

# Ghana Tax Changes



## Premier and Sage200c

### January 2019

Income Tax (Amendment) Act 979 (NO2) of 2018 which was published on the 28<sup>th</sup> of December 2018 in Ghana contains the changes to the calculation of Employee's Tax under the PAYE system effective from 1 January 2019. Tax will only be recalculated to the beginning of the current payroll month.

The Statutory Tax Rates which are applicable from 1 January 2019 are:

Taxable Income	Taxable Income	Rates of Tax
0 – 288	288	No Tax to be deducted
288.01 - 388	100	5%
388.01 - 528	140	10%
528.01 – 3528	3000	17.5%
3 528.01 – 20 000	16472	25%
20 000.01 and above		30%

You can view the Statutory Rates of Tax by clicking on the TXB button on any Employee's Tax Screen or the Tax button on the Basic Company Information Screen.

## Installation Instructions

Before you extract the contents of the zip file into your VIP Directory:

- Make sure that you are currently on Release 5.1a.
- These files must be loaded before doing final payments or printing reports for the pay period.
- Make sure that ALL operators are logged out of the Payroll system. If they are not, your programs and data may be corrupted.
- Ensure that Forced Pay has not been activated.

- Start off by making a Full System Backup. Make sure you write down the Drive Letter and the Directory Name where your current VIP System is installed (the one that will be updated), e.g. C:\Premier.
- If you are a Premier ESS and/or Premier HR user, you do not have to install their respective updates. This is a Payroll only installation.

If you are unsure about ANY of the above instructions, please contact our call centre or email [support2@vip payroll.co.za](mailto:support2@vip payroll.co.za) and we will gladly call you back to assist you.

Please save the Tax File containing the software changes attached to the email, which must be unzipped into your VIP directory.

### **Steps to follow to unzip the file into your VIP Directory**

In these instructions we assume that:

- You use WinZip as the extraction tool,
- Your VIP system is loaded in C:\Premier, and
- The drive letter from which you will unzip this file, is C:

#### **1. Open the GHATax.ZIP File**

Either double click on the file, or right click on the file then click Open.

Once you have opened the GHATax.ZIP file, you need to unzip this file into your VIP directory.

#### **2. Extract the Ghana Tax File**

The WinZip window should be displayed. Click on I Agree.

Select Extract in order to extract the file to your VIP Directory. A Browse window will display.

#### **3. Locate your VIP directory**

Click on the correct Disk Drive option, e.g. Local Disk (C:), then click on the required folder, e.g. Premier (this will be the Drive and Directory you wrote down when you made the backup).

Click on Extract.

A message will display prompting you to Replace the Existing file.

Click on Yes to All.

Close the WinZip window.

If you do not have WinZip or another extraction tool, save the GHATax.ZIP file into your Payroll directory.

Click on Start (on your Windows task bar).

Click on Run and type the command applicable to your system (remember to change the drive and directory according to the details written down when you made a backup).

C:\Premier\PKZIPC.EXE –EXTRACT GHATax.ZIP

After Installing the new Software, it is advisable to do a General Recalculation in the company: Access your Ghana Company. From the Main Menu, click on Payroll and then select General Recalc. When you get the message “Do you want to Recalculate the Earnings and Deductions for ALL Employees?” click on Yes.