



A  
**BILL**

ENTITLED

**EXCISE DUTY (AMENDMENT) ACT, 2015**

AN ACT to amend the Excise Duty Act, 2014 (Act 878) to increase the excise duty rate on cigarettes and cigars.

**DATE OF ASSENT:**

PASSED by Parliament and assented to by the President:

**First Schedule to Act 878 amended**

1. The Excise Duty Act, 2014 (Act 878) is amended in the First Schedule by the substitution for the ad-valorem rate of duty indicated in the third column in relation to items “(a) and “(b)” of the tobacco products listed in the second column in respect of Tariff number 6 of

“Tariff No.	Commodity Description	Rate of Duty
6.	Tobacco products: (a) Cigarette (b) Cigar	175 per centum of the ex-factory price  175 per centum of the ex-factory price”

Date of *Gazette* notification: 16th June, 2015.

## Excise Duty (Amendment) Bill, 2015

### MEMORANDUM

The object of this Bill is to amend the Excise Duty Act, 2014 (Act 878) to increase the excise duty on cigarettes and cigars from one hundred and fifty per centum of the ex-factory price to one hundred and seventy-five per centum of the ex-factory price.

Ghana's excise tax as a percentage of cigarette prices is one of the lowest in the region. It has been estimated that the excise tax as a percentage of retail price is fourteen percent while the average for Africa is thirty-three percent. It has also been established that to reduce the consumption of tobacco and its related health hazards, excise tax should be seventy percent of the retail price.

In pursuance of the these goals, the Bill amends the First Schedule to Act 878 by the increase of the excise duty rate on cigarettes and cigars from one hundred and fifty per centum of the ex-factory price to one hundred and seventy-five per centum of the ex-factory price.

SETH E. TERKPER

*Minister responsible for Finance*

Date: 11th June, 2015.

**Excise Duty Bill, 2013**