

**GHANA INVESTMENT PROMOTION CENTRE (PROMOTION OF TOURISM)
INSTRUMENT, 2005 L.I. 1817**

ARRANGEMENT OF REGULATIONS

Regulation

- 1) Special priority areas
- 2) Enterprises to apply
- 3) Co-operation of other Public Agencies and Authorities
- 4) Assignability of approvals
- 5) Monitoring of projects
- 6) Sanctions
- 7) Interpretation
- 8) Commencement

SCHEDULE

**GHANA INVESTMENT PROMOTION CENTRE (PROMOTION OF TOURISM)
INSTRUMENT, 2005**

IN EXERCISE OF the powers conferred on the Board of the Ghana Investment Promotion Centre and with the approval of the President under section 26 of the Ghana Investment Promotion Centre Act, 1994 (Act 478) this Instrument is made this 30th day of June 2005.

Special priority areas

1. Enterprises engaged in the category of activities specified in Part A of the Schedule to this Instrument are hereby declared areas of special priority and shall qualify for the benefits and incentives specified in relation to them in Part B of the Schedule.

Enterprises to apply

2. (1) Enterprises specified in Part A of the Schedule to this Instrument and in the category of activities declared by the Board of the Ghana Investment Promotion Centre as special priority areas shall qualify for the benefits and incentives specified in relation to them in Part B of the Schedule.

(2) The Board of the Centre shall determine the fee to be paid for an application.

Co-operation of other Public Agencies and Authorities

3. Government departments, agencies and other public authorities shall co-operate fully with the Centre in the performance of its functions under this Instrument and shall not vary, by way of interpretation, the benefits and incentives specified in Part B of the Schedule other than a duly enacted Act of Parliament.

Assign ability of approvals

4. No approval given under this instrument may be assigned, except with the prior written consent of the Centre.

Monitoring of projects

5. The Centre shall, in conjunction with the Customs, Excise and Preventive Service and such other relevant government agency or authority, monitor the use and application of the benefits and incentives granted under Part B of the Schedule to this Instrument.

Sanctions

6. (1) The Centre shall cancel an approval whereby

(a) the approval has been obtained on the basis of fraud, deliberate or negligent submission of false or misleading facts or statements, or (b) an approval has been assigned without the prior written consent of the Centre.

(2) Where an approved enterprise

(a) applies a benefit conferred by or under this Instrument for purposes other than those for which the benefit was conferred,

(b) fails without reasonable cause in writing to submit a report required under this Instrument after thirty working days, where written notice of the default has been given, or

(c) fails without reasonable cause to commence operations within the time stipulated in the approval;

the Centre may impose any of the sanctions provided in sub-regulation (3) of this regulation.

(3) Where the Centre is satisfied that an approved enterprise has contra-vened any of the provisions of sub-regulation (2), the Centre may,

(a) suspend or cancel the approval,

(b) decide that the taxes and other charges in respect of which benefits were granted to the enterprise shall be paid within the time determined by the Centre, or

(c) recommend the application of sanctions or penalties to the Commissioner of Customs, Excise and Preventive Service or the Commissioner for Value Added Tax for an act or omission which also constitutes an offence under the provisions of the Customs, Excise and Preventive Service (Management) Law, 1993 (P.N.D.C.L. 330) and the Value Added Tax Act 1998 (Act 546).

Interpretation

7. In this instrument unless the content otherwise requires "Centre" means the Ghana Investment Promotion Centre.

Commencement

8. This instrument shall come into force on the 10th February, 2006.

SCHEDULE

(Regulation I)

PART A

List of Establishments and Instrument Projects

PART B

Applicable Incentives and Benefits

1. Accommodation

(a) Establishments. including hotels, motels, resorts, guest houses, catering rest houses, self-catered Oats and apartments, holiday apartments and other accommodation establishments as categorized and licensed by the Ghana Tourist Board

(b) Exemption from the payment of customs import duties and other related charges and Value Added Tax on the following capital equipment, machinery, appliances, furniture and fittings in the pre-approved quantities to be used in establishing the project:

