



GRA

GHANA REVENUE AUTHORITY

COMPLIANCE IMPROVEMENT PLAN **2025-2026**

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List of Abbreviations / Glossary of Terms

ACL	Audit Command Language
BI	Business Intelligence
BISEP	Business, Industry, Sociological, Economic, Psychological
CIP	Compliance Improvement Plan
CIT	Corporate Income Tax
CRM	Compliance Risk Management
CRS	Common Reporting Standard
CST	Communications Service Tax
DET	Domestic Excise Tax
DTRD	Domestic Tax Revenue Division
EDW	Enterprise Data Warehouse
EOI	Exchange of Information
ERR	Enterprise Risk Register
eTCC	Electronic Tax Clearance Certificate
FATCA	Foreign Account Tax Compliance Act

FCDO	Foreign, Commonwealth and Development Office
GDP	Gross Domestic Product
GETFL	Ghana Education Trust Fund Levy
GHC	Ghanaian Cedi
GITMIS	Ghana Integrated Tax Management Information System
GRA	Ghana Revenue Authority
HMRC	His Majesty's Revenue and Customs
ICIG	Integrated Compliance Improvement Group
ICT	Information and Communication Technology
ICUMS	Integrated Customs Management System
LTO	Large Taxpayer Office
NHIL	National Health Insurance Levy
OECD	Organisation for Economic Cooperation and Development
PAYE	Pay As You Earn
PIT	Personal Income Tax
SMS	Short Message Service 'Text Message'
TADAT	Tax Administration Diagnostic Assessment Tool
TSC	Taxpayer Service Centre
US\$	United States Dollars
VAT	Value Added Tax

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Foreword by Commissioner-General



ANTHONY K. SARPONG

Tax compliance remains a fundamental challenge for tax administrations globally, particularly in developing economies. The Ghana Revenue Authority (GRA) is no exception, as we continue to navigate evolving tax landscapes while ensuring fairness and efficiency in revenue mobilisation. Despite these challenges, the Authority has made positive strides, recording a tax-to-GDP ratio of 13.3% as of 2023 and 13.6% in 2024. (Tax Analysis & Revenue Forecasting Unit – GRA).

However, achieving our desired target of 18% to 20% by 2027, as outlined in the 4th Strategic Plan (2023-2027), requires a structured and proactive approach to compliance enhancement.

This plan serves as a strategic blueprint for enhancing voluntary compliance. It is grounded in data-driven risk analysis and focuses on mitigating key compliance risks and fostering a tax system built on GRA's core values.

The Compliance Improvement Plan prioritises both general and specific compliance interventions, addressing the four core tax obligations:

Registration – Ensuring all eligible taxpayers are registered in the tax system.

Filing – Encouraging timely submission of tax returns.

Payment – Enhancing tax payment compliance.

Accurate Reporting – Promoting complete and truthful tax declarations.

Beyond enforcement, our goal is to detect and prevent non-compliance from occurring by engaging taxpayers, addressing risks proactively, and fostering a culture of voluntary compliance.

A world-class revenue administration is built on a foundation of mutual trust and respect between the tax authority and taxpayers. As we work towards achieving GRA's vision, we encourage all stakeholders — individuals, businesses, and the wider community to collaborate with us in ensuring a fair and effective tax system.

We look forward to the successful implementation of this plan and the positive impact it will have on our collective goal of building a self-reliant nation.

GRA Strategy - Vision, Mission, and Core Values

V I S I O N



To be a world-class revenue administration recognised for professionalism, integrity, and excellence.

M I S I O N



To mobilise revenue for national development in a transparent, fair, effective, and efficient manner

V A L U E S



- | | |
|-----------------------|---|
| Fairness | Provide consistent and standardised services |
| Integrity | Be fair and honest at all times |
| Responsiveness | React quickly and professionally to customers' needs |
| Service | Provide timely and accurate assistance to our taxpayers through their preferred channel |
| Teamwork | Work together to achieve our goals |



GRA

SECTION 1

**Introduction
and Background**

Mobilising domestic revenue is crucial for the Government of Ghana to provide fundamental public goods and services, reduce dependence on foreign aid, and improve fiscal deficits. Taxes play an invaluable role in Ghana's domestic revenue mobilisation, constituting approximately 75 percent of total domestic government revenue. The Ghana Revenue Authority (GRA) is mandated under Section 3 of the GRA Act 2009 (Act 791) to assess and collect taxes, interest, and penalties and to pay the amounts collected into the Consolidated Fund.

To effectively execute this mandate, GRA has embarked on a transformational agenda driven by Information and Communication Technology (ICT). This transformation has led to the implementation of several policies and programs, including:

- The Integrated Customs Management System (ICUMS) and the Ghana Integrated Tax Management and Information System (GITMIS) as electronic platforms to drive operational activities.
- The adoption of a cashless policy.
- Data exchange and integration.
- Digitisation of taxpayer records.
- The implementation of the Electronic Tax Clearance Certificate (e-TCC).
- The introduction of the electronic VAT invoicing system.

These interventions have contributed to significant improvements in revenue collection. In 2023, total tax revenue collected rose to GHC113,066.43 million (13.3 percent of GDP), with GHC82,295.46 million derived from domestic direct and indirect taxes, increasing the proportion to approximately 73 percent.

Total tax revenue for 2024 amounted to GHC153,568.06 million. This represented a nominal 35.8 percent increase over the amount mobilised in 2023 and an improvement in the tax-to-GDP ratio to 13.6 percent.

Despite the increase in Ghana's tax-to-GDP ratio in 2024, the ratio remains low compared to the regional average of 15.29%. Recognising this, GRA's fourth Strategic Plan (2023 – 2027) sets a desired target to increase the tax-to-GDP ratio to between 18%-20% by 2027, aligning Ghana with other African nations.

As part of its commitment to being a world-class tax administration, GRA has engaged in the Tax Administration Diagnostic Assessment Tool (TADAT) evaluations, undergoing assessments in both 2017 and 2023. Some of the findings of the 2023 TADAT Assessment are enumerated below:

- (1) GRA employs a less structured assessment process to assess and prioritise Taxpayer compliance risk.
- (2) GRA does not have a compliance improvement plan.
- (3) There is no evidence of the monitoring and evaluation of the effectiveness of compliance risk mitigation strategies by senior management.
- (4) Unreliable data for the assessment of GRA's performance on taxpayer compliance with the four core tax obligations.

The findings above indicate a need for GRA to improve Compliance Risk Management.

The Compliance Improvement Plan (CIP) for 2025 outlines GRA's strategy to deepen the compliance culture of taxpayers. It builds upon previous foundational shifts in GRA's approach to compliance and further emphasises a risk management-focused strategy, underscoring the importance of tailored interventions for different Area Offices.

Recognising the limitations of strict enforcement, the plan prioritises identifying and mitigating real risks while fostering cooperation with compliant taxpayers. It incorporates appropriate corrective measures to address non-compliance effectively.

SECTION 2

Ghana's Tax Context



Ghana's tax system is integral to the country's economic stability, development, and fiscal management. As a unitary state, the government of Ghana sets tax policies and collects revenue to fund public goods and services across the country. The tax structure is designed to meet the government's fiscal needs.

The administration of taxes is centralised under the Ghana Revenue Authority, which was established in 2009 (Act 791) after the merger of three pre-existing revenue agencies (Inland Revenue Service, Customs Excise and Preventive Service, Value Added Tax Service) and its Revenue Agencies Governing Board (RAGB).

2.1 Tax Revenue Composition

Ghana's government relies on tax and non-tax revenues to meet its financial obligations. Tax revenue is composed of Direct and Indirect taxes. Domestic direct and indirect taxes constituted 73% of the total tax revenue in 2023, whilst Customs contributed 27%. In 2024, total domestic taxes constituted 71%, with customs revenue amounting to 29%.

2.1.1 Key Tax Types

Ghana's tax system is structured around both direct and indirect taxes, with a relatively balanced contribution from each. The key taxes include:

- **Direct Taxes:** These taxes are levied on income, profits, and wealth. The main forms include:
 - **Corporate Income Tax (CIT):** Tax on corporate profits, contributing **25.52%** of total tax revenue in 2024.
 - **Personal Income Tax (PIT):** Tax on individual earnings, contributing **15.39%** of total tax revenue in 2024.
 - **Growth and Sustainability Levy (GSL):** This levy applies to the pre-tax profit of some firms and is a relatively uncommon tax measure globally. This contributed **1.55%** of the total tax revenue in 2024.
- **Indirect Taxes:** These taxes are levied on goods and services and include VAT, excise duties, and import duties. Key indirect taxes include:

- **Value Added Tax (VAT):** Total VAT (Domestic and Imports) contributed **21.63%** of total tax revenue in 2024. VAT is a critical source of government funding.
- **Excise Taxes:** Levied on specific goods like tobacco, alcohol, and petroleum products, excise taxes play a major role in indirect tax revenue. Total Excise (Domestic and Imports) contributed **1.48%** of total tax revenue in 2024.
- **Import Duties:** Taxes levied on goods imported into the country, which contribute significantly to indirect tax revenue. Import duties accounted for **13.20%** of the total tax revenue in 2024.
- **Other Indirect Taxes:** Other sources of indirect revenue include the **National Health Insurance Levy (NHIL)** and the **Ghana Education Trust Fund Levy (GETFL)**, both of which apply to VAT and are non-reclaimable. Additionally, the **Communication Service Tax (CST)** and taxes on petroleum products also contribute to total tax collections.

2.2 Tax Administration

The Ghana Revenue Authority is the body responsible for collecting taxes in Ghana. The GRA is divided into 3 divisions:

- The Domestic Tax Revenue Division (DTRD) collects direct taxes like corporate and personal income taxes.
- The Customs Division (CD) collects indirect taxes, particularly customs duties, and taxes on petroleum products at borders and ports. Customs collections, especially those on imported goods, continue to be a vital source of revenue, with more than a third of all customs duties coming from taxes on imported goods.
- The Support Services Division (SSD) serves as a conduit of support to the two operational / core divisions (DTRD and CD), and offices reporting to the Commissioner General to enable them to perform their functions efficiently to aid in revenue mobilisation.

2.3 Challenges in Revenue Collection

Despite the importance of tax revenue to Ghana's fiscal stability, the country faces several challenges including:

- **Taxing the Informal Sector:** A large proportion of economic activity in Ghana is in the informal sector, which is difficult to tax effectively. This is largely attributed to the unregulated nature of the sector.
- **Enforcement and Compliance:** The GRA faces challenges in effectively enforcing tax laws to engender compliance. Issues such as inadequate taxpayer education and the pace of digital transformation continue to hamper efforts to improve tax administration.

The following are also identified as some challenges affecting GRA's ability to mobilise the much-needed revenue:

- inadequate auditing capacity
- inadequate training for staff on the use of data analytics tools
- poor internet connectivity
- lack of visibility on the activities of some economic actors
- lack of access to third-party data
- over-emphasis on revenue targets in tax reforms rather than improvement in the tax administration effectiveness and efficiency.

