

The Ghana tax rates have changed, **effective 1 August 2018**. [The Income Tax \(Amendment\) Act, 2018](#) was assented by the President on 31 July 2018.

New monthly tables effective 1 August 2018:

From	To	Taxable Income	Rate
0	261	261,00	0
261,01	331	70,00	5%
331,01	431	100,00	10%
431,01	3241	2 810,00	17.5%
3241,01	10 000,01	6 759,00	25%
10 000,01	and above	-	35%

New annual tables effective 1 August 2018:

From	To	Taxable Income	Rate
0,00	3 132,00	3 132,00	0
3 132,01	3 972,00	840,00	5%
3 972,01	5 172,00	1 200,00	10%
5 172,01	38 892,00	33 720,00	17.5%
38 892,01	120 000,00	81 108,00	25%
120 000,01	and above	-	35%

The chargeable income of a non-resident has increased from 20% to 25%.

Please note that a tax update to implement the above-mentioned changes, will be included in Release 5.1a. The release will be available early September 2018. The tax file will automatically backdate the tax calculation from 1 August 2018.

FAQ's regarding the tax update:

What will happen to backpay payments that may occur for January – July?

The system will apply the January 2018 tax table and not the new table that is effective 1 August.

What will happen to terminations when the 'the tax recalculation' is activated?

The system will apply the January 2018 tax table for January to July values and the new table for August to December. Therefore, two tax calculations.

What happens with my general tax recalculation at year end?

The system will apply January 2018 tax table for January to July values, and the new table for August to December. Therefore, two tax calculations.

What happens if the tax update is installed after the August pay period?

The system will backdate the new tax table to 1 August and refund the difference for the months from August to the current month, in the current month.

If you have any more questions, please send us an email at Support.HRandPayroll@sage.com

