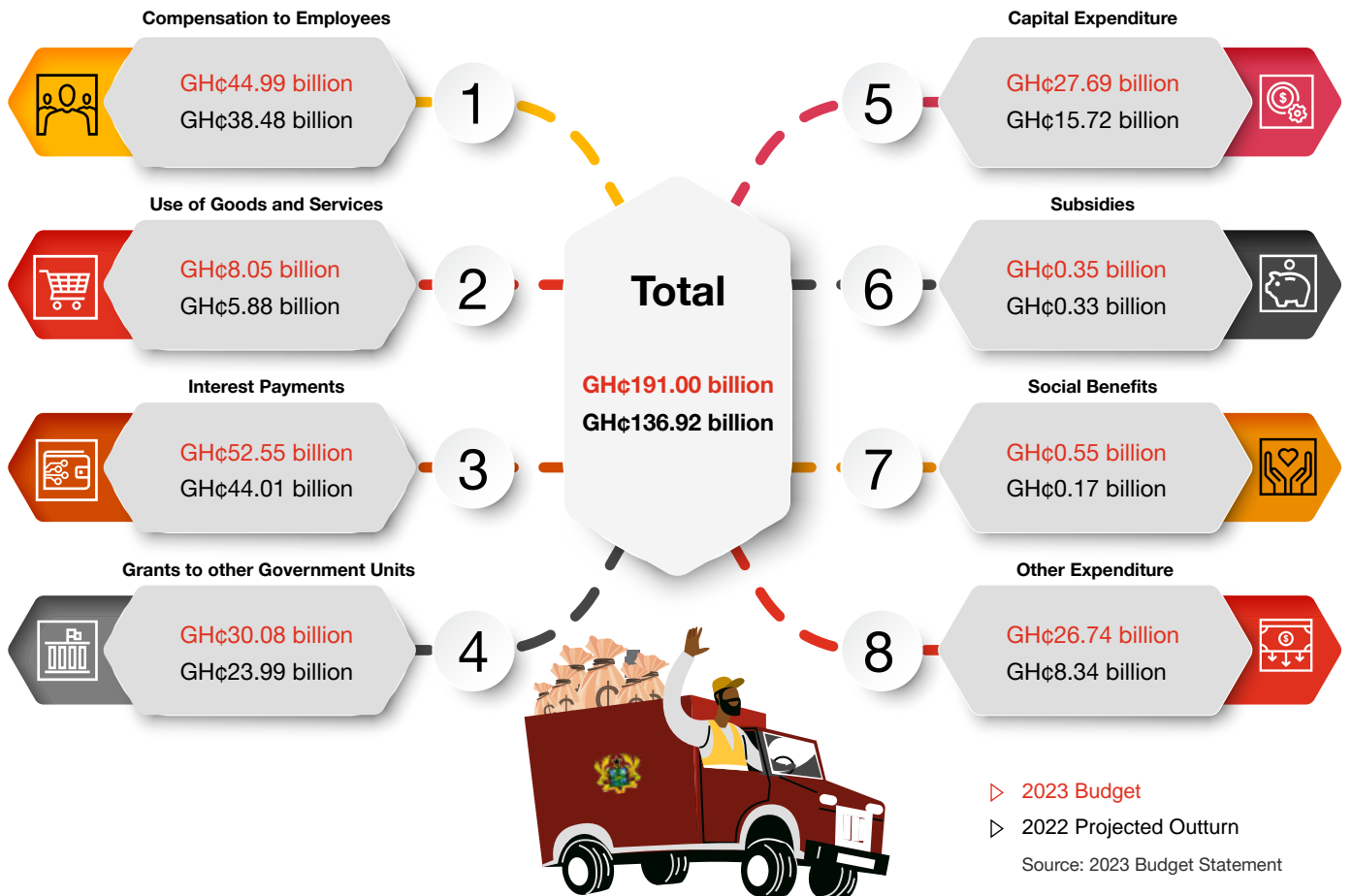
Source: Bank of Ghana Monthly Interest Rates

