

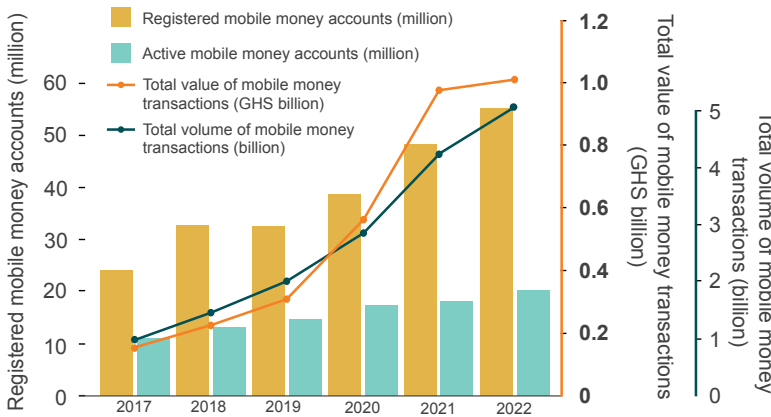
Taxation of digital financial services in Ghana

February 2024



1. Who uses digital financial services, and how much?

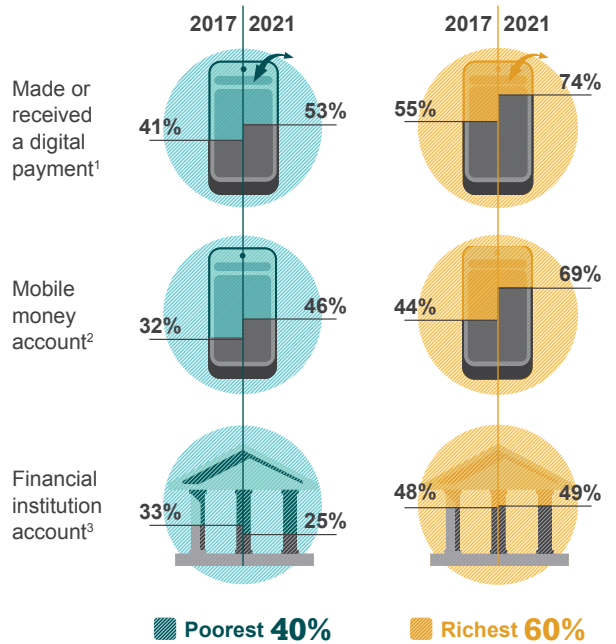
Digital financial services (DFS) are growing in Ghana



Between 2017 and 2022, the total volumes and values of mobile money transactions in Ghana have increased. Mobile money accounts that are registered and active have also increased.

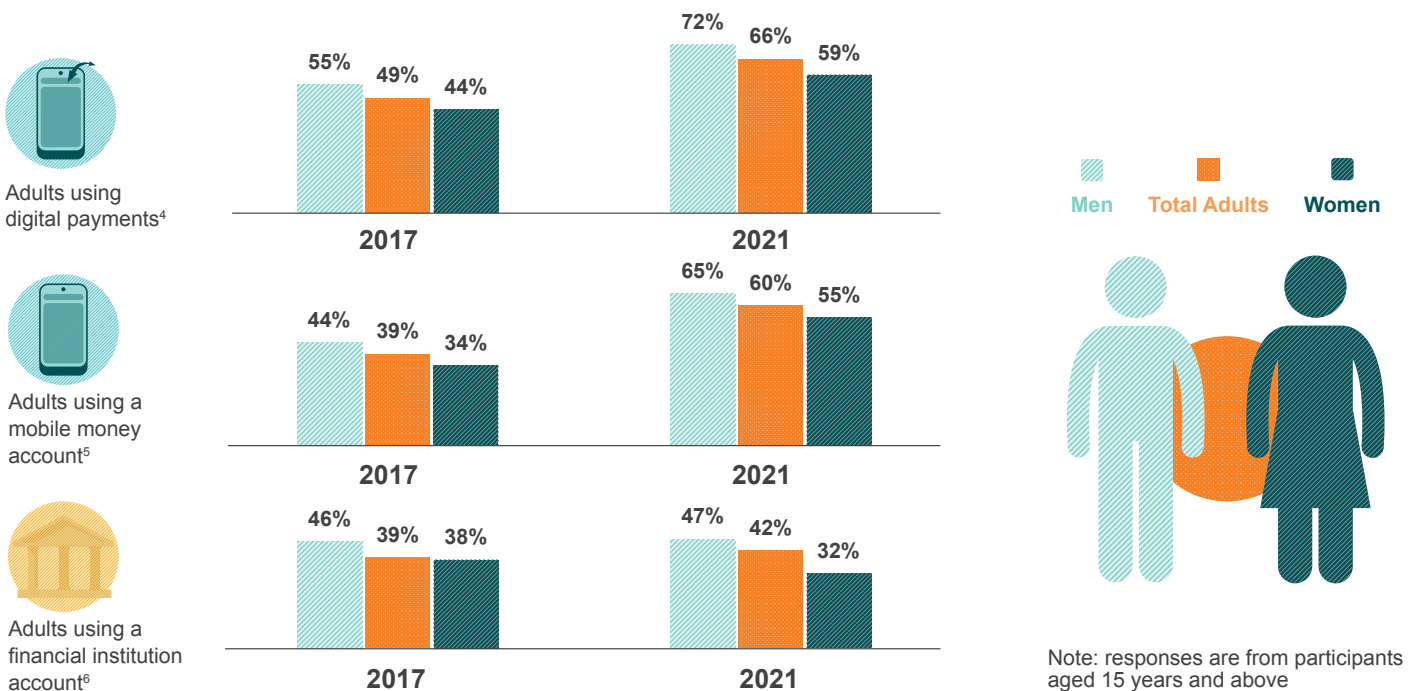
Source: Bank of Ghana, Payment Systems Annual Reports 2020, 2021 and 2022

