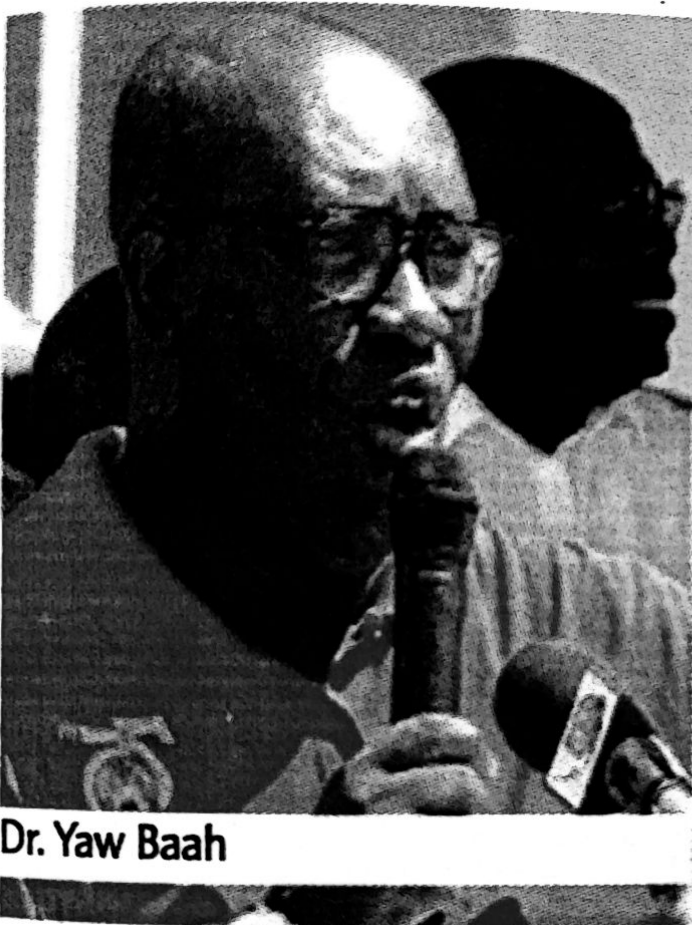


# We Won't Pay VAT On Power - TUC



Dr. Yaw Baah

## A Business Desk Report

**ORGANISED LABOUR** has indicated it is not in favour of the government's proposal to impose Value Added Tax (VAT) on electricity consumed beyond the lifeline edge.

The Trades Union Congress (TUC), which made this known at a presser yesterday in Accra, gave a seven-day ultimatum to the government to withdraw its proposed imposition of VAT on electricity saying the poor, especially pensioners and low-income earners, could not bear the extra tax.

General Secretary of TUC, Dr. Yaw Baah, who addressed the media, therefore asked

the government and its agencies to immediately retract the implementation of the proposed tax.

"It's always the poor people in this country, including pensioners, who bear the brunt. And we should not allow that to continue. Organised Labour, we have come together and our message to the government is very simple, we cannot pay VAT on electricity.

"We will not pay it today or tomorrow. Organised Labour is demanding the immediate withdrawal of the letter, and another directive from the Finance Minister to Ghana Grid Company (GRIDCo), ECG to stop the implementation of the VAT on electricity. We are giving the government, up to January 31, 2024, to withdraw the letter," he noted.

According to Dr. Yaw Baah, should the Finance Minister refuse to instruct GRIDCo and ECG to retract the letter calling for the imposition of the additional tax, Organised Labour and its members would 'advise themselves'.

It would be recalled that by a letter dated January 1, Finance Minister Ken Ofori-Atta urged the Electricity Company of Ghana (ECG) and the Northern Electricity Distribution Company (NEDCo) to implement the VAT, with an objective to mobilise revenue for the COVID-19 recovery programme.

Government has indicated the proposed imposition of a 15 percent VAT on electricity consumption.

This measure is part of the government's COVID-19 recovery programme, aiming to generate additional revenue.