

# Gender

## Develop gender-responsive tax policies

### • Policy-makers urged

By Mary Anane-Amponsah

**P**OLICY makers have been urged to design gender-responsive tax policies that promote equitable tax regime in the country.

This is because data show that the impact of taxes on men and women differ and, therefore, policy makers must take into consideration the differences to prevent discrimination when formulating policies.

Although the current Ghanaian tax system is considered to be gender-neutral because there is no explicit gender

discrimination, it is said to perpetuate certain inequalities which need to be addressed.

Presenting a gender analysis of Ghana's Tax regime at a policy dialogue for parliamentarians and stakeholders on taxation and Illicit Financial Flows (IFFs) in Accra last Friday, a senior lecturer at the Economics Department of the University of Ghana, Dr Gloria Aful-Mensah, said data showed there were biases which mostly affected women and, therefore, did not promote equitable tax regime.

Touching on some of the biases, she said one area had to do with the aged dependent relief, which was available to any individual who takes care of the aged of 60 years and above.

Dr Aful-Mensah said data had shown that although women provided unpaid

care to people than their male counterparts within a household, the relief provided the same amount to both men and women, which inherently was a form of discrimination or bias against women.

### Findings

The policy dialogue organised by the Network for Women's Rights in Ghana (NETRIGHT) was aimed at starting a conversation with parliamentarians, academia and Civil Society Organisations (CSOs) to agree on strategies to push for fair and equitable policy and legislative reforms to enhance the country's tax regimes, specifically exploring issues around Domestic Resource Mobilisation (DRM) and IFFs.

Dr Aful-Mensah said most of the biases in the tax system could be seen with the tax reliefs.

In the agriculture sector, she said the incomes of cocoa farmers, for instance, had tax exemption which was an incentive for people who engaged in cash cropping.

Meanwhile, data showed that most men were into cash cropping while a lot of women in agriculture were more engaged in food production, "so if you are exempting the income of cocoa farmers, yes, it is good but what about the women. How are you considering them? So inherently, there is a bias," she said.

Another bias, she mentioned had to do with the indirect tax system such as the Value Added Tax (VAT), where consumption patterns for men and women differed, but they were subjected to the same tax which then clearly showed that one would suffer more.

From the data, Ms Aful-Mensah said,

"For instance in the area of VAT on food, women suffer more because the share of their income on food consumption is higher than male type households".

"So implementing or designing tax policies must take into consideration those differences otherwise the tax system which is gender blind is perpetuating certain inequalities."

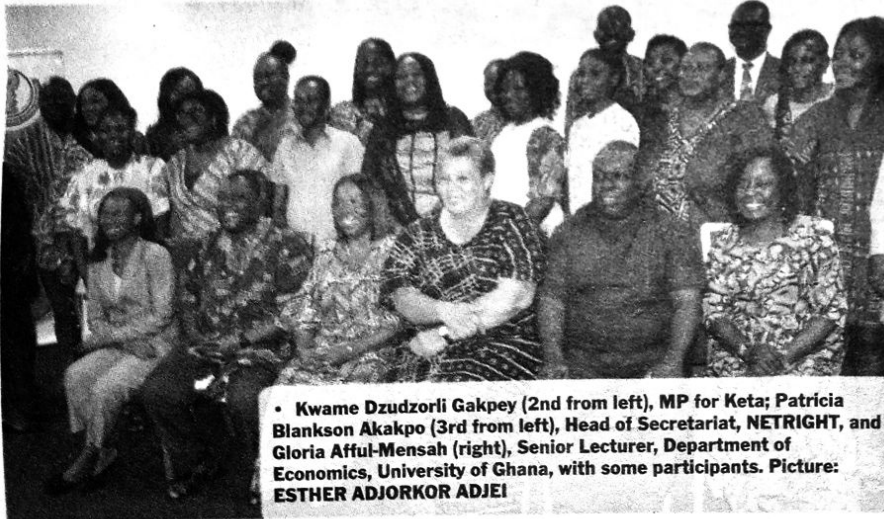
### Curbing IFFs

The head of the secretariat of Network for Women's Right in Ghana (NETRIGHT), Patricia Blankson Akakpo, said pushing the tax justice agenda and working collaboratively to curb illicit financial flows and strengthening social contracts were essential for national development and, therefore, an urgent need for the legislature, civil society, labour, academia, and all critical actors to push for a gender tax regime that was fair and equitable.

"This would ensure equal opportunities for all which is a prerequisite for sustainable development".

She said a gender responsive policy and effective implementation were essential in contributing to eliminating IFFs and improving the DRM.

The lack of political will was a major factor of Ghana's inability to stop IFFs and improve its tax system. "Ghana for the 17th time has gone to IMF for a bailout while we continue to lose GH¢ 1.4 billion yearly. These monies could have been used to improve on infrastructure, reduce infant and maternal mortality rate, provide quality health care, equip schools with the requisite facilities among others," she said.



• Kwame Dzudzorli Gakpey (2nd from left), MP for Keta; Patricia Blankson Akakpo (3rd from left), Head of Secretariat, NETRIGHT, and Gloria Aful-Mensah (right), Senior Lecturer, Department of Economics, University of Ghana, with some participants. Picture: ESTHER ADJORKOR ADJEI