SECTION 3

**The Nature of
Tax Compliance**



Tax compliance refers to the ability and willingness of taxpayers to comply with the tax laws by registering, declaring the correct income for each year, and paying the right amount of taxes on time. In other words, it involves taxpayers submitting tax returns within the stipulated period, correctly stating the taxes payable, and paying the correct taxes by the due dates.

Compliance risks are categorised in relation to the four (4) core taxpayer obligations:

- (1) Registration – Registering on time and providing accurate and complete information as required by tax laws.
- (2) Filing – Timely lodgement of tax information in a prescribed manner and within a set time frame.
- (3) Payment – Payment of all taxes payable on assessment by the due dates as prescribed by the tax laws.
- (4) Accurate Reporting – Reporting of all income with complete and accurate information as required by tax laws.

A taxpayer is deemed to be non-compliant if they fail to meet any of the above obligations.

The desire of a taxpayer to meet tax obligations has a major impact on the level of compliance. To achieve the optimal level of compliance, it is necessary to pay attention to taxpayer behaviour and the strategies for influencing it. This will enable the Tax Administration to choose the most efficient (low-cost) and effective (best outcome) way to address non-compliant behaviour. This is illustrated in the Compliance Pyramid and behaviour model shown below.

Behavioral Insights

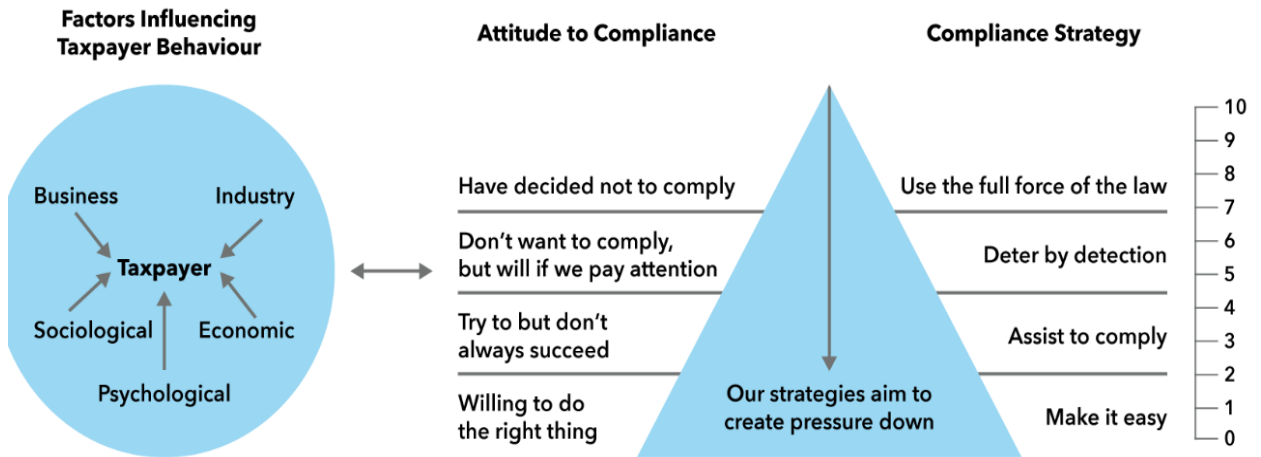


Figure 3.1: The BISEP Model and Spectrum of Taxpayer Attitudes to Compliance

Source: OECD, 2004 (Compliance Risk Management Guidance Note)



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SECTION 4

**Compliance
Improvement
Planning**



4.1 What is a Compliance Improvement Plan?

It is a high-level plan that brings together in a single document a description of the most significant compliance risks identified in the tax system and sets out the broad detail of how the tax administration intends to respond to those risks.

It identifies compliance risks and sets out the mitigation measures that will be delivered to tackle them. Given the range of means available to improve compliance, CIPs are designed to be comprehensive and include all treatment strategies.

The development of a CIP relies on the tax administration's overall Compliance Risk Management (CRM) capability. The results of CRM are translated into specific operational actions to be implemented across the tax administration. It is also important that the compliance outcomes are monitored and then introduced into the process, aimed at continuous improvement in the treatment strategies. The outputs of CRM include the compliance risk register and the CIP, which are linked directly to operational planning.

4.2 Goal and Objectives

The goal of the CIP is to identify and respond to the risks in the tax administration system through a range of measures aimed at identifying causes of non-compliant behaviour and finding solutions to improve voluntary compliance across the taxpayer population.

In general, the objectives of a CIP are to:

- Provide a systematic approach to mitigating the main compliance risks facing the tax administration.
- Ascertain the impact of various compliance interventions being undertaken by the tax administration.
- Broaden taxpayers' knowledge of compliance issues.
- Improve taxpayers' attitudes and perceptions towards paying taxes.
- Build public confidence in the tax administration.

4.3 Monitoring and Evaluation

Monitoring, evaluation, and continuous improvement are central to the success of the CIP. A structured approach to tracking progress and assessing the effectiveness of compliance interventions will ensure that the GRA remains responsive to emerging risks and opportunities for improvement.

The monitoring and evaluation (M&E) framework for the CIP will be anchored on the following key pillars:

- Baseline Assessment & Performance Metrics
- Routine Performance Evaluation
- Data-driven Decision Making
- Stakeholder Engagement & Feedback
- Adaptive Compliance Strategies
- Comprehensive Reporting & Accountability

By consistently assessing performance, analysing emerging trends, and refining compliance interventions, GRA will sustain its ability to promote voluntary compliance.

4.4 Compliance Improvement Dashboard

As a means of monitoring the implementation outcomes of the plan, the Compliance Improvement Dashboard has been developed. It serves as a tool for monitoring compliance improvement across Tax Offices. The Dashboard is an analytical platform (with data from the core tax system) that provides near real-time visibility into the performance of Tax Offices on various compliance metrics as per TADAT requirements.

The Dashboard provides data that makes it possible for a comparative analysis of the various performance metrics to measure the progress of the Tax Office in their compliance improvement journey and identify risks.



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SECTION 5

Approach to Identifying and Prioritising Compliance Risks

PRIORISE

The GRA remains committed to fostering a tax environment that promotes voluntary compliance while ensuring the detection and mitigation of non-compliance. Despite GRA's efforts to improve tax compliance, it is imperative to continuously monitor taxpayer behaviour, identify compliance gaps, and implement targeted strategies to sustain and enhance compliance levels. This entails analysing compliance trends, understanding the factors influencing taxpayer behaviour, and deploying risk-based interventions to address compliance risks effectively.

To ensure a comprehensive and inclusive CIP, GRA employs various analytical methods to detect non-compliance.

The following methods are central to identifying non-compliance:

- Analysis of Non-Filers and Late Filers: Identifying taxpayers who fail to file or file late across the four core tax types.
- Analysis of Non-Payers and Late Payers: Identifying taxpayers who do not make tax payments on time or fail to pay their tax obligations in full.
- Analysis of Annual Turnover: Examining the revenue generated by businesses to assess their tax compliance relative to their financial performance. However, a limitation exists where not all taxpayers have their stated turnovers captured in the system.
- Analysis of the Complexity of a Taxpayer: Assessing businesses with complex operations that may present higher compliance risks due to intricate tax obligations.

5.1 Risk Differentiation Framework (RDF) and Taxpayer Segmentation

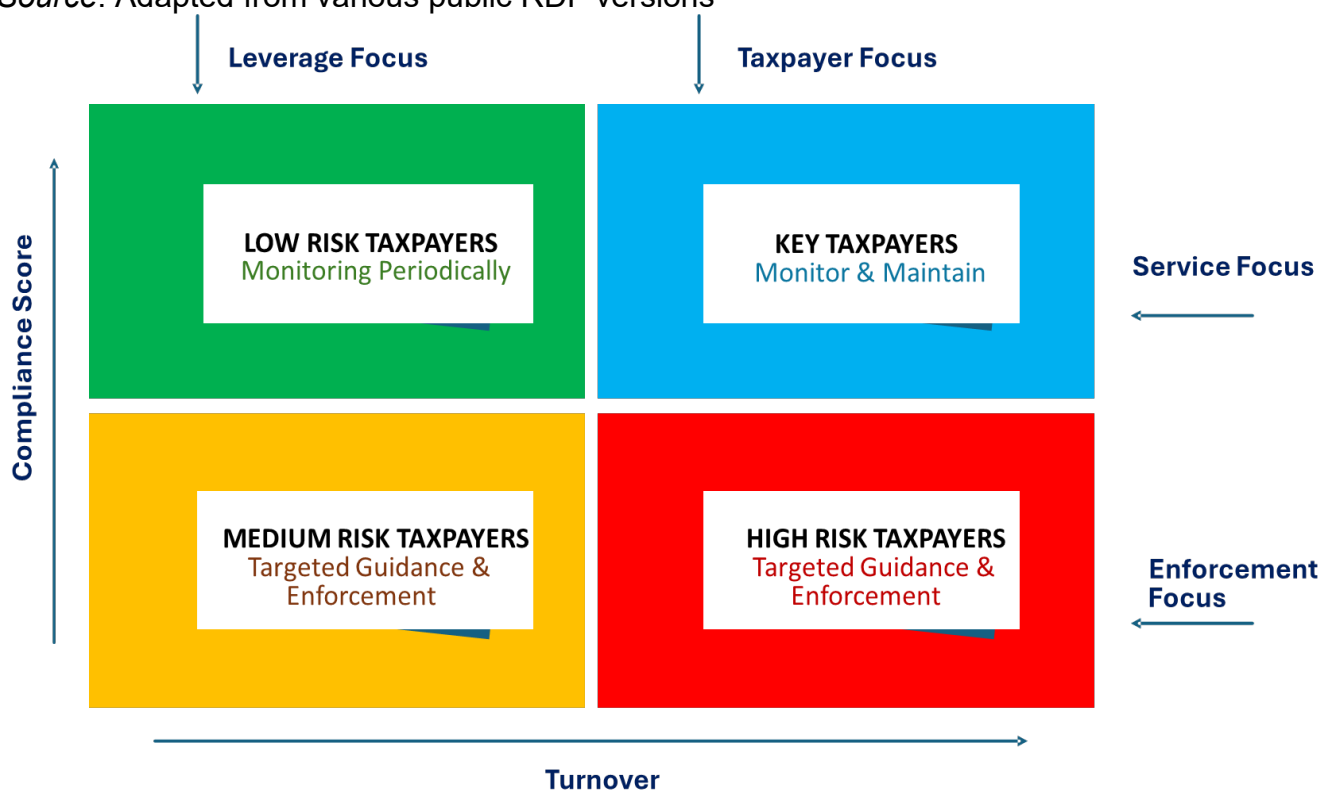
The RDF segments the taxpayer population into four quadrants and categorises taxpayers, not individual risks. In this regard, the RDF uses the compliance score of taxpayers generated in GITMIS and their respective turnovers to determine their corresponding quadrants.