- i. refrigerators/deep freezers,
- ii. television sets.
- iii. audio visuals and video equipment
- iv. air conditioners,
- v. public address system.
- vi. furnishing including carpets, bedding and fixtures.
- vii. fans.
- viii. bedside & lounge audio visuals and video equipment,
- ix. (xi) crockery,
- x. industrial Ovens. cooking ware and cutlery,
- xi. computers, printers and servers,
- xii. courtesy minibus, passenger or transit vehicles and delivery vans,
- xiii. fitness and healthcare equipment, and
- xiv. office equipment.

Exemption from the payment of customs import duties and other related charges and Value Added Tax on the pre-approved quantities of knocked-down parts and components and spare parts to be used as replacements to the items mentioned in Part A of this Schedule.

(c) Exemption from the payment of corporate tax for the following specified period: (i) five years tax holiday for 2,3,4, and 5 star hotels or resorts in Accra,

(ii) seven years tax holiday for 2,3, 4, and 5 star hotels or resorts located in regional capitals,

- (iii) ten years tax holiday for 2, 3, 4 and 5 star hotels or resorts]0-cated elsewhere,
- (iv) four years tax holiday for accom-modation establishments below 2 star in Accra or within a radius of thirty kilometers from Accra,
- (v) five years tax holiday for accom-modation establishments below 2 star located in regional capitals or more than thirty kilometers but less than hundred kilometers from Accra General Post Office, mKI
- (vi) seven years tax holiday for the same category elsewhere.
- (d) other relevant incentives or benefits that are generally applicable to enter-prises under the Ghana Investment Promotion Centre Act 994, (Act 478).

Catering Establishments, including fast food, specialized restaurants and other catering establishments as categorized and licensed by the Ghana Tourist Board.

(a) Exemption from the payment of cus-toms import duties and other r elated charges and Value Added Tax on the following capita] equipment, machinery, appliances, furniture and fittings in the pre-approved quantities to be used in establishing the project:

- (i) air conditioners,
- (ii) crockery and cutlery,
- (iii) refrigerators/deep freezers,
- (iv) furnishing including carpets,

Travel and Tour Establishments Including operation of a fleet of tourist coaches and/or buses and car hire services.

- (v) industrial ovens, cooking ware (industrial cookers, microwave ovens, deep fryers),
- (vi) computers, printers and servers, (vii) public address system,
- (viii) television sets,
- (i;'() office equipment, and (x) delivery vans

(b) Exemption from the payment of customs import duties and other related charges and Value Added Tax on the pre-ap-proved quantities of knocked-down parts and components. and spare parts to be used as replacements to the items mentioned in Part A of this schedule.

(c) Exemption liom the payment of corporate tax for the following specified periods:

- (i) three years tax holiday for cater-ing establishments situated in Accra or within thirty kilometers radius from Accra,

(ii) four years tax holiday for the same facilities in regional capitals, (iii) five years tax holiday for the same facilities located elsewhere.

(d) other relevant incentives or benefits that are generally applicable to enter-prises under the Ghana Investment Promotion Centre Act 1994, (Act478). I

(a) Exemption from the payment of customs import duties and other related charges and Value Added Tax on the following capital equipment, machinery, appliances, furniture and fittings in the pre-approved quantities to be used in establishing the project:

(i) cars and tourist coaches to be used by operators,

(ii) air conditioners,

(iii) furnishing including carpets, (iv) computers, printers and servers, (v) office equipment

(vi) server for galileo system and radio communication equipment.

(b) Exemption from the payment of customs import duties and other related charges and Value Added Tax on the pre-ap-proved quantities of knocked-down parts and components, and spare parts to be used as replacements to the items mentioned in Part A of this Schedule.

(c) Exemption from the payment of corporate tax for the following specified periods:

(i) three years tax holiday for en-terprises situated in Accra or within thirty (30) kilometers radius from Accra,

(ii) four years tax holiday for the same facilities in regional capital. and

(iii) five years tax holiday for the same facilities located elsewhere,

(d) Other relevant incentives or benefits that are generally applicable to enter-prises under the Ghana Investment Promotion Centre Act, 1994 (Act 478).

