



2021 Budget At A Glance



Macroeconomic indicators

Government intends to achieve growth in real GDP from a projected outturn of 0.9% for 2020 to an average of 5.0% over the medium term (2021 to 2024). Inflation is also set to decline from 10.4% as at December 2020 to a target band of 8±2% over the medium term, while overall fiscal deficit is expected to fall within the 5% threshold imposed by the Fiscal Responsibility Act (2018) by 2024.

Description	2019 Actual	2020 Target	2020 Projected Outturn	2021 Target	Medium Term Target (2021 - 2024)
Growth in Real GDP (incl. oil)	6.5%	0.9%	0.9%	5.0%	5.0%
Growth in Real GDP (non - oil)	5.8%	1.6%	1.6%	6.7%	4.9%
End of Period Inflation (%)	7.9%	11.0%	10.4%	8.0%	8%
Overall Fiscal Budget Deficit (% of GDP)*	4.8%	11.4%	11.7%	9.5%	Not more than 5%
Gross International Reserves	Not less than 4.0 months of import cover	Not less than 4.0 months of import cover	Not less than 4.1 months of import cover	Not less than 4.0 months of import cover	Not less than 4.0 months of import cover

Note: Overall fiscal budget deficit excludes financial sector clean up cost

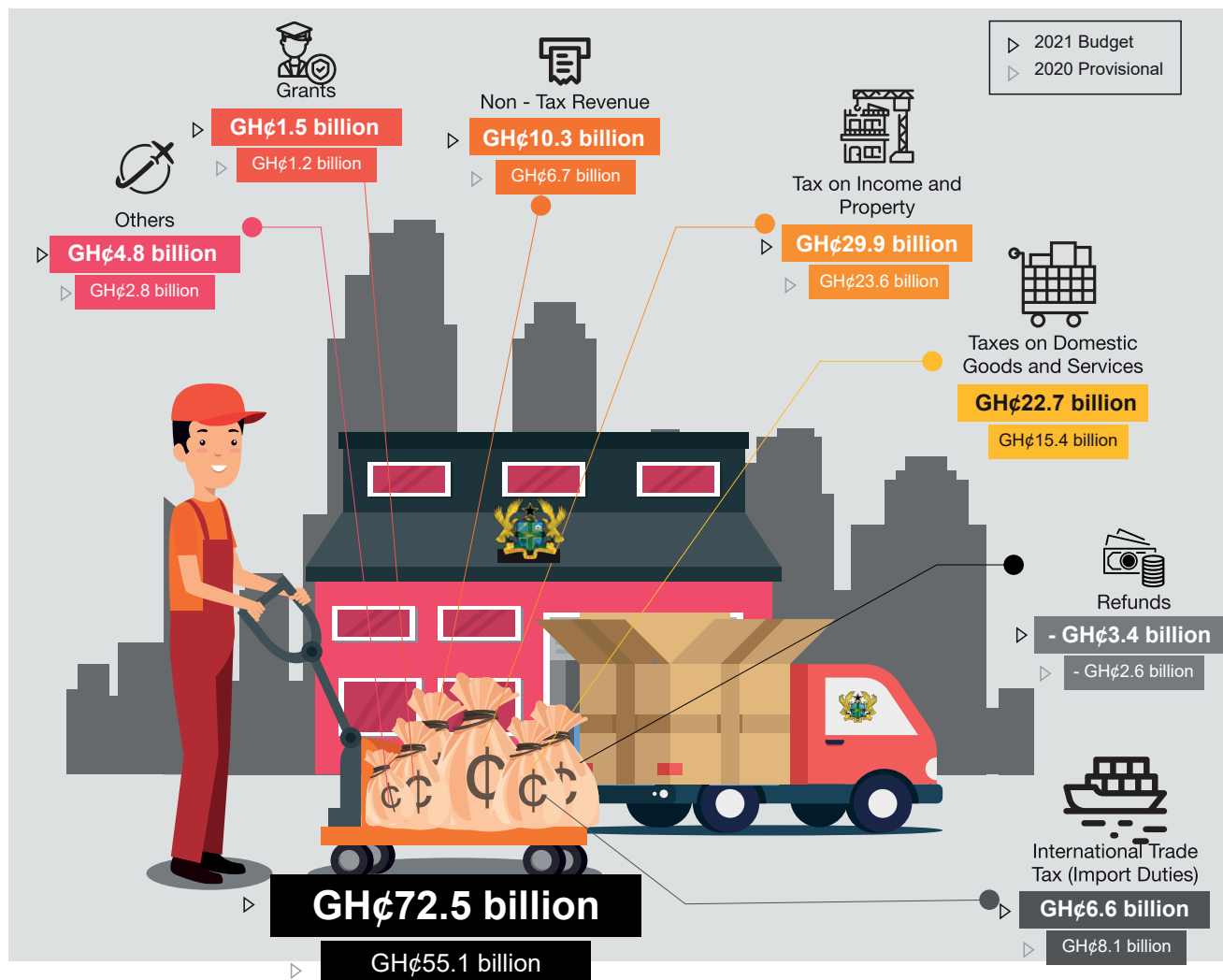




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Where is the money coming from?



Taxation

Direct tax measures

- Introducing a 5% financial sector ("finsec") clean-up levy
- Introducing 30% income tax rebates for companies operating hotels and restaurants, education, arts and entertainment, and travel and tours from April to December 2021
- Suspending instalment income tax stamp and vehicle income tax payments from April to December 2021
- Extending the exemption of income tax on capital gains made from the realisation (e.g. sale) of securities listed on the Ghana Stock Exchange beyond 2021

Indirect tax measures

- Introducing 1% COVID-19 Health Levy
- Introducing 10 pesewas Sanitation and Pollution Levy and 20 pesewas Energy Sector Recovery Levy (Delta Fund)
- Taxation of the Digital Economy

General administrative measures

- Extending a waiver of penalties and interest on principal tax debts owed by December 2020
- Intensifying audits and introducing debt recovery measures
- Setting up the Independent Tax Appeals Board
- Developing a comprehensive gaming policy for revenue mobilisation
- Deepening Government's digitisation agenda
- Enacting the Exemptions Bill



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Where is the money going to?