This framework classifies taxpayers to facilitate targeted compliance interventions:

- High Risk Taxpayers – Taxpayers with low compliance scores and high turnover.
- Medium Risk Taxpayers – Taxpayers with low compliance scores and lower turnover.
- Low Risk Taxpayers – Taxpayers with higher compliance scores and lower turnover.
- Key Taxpayers – Taxpayers with high turnovers and high compliance scores.

Figure 5.1: Risk Differentiation Framework (RDF)

Source: Adapted from various public RDF versions



The RDF focus areas for taxpayer segments are:

- Enforcement Focus: An approach emphasising strict enforcement of tax laws and regulations to ensure compliance.
- Service Focus: An approach that emphasises providing quality service to taxpayers to facilitate compliance.
- Taxpayer Focus: An approach that prioritises understanding and addressing the needs and concerns of taxpayers.
- Leverage Focus: An approach that uses data, technology, and strategic partnerships to optimise tax compliance.

The GRA's RDF approach relies on two primary criteria to categorise taxpayers effectively:

- **Compliance Score:** An assessment of a taxpayer's historical compliance behaviour, including filing timeliness, accuracy of declarations, and payment history.
- **Turnover:** Indicating the scale of a taxpayer's operations, ensuring that higher-revenue entities receive appropriate compliance scrutiny due to their potential impact.

The RDF only captures GRA's active tax population. The choice of compliance score and turnover as criteria for taxpayer segmentation is based on the following:

- **Compliance behaviour as a predictor of future risk:** Taxpayers with a history of non-compliance are more likely to continue exhibiting risky behaviours, necessitating targeted interventions.
- **Turnover significance:** Taxpayers with high turnover pose greater risks if non-compliance occurs, warranting closer scrutiny and compliance support.

5.2 Compliance Risk Register

The Compliance Risk Register (CRR) identifies and assesses individual compliance risks. To prioritise the identified risks, each risk has been evaluated using a risk matrix based on the premise that our risk management approach to tax compliance should take account of our perception of both the:

- Likelihood of non-compliance, and
- Impact of non-compliance.

The risk matrix has been used to evaluate GRA's compliance risks and mapped to the likelihood and consequences of non-compliance. The risk ratings have been produced with GRA's risk matrix as shown in table 5.1.

Table 5.1: GRA's Risk Matrix

LIKELIHOOD	IMPACT	RATING	RISK SCORE [L*I]	DESCRIPTION	RATING
Highly Unlikely	Minor	1	1 - 9	Low	GREEN
Unlikely	Moderate	2	10 - 18	Medium	AMBER
Possible	Material	3			
Likely	Severe	4	19 -25	High	RED
Very Likely	Critical	5			



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SECTION 6

**Compliance
Improvement
Projects**

Some key cross-cutting projects that have been undertaken to improve compliance are highlighted below:

6.1 Enterprise Risk Register (ERR)

An ERR is a repository of all the identified risks of the enterprise. The ERR of GRA thus captures all the identified risks in the processes of departments and units, as well as the existing controls and suggested treatment options for residual risks. The ERR puts the organisation in readiness to address risks such that objectives are achieved even in the face of the identified risks.

6.2 Enterprise Data Warehouse (EDW) & Business Intelligence (BI)

The GRA EDW & BI solution is designed to gather data from various sources and integrate it with internal data (GITMIS and ICUMS).

This creates a complete and comprehensive view of taxpayers, giving the GRA a 360-degree perspective of taxpayers. This functionality provides:

- a central data hub, enhancing core GRA reporting and analytical capabilities, and facilitating GRA's ability to develop a consolidated and comprehensive perspective of taxpayers (individuals and companies).
- third-party data integration to enable tax officials to widen the tax net by bringing in potential taxpayers from all sectors, particularly the informal sector, improve risk management mechanisms, and influence the design of tax policies.
- GRA the ability to enhance compliance with the Common Reporting Standard (CRS) and meet the requirements of the Foreign Account Tax Compliance Act (FATCA).

6.3 Customer Experience Initiatives

The Customer Experience Unit (CEU) has embarked on a comprehensive journey to transform the culture of tax payment by prioritising customer experience.

Recognising the pivotal role of voluntary compliance in achieving sustainable revenue generation, CEU has implemented a series of initiatives aimed at fostering a customer-centric approach across its operations.

These initiatives encompass various aspects of service delivery, staff training, feedback mechanisms, and knowledge sharing to ensure that taxpayers are not only met with efficiency but also with empathy and support. These initiatives contribute to enhancing tax compliance.

One of CEU's key initiatives is the establishment of a dedicated call center to assist taxpayers facing challenges in meeting their tax obligations. By providing a direct line of communication, taxpayers can seek clarification, guidance, and support, thereby reducing the likelihood of non-compliance due to misunderstandings or lack of information.

The call center serves as a proactive channel for addressing concerns promptly, fostering trust, and demonstrating GRA's commitment to supporting taxpayers throughout their journey through telephone, email, and WhatsApp. An average of 100 calls are received daily, with a call resolution rate of 99.5%.

6.4 Special Voluntary Disclosure Programme (SVDP)

The successful assessment of Ghana's Confidentiality and Data Safeguards requirements on CRS has seen the Exchange of Information (EOI) Unit exchanging Financial Account Information with partner jurisdictions on resident persons who hold financial assets outside Ghana. GRA will receive data every year from 168 jurisdictions across the globe. Since receiving the first tranche of data, GRA realised revenue in the region of GH900 million as of the end of 2024.

The GRA Data Mining and Analytics Unit is helping triage these cases to identify those worth exploring. As part of the effective use of incoming CRS data, Special Voluntary Disclosure Programs are used by GRA.

The Program is to enable taxpayers to become compliant and allow people who want to regularise their tax affairs the opportunity to declare income and wealth they have not declared in the past.

The SVDP encourages taxpayers to declare their untaxed assets and improves compliance, especially by High-Net-Worth individuals. It ensures that tax residents pay their fair share of taxes, increases tax equity, and fairness.

6.5 Risk Engine for Audit Selection

The GRA has developed a risk engine to enhance the selection of high-risk taxpayers for audits. This system uses key risk indicators (KRIs) to assess taxpayer behavior and identify cases with a high likelihood of non-compliance, thus maximising audit effectiveness.

The risk engine seeks to enhance transparency and consistency in audit selection, reducing human bias. It enables GRA to prioritise cases that pose the highest revenue risk, optimising the use of audit resources.

6.6 Electronic Tax Clearance Certificate (e-TCC)

The e-TCC is a digital initiative designed to streamline tax compliance verification and clearance processes. It plays a crucial role in GRA's compliance improvement by ensuring transparency, efficiency, and fairness in tax administration.

The e-TCC has reduced manual interventions and delays, enhanced taxpayer compliance by linking clearance status to tax obligations and sought to eliminate fraudulent tax clearance issuance through digital authentication and system integration.

SECTION 7

Strategic Focus For Compliance Improvement

The GRA prioritises targeted compliance interventions to enhance tax compliance and revenue collection. The CIP 2025-2026 addresses both general and specific compliance risks, ensuring a structured and risk-based approach to taxpayer compliance.

7.1 General Compliance Interventions

GRA will continue to focus on strengthening compliance across the four (4) core taxpayer obligations. Compliance activities to address risks identified in these obligations will be enterprise wide. The core taxpayer obligations under focus are:

- Registration
- Filing
- Payment
- Complete and Accurate Reporting

Table 7.1: General Compliance Interventions

<p>1. Strategic Overview:</p>	<p>The Ghana Revenue Authority (GRA) acknowledges that compliance behaviours differ across various taxpayer segments. To address these challenges, the Compliance Improvement Plan (CIP) for 2025-2026 is strategically designed to cultivate a taxpaying culture, enhance service delivery, and implement risk-based measures to strengthen voluntary compliance and improve revenue outcomes.</p>	
<p>2. Key Compliance Risks</p>	<p>3. Compliance Indicators</p>	<p>4. Risk Treatment</p>
<p>Registration Risk – Overall: High</p> <ul style="list-style-type: none"> • Potential Taxpayers not registered • Active Taxpayers not registered for all tax types due • Taxpayers registered for tax types not qualified • Incomplete registration data • Inaccurate registration data <p>Filing Risk – Overall: Medium</p> <ul style="list-style-type: none"> • Late filing in (a) VAT (b) PIT (c) CIT (d) PAYE (e) DET • Non-filing <p>Payment Risk – Overall: High</p> <ul style="list-style-type: none"> • Late payment of PAYE/Excise/VAT/ CIT/PIT • Non-payment of taxes due <ul style="list-style-type: none"> • Underpayment of taxes due • Payment returns without remittance • Defaulting on scheduled payments <p>Reporting Risk – Overall: High</p> <ul style="list-style-type: none"> • Taxpayers not reporting all transactions • Aggressive tax planning by taxpayers • Inflated / non-allowable expenses • Continuous Nil and Credit Filing • Base Erosion and Profit Shifting • Tax Laws Interpretation 	<p>Registration</p> <ul style="list-style-type: none"> • % increase in the number of taxpayers * % increase in accurate tax type registrations • % decrease in incomplete registration data • % decrease in inaccurate registration data <p>Filing</p> <ul style="list-style-type: none"> • % increase in on-time filing • % decrease in unaccompanied remittance <p>Payment</p> <ul style="list-style-type: none"> • % increase in on-time payment • % decrease in non-institutional debt stock • % decrease in institutional debt stock <p>Reporting</p> <ul style="list-style-type: none"> • % decrease in audit infractions 	<p>Registration Treatment</p> <ul style="list-style-type: none"> • Systematically use third-party data to detect and register unregistered businesses and individuals • Offices to follow up and register potential taxpayers assigned from the Taxpayer’s Portal • Produce an active taxpayer list • Match taxes to be registered by ISIC against the actual tax types registered • Collaboration between Compliance Indoor and Outdoor to update the taxpayer records of tax types registered. • Auditors to verify and update taxpayer records during audits <p>Filing Treatment</p> <ul style="list-style-type: none"> • Office / Relationship managers to remind taxpayers of their obligation before each filing date • Officers to educate taxpayers on their filing obligations and the sanctions for non-compliance • Dedicated Client service officers to assist taxpayers in filing • Enforcement of the penalty regime for late filing • Centralised compliance SMS notices from the system to be sent to taxpayers who miss the filing date <p>Payment Treatment</p> <ul style="list-style-type: none"> • Identify and contact taxpayers with underpayments • Enforcement of the interest and penalty regime for late payment • Ensure consistency in the debt management process • Enforce the use of the debt management module in GITMIS • Send payment reminder notices to taxpayers through phone & SMS • Regularly notify taxpayers of their tax position on their ledgers <p>Reporting Treatment</p> <ul style="list-style-type: none"> • Conduct risk-based audits • Organise Public forum to educate taxpayers on new tax laws • Undertake transfer pricing and profit-shifting study • Identify and contact Nil; Non/Credit Filers • Invoice invigilation • Test Purchases • Return analysis with third-party data