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Revenue

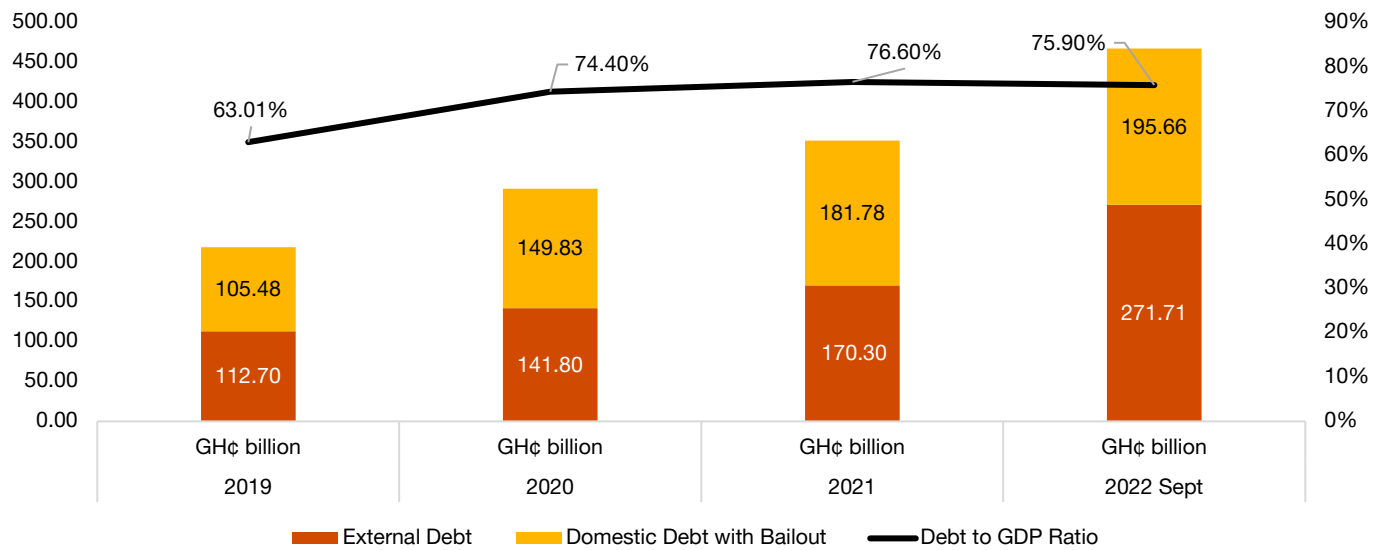


Expenditure



2023 Budget At a Glance

Public Debt



Government's 7-point Agenda



Key Tax Measures

Direct Tax

- Introduction of a 35% marginal income tax rate for individuals and revision of the upper limits for vehicle benefits.
- Introduction of a minimum chargeable income system.
- Unification of the provisions on carry forward of tax losses.
- Restriction of foreign exchange loss deduction to actual losses.
- Conversion of the National Fiscal Stabilisation Levy ("NFSL") to Growth and Sustainability Levy ("GSL") to cover all entities.
- Increase the 1% concessional income tax rate to 5%.
- Modification of the regime for taxing capital gains.

General administrative and other revenue measures

- Freeze on new tax waivers for foreign companies.
- Review of tax exemptions for free zones and extractive industries.
- Electronic VAT invoicing to cover all VAT taxpayers by 2024.
- Introduction of electronic Tax Clearance Certificate ("TCC").

Indirect Tax

- Increase in the standard Value Added Tax ("VAT") rate from 12.5% to 15%.
- Review of VAT registration threshold.
- Reduction in the Electronic Transfer Levy ("E-Levy") rate from 1.5% to 1% of transaction value and removal of daily threshold.
- Withdrawal of benchmark discount policy on imported goods.
- Introduction of a self-clearance system for imports of goods at the ports.