Most of the recent growth is among the richest 60% of the population



Source: 1, 2, 3. World Bank, The Global Findex Database (2021)

Digital payment and account use varies by user group. While women own fewer financial accounts, they own more mobile money accounts.



Source: 4, 5, 6. World Bank, The Global Findex Database (2021)

2. How are digital financial services taxed?

Ghana applies an electronic transaction levy on the **value of electronic transfers** for both mobile money and banks, with some exceptions



Rate

1%

Tax

E-Levy applied on electronic transfers (introduced in May 2022¹ and reduced from 1.5% to 1%, effective January 2023²)

Affected transactions¹



Mobile money transfers:

- done between accounts on the same electronic money issuer
- done across different electronic money issuers for sender and recipient



Transfers from:

- bank accounts to mobile money accounts
- mobile money accounts to bank accounts



Bank transfers on an instant pay digital platform or application originating from a bank account belonging to an individual above GHS 20,000 a day³

Non-affected transactions¹



A transfer:

- **between accounts** owned by the same person
- **for payment of taxes, fees, and charges** on Ghana.Gov System or any other Government of Ghana designated payment system



A cumulative transfer of GHS 100 per day made by the same person using mobile money



Specified merchant payments (electronic transfers to registered commercial establishments for Income Tax or Value Added Tax)



Transfers between principal, agent, and master-agent accounts



Electronic clearing of cheques



Remittances (foreign)



Airtime and utility payments (if the provider is registered with the GRA for Income Tax or VAT)⁴



Deposit of cash into an individual's own wallet; **Withdrawals of cash** from an individual's own wallet⁴

1. [Electronic Transfer Levy Act, 2022](#), No. 1075

See also: Administrative Guidelines AG/2022/002 of 27 April 2022

2. [Electronic Transfer Levy \(Amendment\) Act, 2022 Act 1089](#)

3. Internal communication between the Ministry of Finance and the Ghana Revenue Authority

4. [Ghana Ministry of Finance](#), Frequently Asked Questions (E-Levy)

Disclaimer: This factsheet collects publicly available information on digital financial services and how they are taxed from a variety of sources. Its purpose is to inform but not to assess or comment on the efficacy of digital payments or taxes. The information expressed in this factsheet is compiled from sources believed to be reliable as of 31 January 2024. This factsheet supersedes any previous versions. If you are aware of any changes or inaccuracies, please notify us at ictddigitax@ids.ac.uk.

ICTD's **DIGITAX Research Programme** aims to inform and guide governments and key stakeholders at the interface of digital financial services, digital IDs and tax. For up-to-date information on evolving tax regulations, visit ICTD's **DFS TaxMap**, a dynamic web portal in English and French tracking the diverse approaches to DFS taxation.

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