5. Capacity Building	6. Staff Training	7. Information Systems	8. Administrative Tools
<ul style="list-style-type: none"> • Enhance the intelligence gathering skills of officers to profile taxpayers. • Debt recovery efforts aimed at decreasing tax arrears • Enhance the analytical skills of officers 	<ul style="list-style-type: none"> • Transfer Pricing regulations • Base Erosion and Profit Shifting Actions • Petroleum Management • Procedure manuals and tax laws • Auditing (Comprehensive and specialised audits) • Interviewing skills • Sensitise officers on standardised risk profiling of taxpayers • Training on the correct application of Double Taxation Agreements • Training of officers on EOI 	<ul style="list-style-type: none"> • Improve the use of the Ghana Integrated Tax Management Information System (GITMIS) for Audits. • Develop the capability to use advanced data Analytical tools (Excel and ACL) for audit • Integrate with third-party data Systems 	<p>Effective communication and coordination of Departments and Units within GRA</p>

7.2 Specific Compliance Interventions

The specific compliance interventions have been structured based on taxpayer segmentation from the RDF for all GRA Area Offices and the Large Taxpayer Office (LTO). This will enable tailored compliance strategies that align with the risk profile of each taxpayer segment. The offices are:

- Large Taxpayer Office
- Accra East Area
- Accra Central Area Office
- Accra South Area Office
- Accra West Area Office
- Koforidua Area Office
- Kumasi Area Office
- Sunyani Area Office
- Takoradi Area Office
- Tamale Area Office
- Wa Area Office

The GRA is implementing targeted compliance interventions using the RDF across all operational offices. This strategic approach ensures compliance measures are proportionate to each taxpayer segment's risk level, enhancing enforcement efficiency while fostering voluntary tax compliance. Through the RDF, GRA systematically categorises taxpayers into distinct risk segments, enabling the deployment of tailored interventions, ranging from education and support to stricter enforcement.

Table 7.2: Risk Matrix for the RDF Implementation

Risk Category	Turnover	Compliance Score	Risk Description
Key Taxpayers	High	High	These taxpayers contribute significantly to revenue and generally maintain high compliance levels. Taxpayers in this segment may have complex operations that pose risks related to tax planning, transfer pricing, and potential loopholes in tax laws.
High-Risk Taxpayers	High	Low	This group should contribute significantly to revenue. However, they are not doing so due to non-compliance. This includes taxpayers with a history of tax evasion, underreporting, or persistent non-filing. They pose a significant risk to revenue and may actively resist compliance efforts.
Medium-Risk Taxpayers	Low	Low	This group consists of taxpayers with low turnover who display non-compliant behaviour. They are taxpayers with a history of tax evasion, underreporting, or persistent non-filing and pose a moderate risk to revenue.
Low-Risk Taxpayers	Low	High	These taxpayers consistently comply with tax laws and pose minimal risk to revenue. This group needs support to remain compliant.

Table 7.3: Risk Treatment to Taxpayer Segments

	Low Risk Taxpayers	Medium Risk Taxpayers	High Risk Taxpayers	Key Taxpayers
Objective	Maintain high compliance levels by providing support and encouragement with periodic monitoring	Reduce non-compliance through education, targeted guidance, and enforcement.	Address non-compliance issues by deploying enforcement measures while providing opportunities for correction and compliance improvement.	Maintain compliance, strengthen relationships, and monitor emerging risks that could have a high impact on overall tax revenues.
Leverage Focus	Cross-check data with third-party sources to offer compliance recommendations.	<ol style="list-style-type: none"> 1. Identify common non-compliance issues and provide tailored correction and guidance. 2. Offer industry-specific compliance training. 3. Promote voluntary compliance through targeted advertising campaigns 	<ol style="list-style-type: none"> 1. Offer targeted tax compliance seminars focusing on critical issues. 2. Introduce a cooperative compliance approach where taxpayers commit to corrective actions. 3. Provide proactive notifications about upcoming audits to encourage self-compliance checks. 4. Encourage engagement with tax professionals for businesses in high-risk sectors. 	<ol style="list-style-type: none"> 1. Establish dedicated relationship managers to maintain compliance 2. Consult key taxpayers for their views and inputs into policy changes 3. Encourage taxpayers to engender positive compliance behaviour in their value chain.

	Low Risk Taxpayers	Medium Risk Taxpayers	High Risk Taxpayers	Key Taxpayers
Enforcement Focus	<ol style="list-style-type: none"> 1. Conduct spot checks on randomly selected tax returns. 2. Flag anomalies but prioritise advisory support. 3. Implement benchmarking for taxpayers within a sector or similar businesses. 	<ol style="list-style-type: none"> 1. Conduct risk-based compliance reviews and audits. 2. Impose sanctions for repeated offenses. 3. Undertake field visits to caution and punish where applicable 4. Monitor tax refund claims for potential fraud indicators. 	<ol style="list-style-type: none"> 1. Conduct audits for non-compliant taxpayers. 2. Use third-party data to identify discrepancies. 3. Initiate compliance reviews for suspicious activities or reported anomalies. 4. Apply all enforcement tools 5. Apply higher levels of scrutiny for tax filings involving multinational transactions. 6. Monitor tax refund claims for potential fraud indicators. 	<ol style="list-style-type: none"> 1. Increase monitoring of high-value transactions. 2. Monitor sudden changes in tax filings.
	Low Risk Taxpayers	Medium Risk Taxpayers	High Risk Taxpayers	Key Taxpayers
Taxpayer Focus	<ol style="list-style-type: none"> 1. Conduct periodic taxpayer engagement forums. 2. Use targeted messaging to encourage continued compliance. 	<ol style="list-style-type: none"> 1. Targeted taxpayer education programs 2. Conduct industry-focused outreach programs. 3. Assign relationship officers 	<ol style="list-style-type: none"> 1. Send targeted notices with clear instructions for resolving issues. 2. Collaborate with industries and associations to improve compliance. 3. Assign relationship managers to oversee compliance. 	<ol style="list-style-type: none"> 1. Periodic meetings to discuss any compliance challenges. 2. Regularly share best practices for global tax compliance.
Service Focus	Provide taxpayer support through official communication channels such as emails, phone calls, and other messaging platforms.	Provide taxpayer support through official communication channels such as emails, phone calls, and other messaging platforms.	Provide taxpayer support through official communication channels such as emails, phone calls, and other messaging platforms.	Provide taxpayer support through official communication channels such as emails, phone calls, and other messaging platforms.



GRA

SECTION 8

Conclusion

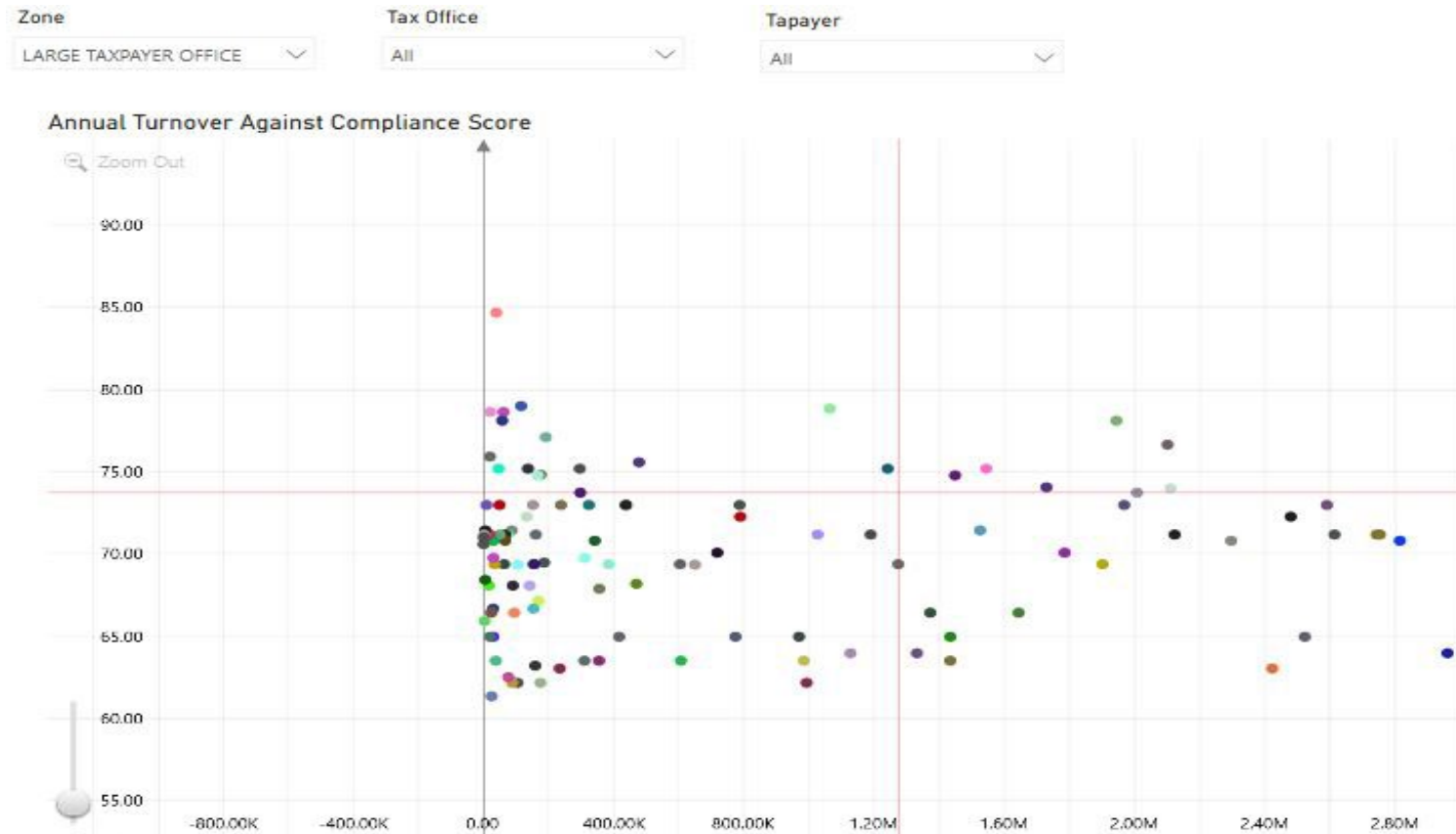
The GRA has vested interest in supporting taxpayers to meet their obligations under the tax laws. To this end, it commits to making available resources in a targeted manner. The CIP for 2025 is critical to its mission to mobilise revenue for national development in a transparent, fair, effective, and efficient manner. The transformational initiatives by GRA, particularly those driven by ICT, will facilitate monitoring the impact of the CIP 2025. These insights will shape the development of subsequent CIPs.

The GRA's strategy to improve the compliance culture of taxpayers will become increasingly impactful as it continues to meet its overall strategic objectives. It will continue to review and plan, adapting to the ever-changing tax environment, all essential elements contributing towards GRAs commitment to being a world-class tax administration.

