

LUXURY VEHICLE LEVY BILL, 2018

ARRANGEMENT OF SECTIONS

Section

1. Imposition of Luxury Vehicle Levy
2. Exemption from Levy
3. Collection of Levy
4. Bank account
5. Penalty
6. Regulations
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SCHEDULE

Luxury Vehicle Levy Bill, 2018

A
BILL

ENTITLED

LUXURY VEHICLE LEVY ACT, 2018

AN ACT to impose a Luxury Vehicle Levy on motor vehicles and to provide for related matters.

PASSED by Parliament and assented to by the President:

Imposition of Luxury Vehicle Levy

1. (1) There is imposed by this Act an annual Levy to be known as “Luxury Vehicle Levy” on a motor vehicle with an engine capacity of three thousand cubic centimeters or more

(2) The Levy shall be paid by the owner of the motor vehicle

(a) on the date of the first registration of the motor vehicle;
and

(b) on or before the due date for the annual renewal of the road worthy certificate of the motor vehicle.

(3) A motor vehicle registered prior to this Act is subject to the Levy.

(4) The levies specified in the third column of the Schedule shall be paid in respect of motor vehicles with engine capacities specified in the second column of the Schedule.

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Exemption from Levy

2. The following motor vehicles are exempt from the Levy:
- (a) tractors;
 - (b) ambulances;
 - (c) commercial vehicles that have the capacity to transport more than ten persons.
 - (d) commercial vehicles for the transport of goods; and
 - (e) other motor vehicles that the Minister may by legislative instrument exempt.

Collection of Levy

3. The Driver and Vehicle Licensing Authority shall collect the Levy imposed under this Act.

Bank account

4. The Levy collected under section 3, shall be paid into a bank account opened for the purpose by the Board, with the approval of the Controller and Accountant-General.

Penalty

5. A person who fails to pay the Levy by the due date on which the Levy is payable, shall be liable to a penalty of one hundred percent of the amount for every year of default.

Regulations

6. The Minister may, by legislative instrument make Regulations for the effective implementation of this Act.

Interpretations

7. In this Act, unless the context otherwise requires,
- “Board” means the governing body of the Driver and Vehicle Licensing Authority established by section 5 of the Driver and Vehicle Licensing Authority Act, 1999 (Act 569);
 - “commercial vehicle” means a vehicle registered by the Driver and Vehicle Licensing Authority as a commercial vehicle;
 - “Levy” means the Luxury Vehicle Levy imposed under section 1; and
 - “Minister” means the Minister responsible for Finance.

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SCHEDULE

Imposition of Levy
(section 1 (4))

	ENGINE CAPACITY (CC)	LEVY (GHS)
1.	2950cc (3Ltr) – 3549 cc (3.5 ltr)	1,000 GHC
2.	3550 cc (3.6 ltr) - 4049cc (4ltr)	1,500 GHC
3.	Above 4050 cc (4.1ltr)	2,000 GHC

Date of *Gazette* notification:

LUXURY VEHICLE LEVY BILL, 2018

MEMORANDUM

The object of the Bill is to impose an annual Luxury Vehicle Levy on motor vehicles with engine capacities of three thousand cubic centimeters or more and to provide for related matters.

Government seeks to introduce a levy on vehicles with high engine capacities of three thousand cubic centimeters or more. The levy is to be paid at the first registration of the vehicles and subsequently on or before the annual renewal of the roadworthy certificates of the vehicles.

The estimated revenue is three hundred million Cedis for the period, August to December 2018.

Clause 1 of the Bill imposes the Luxury Vehicle Levy on motor vehicles with an engine capacity of three thousand cubic centimeters or more. The levy is to be paid on the registration of the vehicle and subsequently on or before the annual renewal of the roadworthy certificate of the vehicle. The Levy is also imposed on vehicles existing prior to the passage of the Act.

Clause 2 exempts certain categories of vehicles namely tractors, ambulances, commercial vehicles that carry more than ten persons, commercial vehicles for the transport of goods as well as those the Minister may exempt via Regulations.

Clause 3 empowers the Driver and Vehicle Licensing Authority to collect the levy.

Clause 4 provides for a bank account into which the levy is to be paid.

Clause 5 deals with penalties. *Clause 6* provides for Regulations and *clause 7* is on interpretation.

KEN OFORI-ATTA
Minister responsible for Finance

Date: