



**MINISTRY
OF
WORKS AND HOUSING**

P. O. Box M.43, Accra – Ghana
Digital Address: GA-144-0550

Kindly quote this number and date on all correspondence

My Ref. No SCR/KS-119/123/4

Your Ref. No _____

Date 16th May, 2022

RE: INCENTIVES / EXEMPTIONS / SUBSIDY / GRANT

We refer to your letter dated 7th April, 2022 to the Ministry.

The Ministry appreciates and welcomes your efforts and readiness to partner the Government through this Ministry to provide Affordable housing.

Kindly find below information per your request concerning Incentives / Exemptions / Subsidy / Grant:

1. It is part of the Governments obligations to provide incentives such as:
 - a. Secured Land Banks,
 - b. Infrastructural Services on the Secured Land Banks and
 - c. Tax Incentives and Exemptions.

The Ministry is in various consultations with state agencies to provide horizontal infrastructure on the available land banks.

2. The Ministry of works and housing in collaboration with the Ministry of Lands and Natural Resources and the Ghana Investment Promotion centre, have resolved to strengthen the incentive packages available in our laws to attract developers and investors willing to partner government in the area of affordable housing.

The following incentives and exemptions are to be considered by Government.

- VAT exemption for all purchases of goods and services
- Exemption from the patent and license registrations
- Exemption from taxes on the acquisition of lands
- Exemption of import duties and other development costs
- Exemption of tax on unbuilt land if applicable
- Exemption of land registration fees and land stamps

The Ministry of Works and Housing is currently engaging the GIPC to consolidate the processes required for investors to benefit from the

Tel: +233 (0) 577 902 933 / (0) 577 902 988

Email: info@mwh.gov.gh

Website: www.mwh.gov.gh

1. MINISTRY OF WORKS AND HOUSING INCENTIVES AND EXEMPTIONS

following incentives for Real Estate Developers in the private sector in partnership with Government in Affordable Housing Provision;

- a) Guaranteed unconditional transfer through any authorized dealer bank in freely convertible currency of: -
 - Dividends or net profit attributable to the investment.
 - Payments in respect of loan servicing where a foreign loan has been obtained.
 - Fees and charges in respect of any technology transfer agreement registered.
 - The remittance of proceeds (net of all taxes and other obligations) in the event of sale or liquidation of the enterprise or any interest attributable to the investment.
- b) 5 years tax holiday for Real Estate (Certified Low-Cost Housing)
 - Corporate Income Tax of 1% (for the first 5 years) for the companies investing in the construction of affordable housing.
 - Between 12.5% - 25% locational incentives (tax rebates) for manufacturing companies depending on the location they site the Companies.
- c) Exemption from the payment of rent and property rates on temporary structures and buildings erected on site by the Developer for sole purposes of the project.
- d) Opportunities for exemption of import duty from the payment of custom import duty on plant, equipment, machinery and other supplies.
 - Zero-rated and concessionary duty items should be cleared automatically and directly through the Customs Excise and Preventive Service (CEPS) of the Ghana Revenue Authority (GRA).
 - Essential plant, machinery, and equipment, which fall under section 24 of Act 478, should be cleared with the GIPC.
 - VAT exemption from construction materials, topographical studies, road works and various infrastructure, architectural and urban planning studies and works of public facilities (health centre, schools etc.)