Appendix: RDF Segmentation Charts

RDF result for the LTO

The Large Taxpayer Office (LTO) is a department under the Domestic Tax Revenue Division (DTRD) of the GRA operating as a specialised office which focuses exclusively on total tax administration of Large Taxpayers identified by the Authority. The Large Taxpayers comprises of specialised industries such as upstream and midstream petroleum companies, banking institutions, insurance companies, mining companies except quarries, and members of groups of companies where at least one member qualifies as a large taxpayer. The LTO contributes approximately 70% of total Domestic Tax Revenue Division (DTRD) tax revenue.



The graphical display of the Risk Differentiation Framework (RDF) results provides a clear and data-driven visualisation of taxpayer risk segmentation within the Large Taxpayer Office (LTO).

The distribution across various segments—key, low-risk, medium-risk, and high-risk taxpayers—enables the GRA to adopt a more strategic approach to tax compliance management.

The essence of this visualisation is to enhance transparency in risk assessment, optimise resource allocation, and improve voluntary compliance. This structured approach aligns with international best practices, ensuring that GRA's efforts are both effective and efficient.

RDF result for the AREA OFFICES

The graphical display of the Risk Differentiation Framework (RDF) results offers a structured visualisation of taxpayer risk segmentation across the Area Offices, which, alongside the Large Taxpayer Office (LTO), form the Domestic Tax Revenue Division (DTRD) of the GRA.

Each Area Office oversees multiple Taxpayer Service Centers (TSCs) that manage the total tax administration of medium to small taxpayers identified by the Authority.

With Area Offices contributing approximately 30% of total DTRD tax revenue, understanding the distribution of taxpayers across key, low-risk, medium-risk, and high-risk categories is essential for effective tax administration.

The RDF results highlight variations in risk profiles, allowing Area Offices to tailor compliance strategies accordingly.

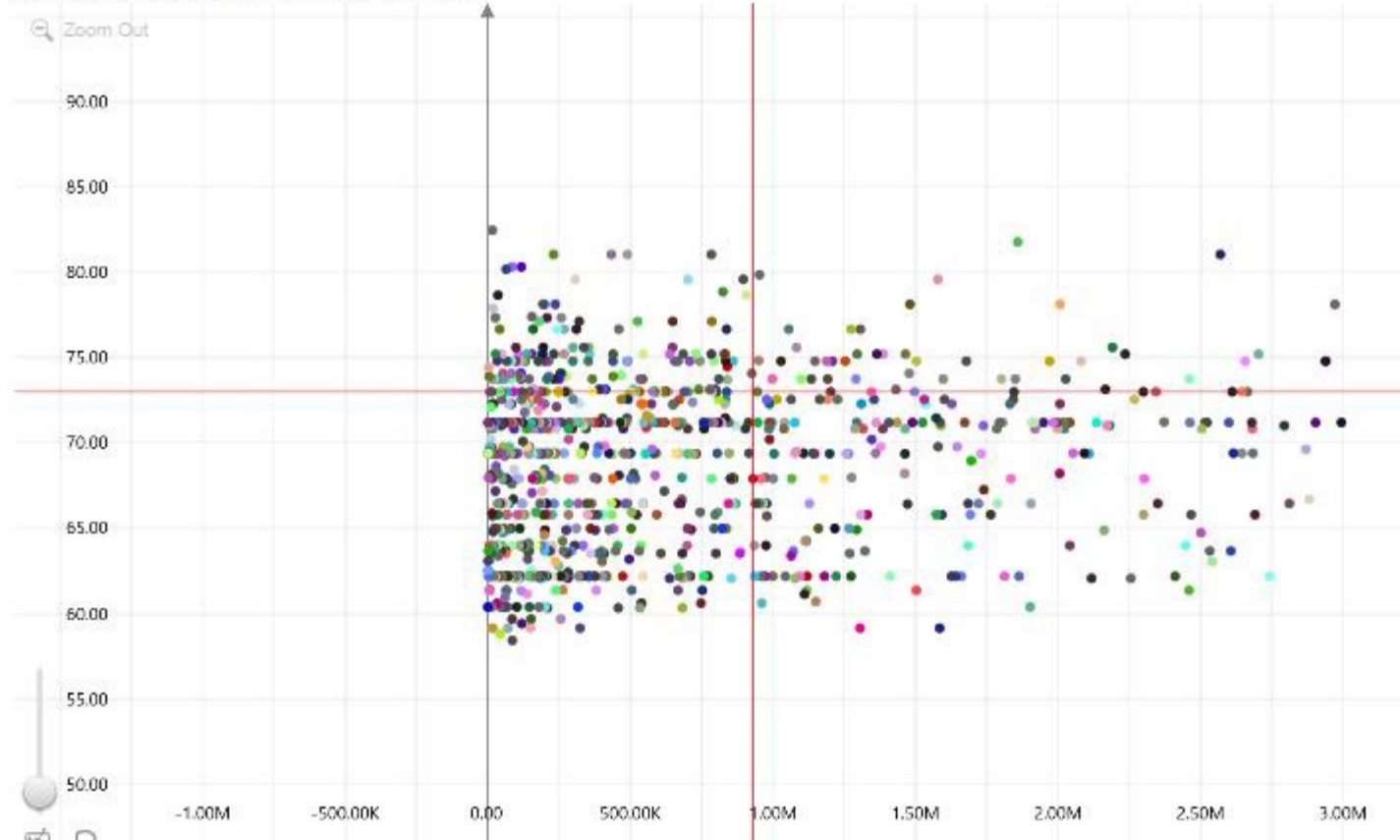
Offices with a significant proportion of high-risk taxpayers can prioritise enforcement actions, while those with a strong base of compliant taxpayers can focus on improving taxpayer services and engagement.

The essence of this visualisation is to enhance transparency, improve resource allocation, and refine risk-based compliance strategies. By leveraging the RDF results, Area Offices can proactively mitigate tax risks, support voluntary compliance, and optimise revenue mobilisation, ensuring a more efficient and effective domestic tax administration system.

RDF result for the ACCRA CENTRAL AREA OFFICE

Zone: ACCRA CENTRAL AREA OFFI...
Tax Office: All
Tapayer: All

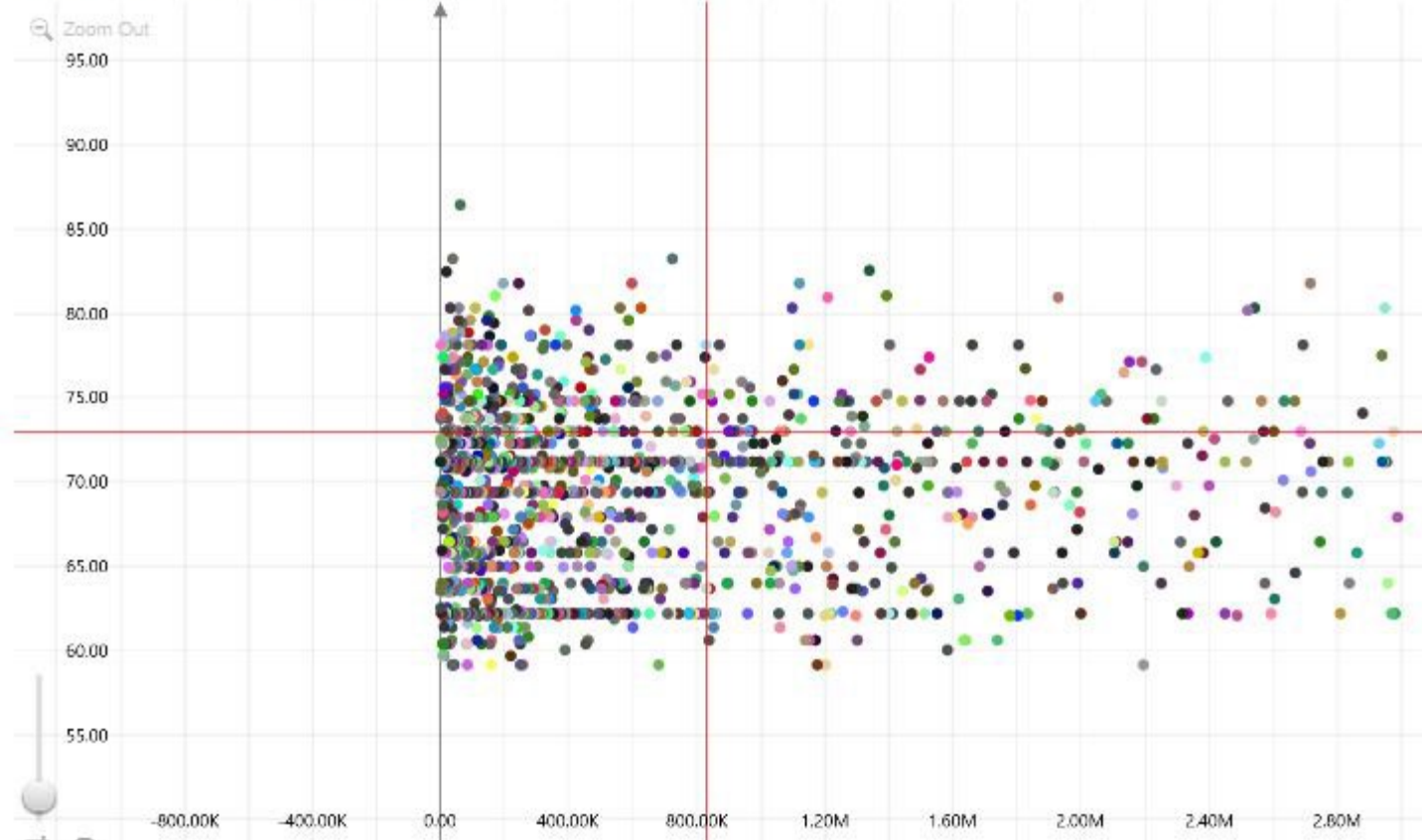
Annual Turnover Against Compliance Score