Conference and Convention Establishments, including management and operation of international conference centers.

(a) Exemption from the payment of customs import duties and other related charges and Value Added Tax on the following capital equipment, machinery, appli-ances, furniture and fittings in the pre- approved quantities to be used in establishing the project:

(i) cars and tourist coaches to be used by operators,

(ii) air conditioners,

(iii) furnishing including carpets, (iv) computers, printers and servers,

(v) office equipment,

(vi) server for galileo system and radio communication equipment. (vii) audio visual and video equipment.

(b) Exemption from the payment of customs import duties and other related charges and Value Added Tax on the pre-ap-proved quantities of knocked-down parts and components and spare parts to be used as replacements to the items mentioned in Part A of this Schedule.

(c) Exemption from the payment of corporate tax for the following specified periods;

(i) three years tax holiday for enterprises situated in Accra or within thirty (30) kilometers radius from Accra,

(ii) four years tax holiday for the same facilities in regional capitals,

(iii) five years tax holiday for the same facilities located elsewhere, and

(iv) other relevant incentives or benefits that are generally applicable to enterprises under the Ghana Investment Promotion Centre Act 1994. (Act 478).

Recreation and Entertainment Establishments, including nightclubs, amusement centres, theme parks, casinos, provision of facilities for hand gliding and paragliding, water skiing, surfing, yachting and boating, cruising, angling and other marine and water based recreational facilities,

((/) Exemption from the payment of customs import duties and other related charges and Value Added Tax on equipment specific to their respective operations in addition to the following capital equipment, machinery, appliances, furniture and fittings in the pre-approved quantities to be used in establishing the project:

(i) air conditioners,

(ii) furnishing including carpets,

(iii) computers, printers and servers,

(iv) office equipment,

(v) audio and video equipment, and

(vi) cars and vans to be used by the operators and organisers.

(b) Exemption from the payment of customs import duties and other related charges and Value Added Tax on the pre-ap-proved quantities of knocked-down parts and components, spare parts, to be used as replacement to the items mentioned in Part A of this Schedule.

(c) Exemption from the payment of corporate tax for the following specified periods:

(i) three years tax holiday for accommodation establishments situated in Accra or within thirty (30) kilometers radius from Accra,

(ii) four years tax holiday for the same facilities in regional capitals, (iii) five years tax holiday for the same facilities located elsewhere, and

(d) other relevant incentives or benefits that are generally applicable to enterprises under the Ghana Investment Promotion Centre Act 1994, (Act 478).

Strategic or Major Investment Projects, which shall be limited to any other tourism project which the Board, in consultation with other relevant government agencies, may determine to be of a strategic or major investment status on the basis of its potential to significantly impact on the following:

(i) the level of investment in the economy,

(ii) employment generation,

(iii) generation of further investments through linkages with other economic sectors,

(a) The benefits and incentives to be granted to the identified strategic investor shall be as negotiated by the Board of the Ghana Investment Promotion Centre and with the approval of the President.

(iv) increases in tourist arrivals and foreign exchange earnings,

(v) the development of specialized tourism ventures in areas such as eco-tourism, heritage or cultural tourism, historical or emotional tourism and sports tourism,

(vi) the ability to market Ghana's investment environment through the attraction of strategic investors,

(vii) the realization of Ghana's branded image, and

(viii) such other objective as the Board may consider relevant for achieving the objects of this instrument.

(h)

In the special case of such projects, the benefits and incentives to be granted shall be in addition to the benefits and incentives already provided for under this instrument and such other relevant incentives or benefits that are generally applicable to enterprises under the Ghana Investment Promotion Centre Act 1994, (Act 478)

SIGNED BY PAUL VICTOR OBENG,

Chairman of the Ghana Investments Promotion Centre

Date of Gazette notification: 18th November 2005.

Entry into force: 10th February 2006.