RDF result for the ACCRA EAST AREA OFFICE

Zone Tax Office Tapayer

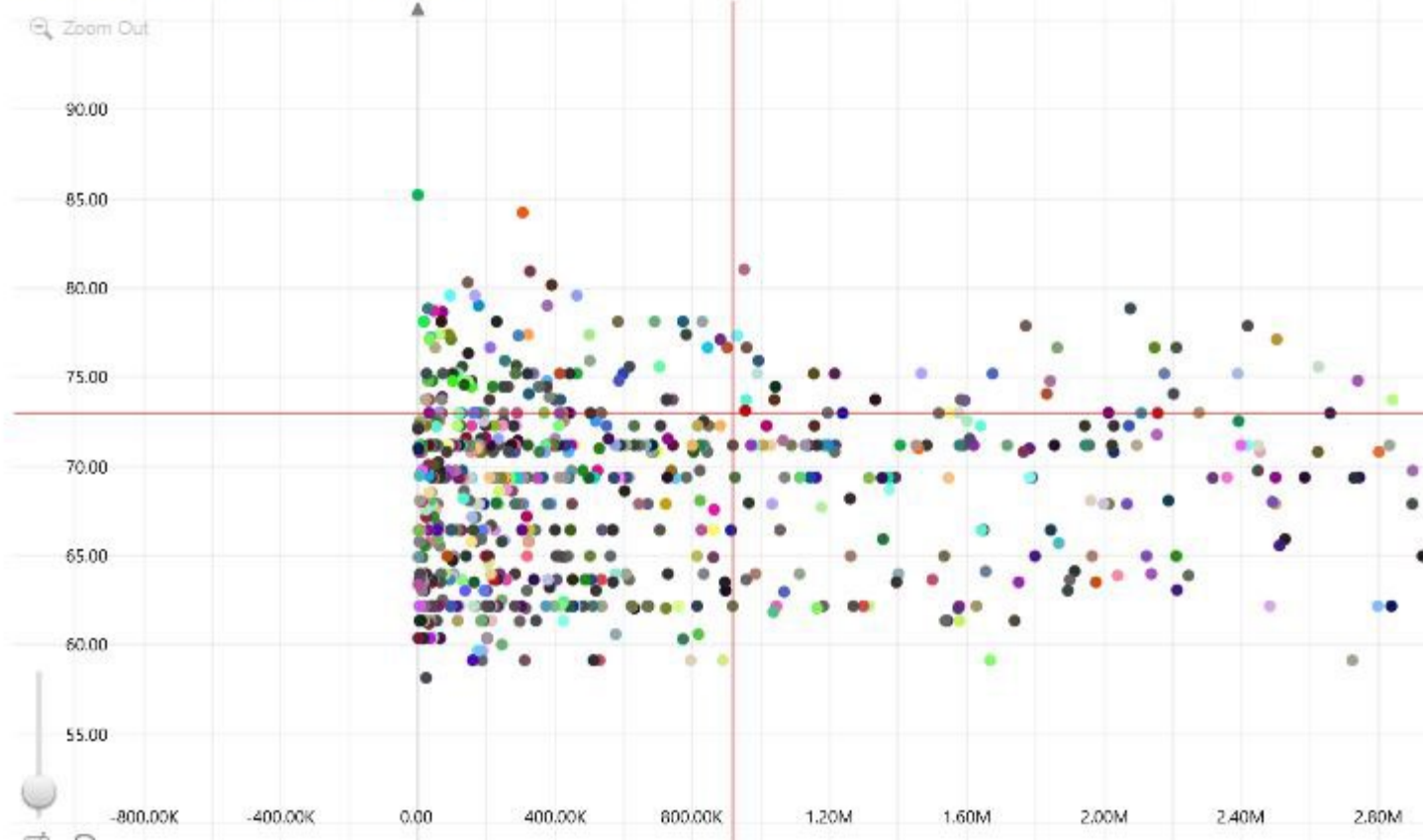
Annual Turnover Against Compliance Score



RDF result for the ACCRA SOUTH AREA OFFICE

Zone: ACCRA SOUTHÉ AREA OFFI...
Tax Office: All
Tapayer: All

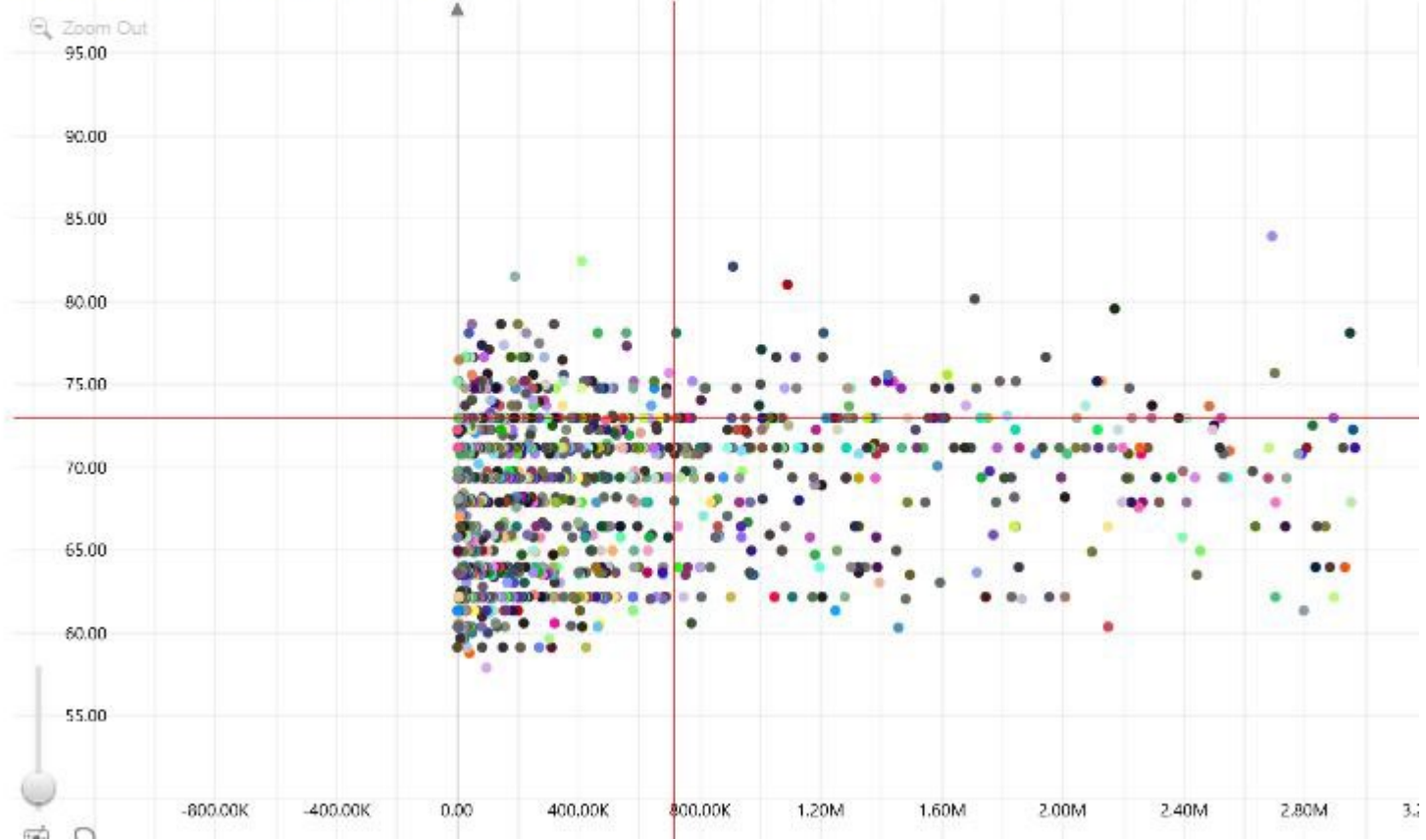
Annual Turnover Against Compliance Score



RDF result for the ACCRA WEST AREA OFFICE

Zone: ACCRA WEST AREA OFFICE
Tax Office: All
Taxpayer: All

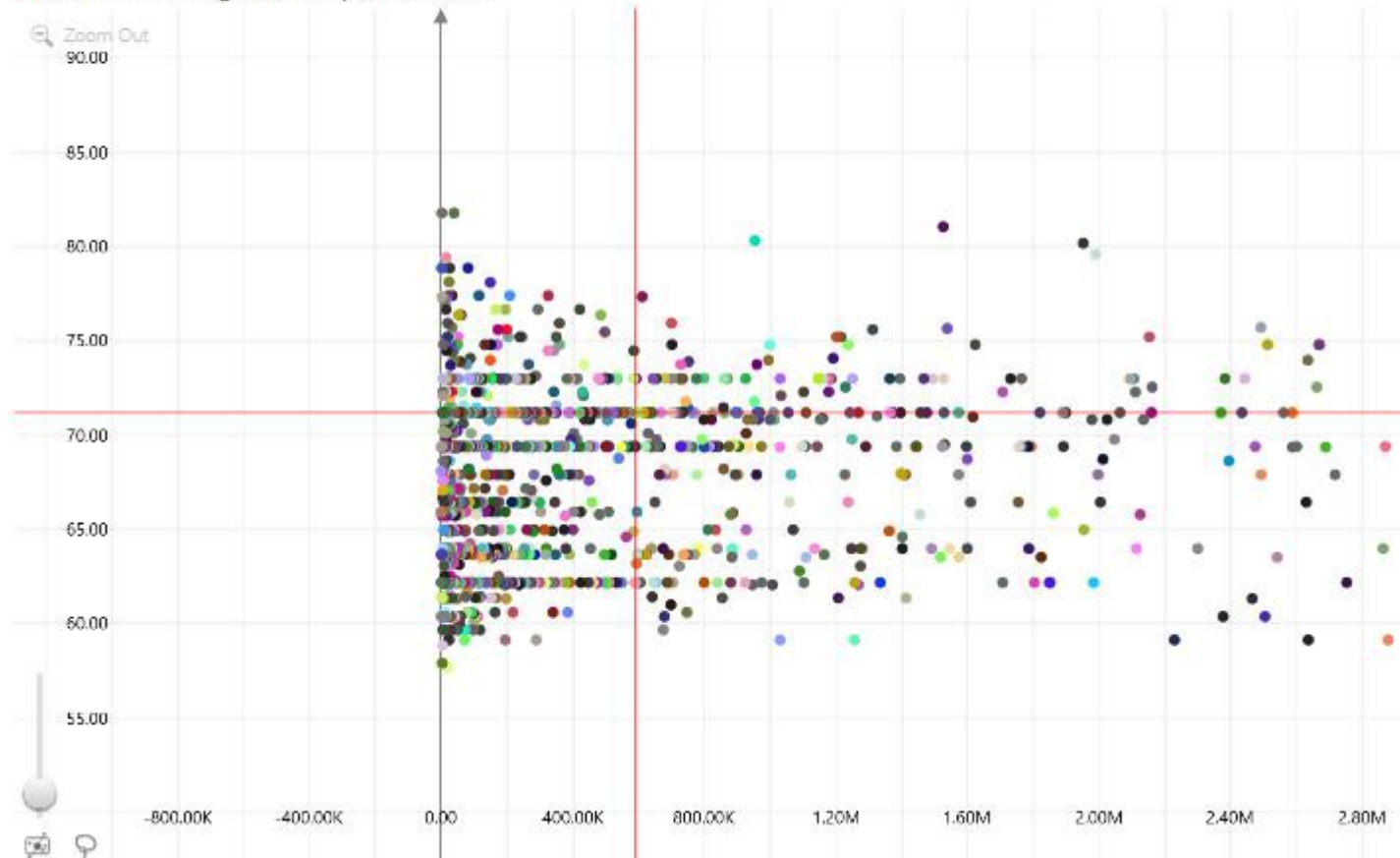
Annual Turnover Against Compliance Score



RDF result for the KUMASI AREA OFFICE

Zone: KUMASI AREA OFFICE
Tax Office: All
Taxpayer: All

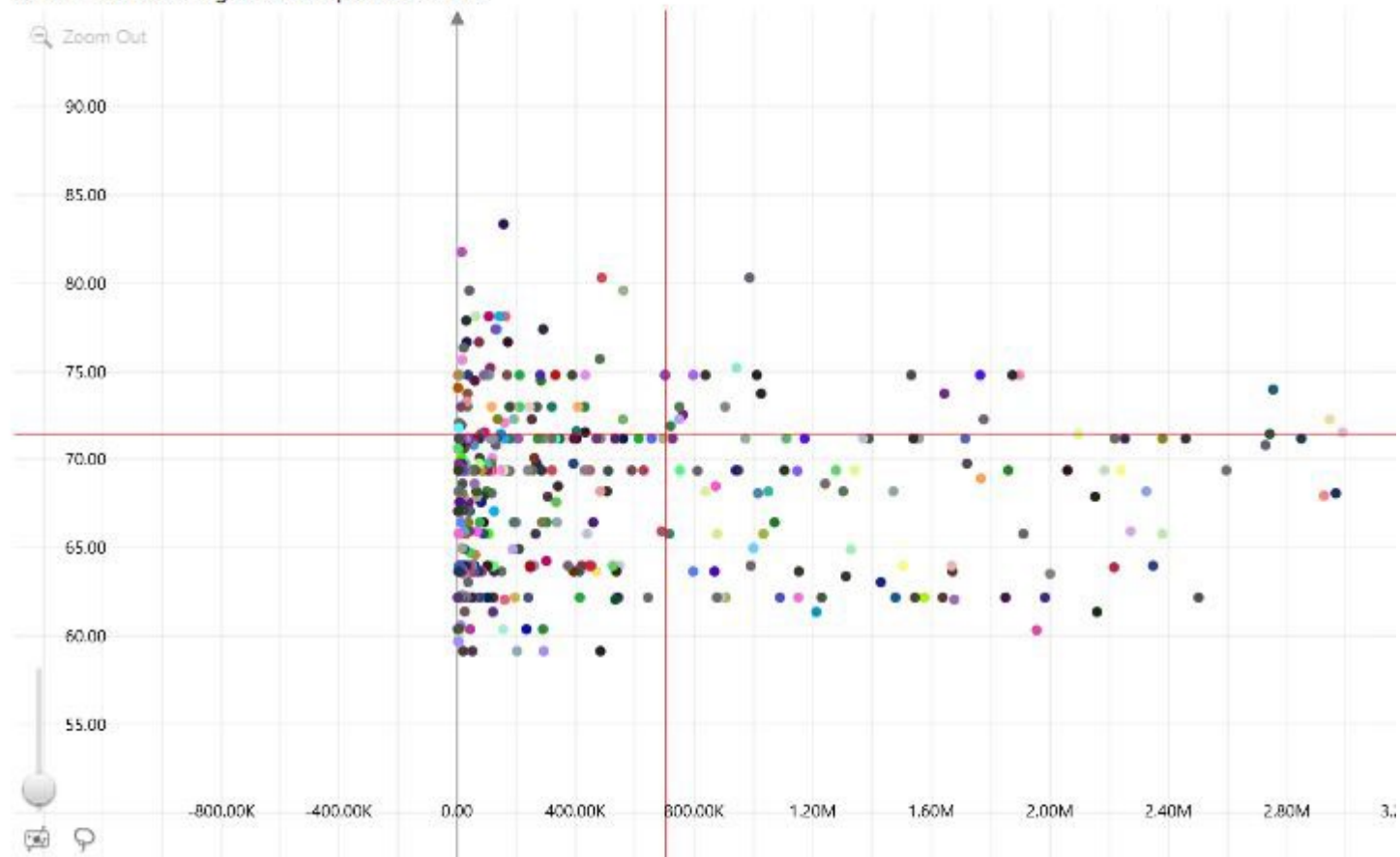
Annual Turnover Against Compliance Score



RDF result for the KOFORIDUA AREA OFFICE

Zone: KOFORIDUA AREA OFFICE
Tax Office: All
Taxpayer: All

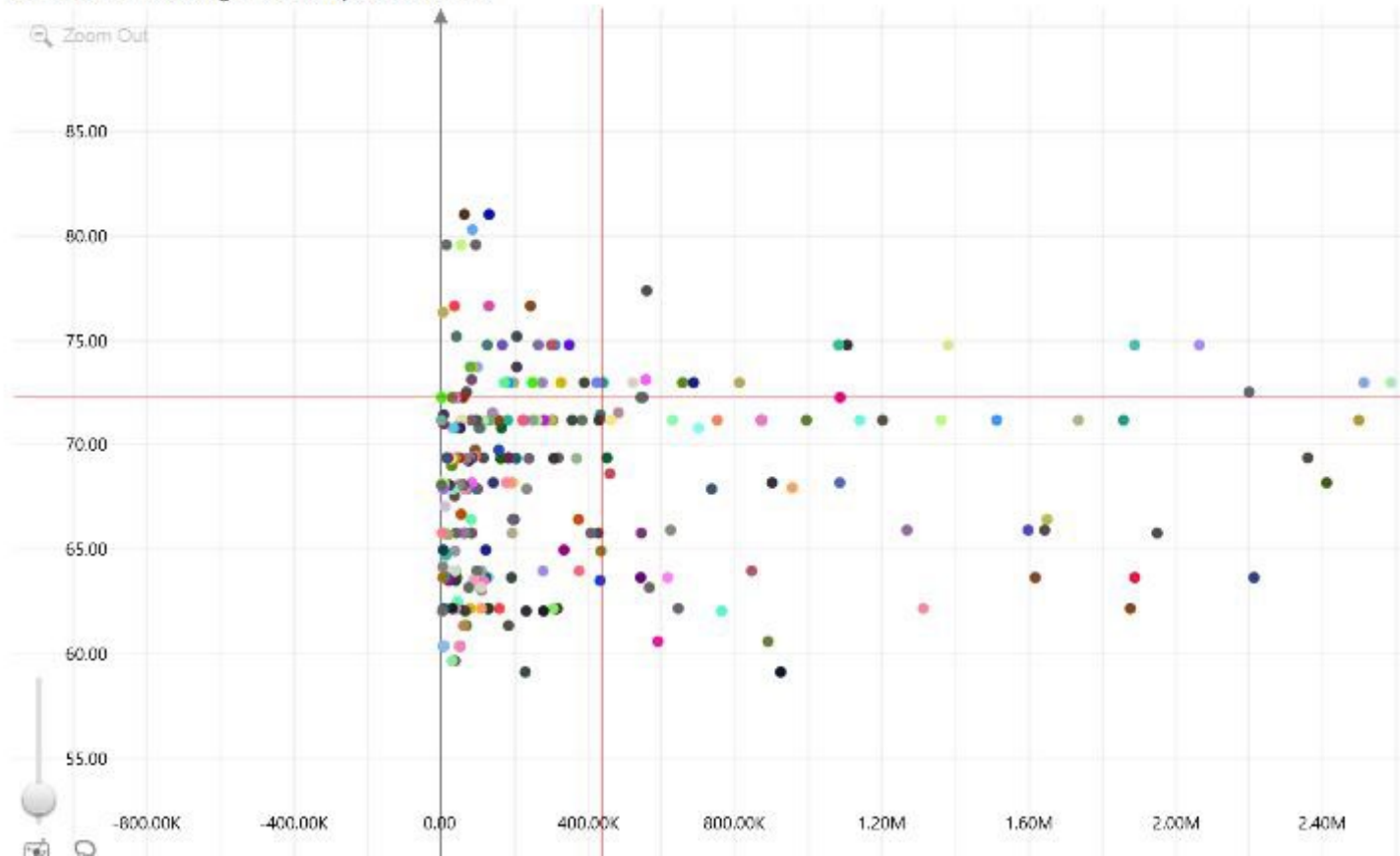
Annual Turnover Against Compliance Score



RDF result for the SUNYANI AREA OFFICE

Zone: SUNYANI AREA OFFICE
Tax Office: All
Taxpayer: All

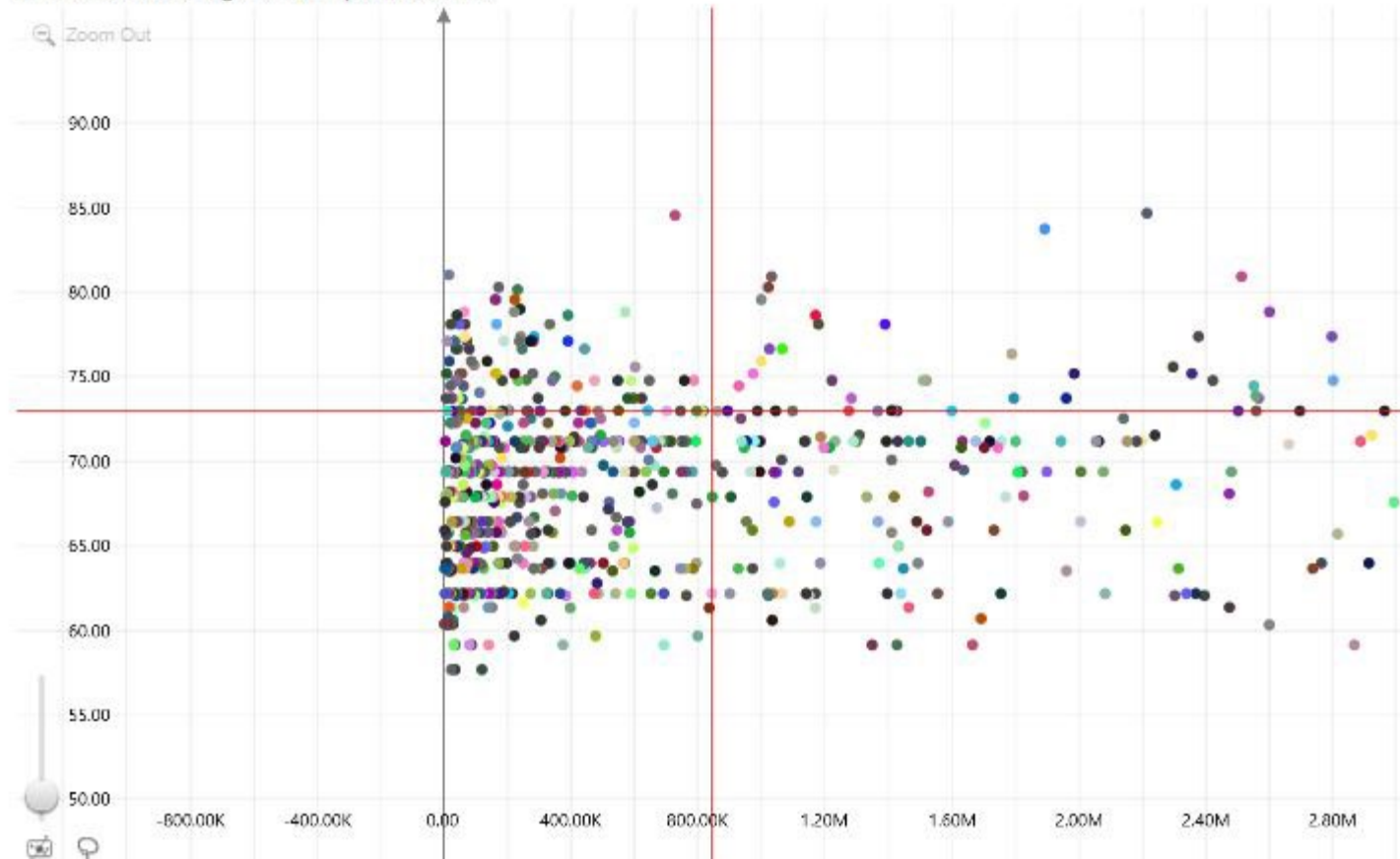
Annual Turnover Against Compliance Score



RDF result for the TAKORADI AREA OFFICE

Zone: TAKORADI AREA OFFICE
Tax Office: All
Taxpayer: All

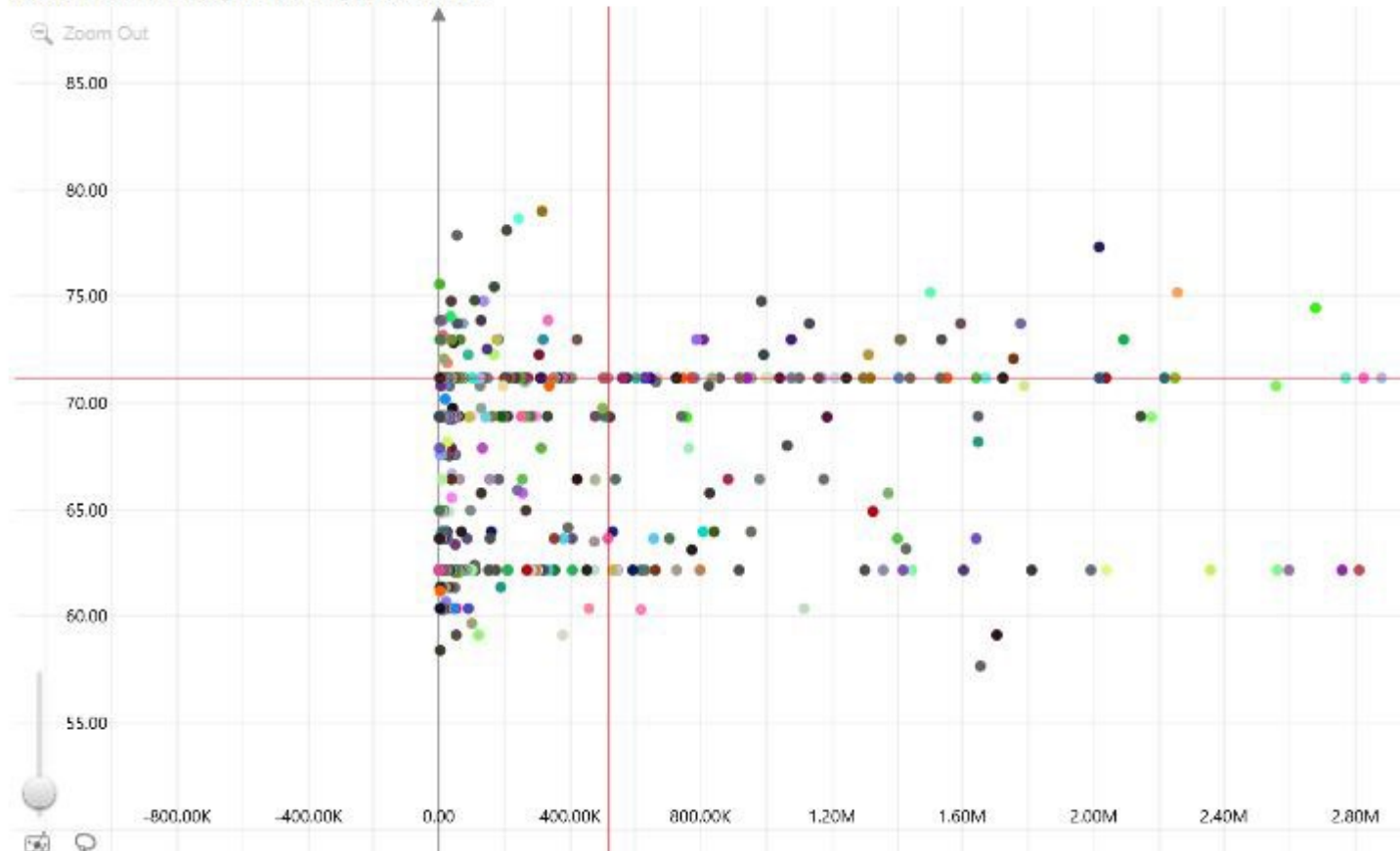
Annual Turnover Against Compliance Score



RDF result for the TAMALE AREA OFFICE

Zone: TAMALE AREA OFFICE
Tax Office: All
Taxpayer: All

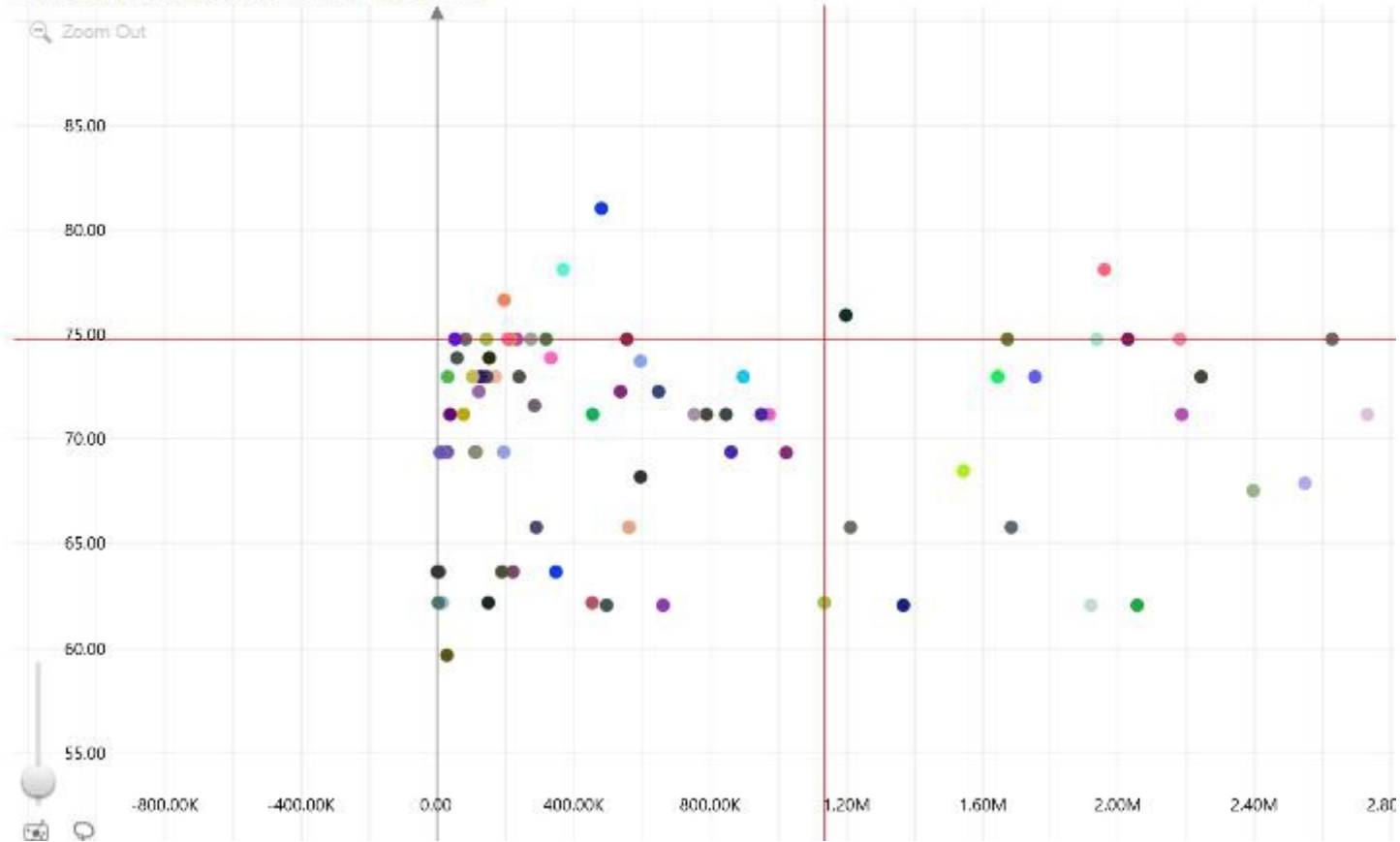
Annual Turnover Against Compliance Score



RDF result for the WA AREA OFFICE

Zone: WA AREA OFFICE
Tax Office: All
Taxpayer: All

Annual Turnover Against Compliance Score



RDF ASSESSMENT MATRIX

Risk Category	FOCUS AREA	Key Performance Indicators (KPIs)	How to Measure	Assessment Criteria	Means of Verification
Low-Risk Taxpayer	Leverage Focus	% of low-risk taxpayers receiving targeted compliance guidance	$(\text{No. of lower-risk taxpayers receiving tailored guidance} \div \text{Total low risk payers}) \times 100$	Effective if compliance remains high	Monthly report
	Enforcement Focus	% of spot-checks with no detected irregularities	$(\text{Spot-checks with no anomalies} \div \text{Total spot-checks conducted}) \times 100$		Monthly report
	Taxpayer Focus	Frequency of taxpayer engagement forums	Total number of forums held annually per Area Office		Monthly report
	Service Focus	% of support cases resolved through official channels	$(\text{Cases resolved via phone/email} \div \text{Total support requests}) \times 100$		Monthly report
Medium-Risk Taxpayer	Leverage Focus	% of medium-risk taxpayers completing compliance training	$(\text{Taxpayers completing training} \div \text{Identified medium-risk taxpayers}) \times 100$	Effective if - Compliance goes up - Participation in taxpayer education programs increases - Faster resolution of taxpayer issues leads to improved compliance	Monthly report
	Enforcement Focus	% of compliance reviews leading to enforcement actions. % of wrong refund claims	$(\text{Reviews resulting in action plans or penalties} \div \text{Total compliance reviews}) \times 100$		Monthly report
	Taxpayer Focus	Outreach execution rate for industry-specific education programs	$(\text{Outreach programs executed} \div \text{Total planned programs}) \times 100$		Monthly report

	Service Focus	% of support cases resolved through official channels	$(\text{Cases resolved via phone/email} \div \text{Total support requests}) \times 100$		Monthly report
High-Risk Taxpayers	Leverage Focus	Participation rate in non-compliance correction seminars	$(\text{Seminar attendees} \div \text{Total higher-risk taxpayers}) \times 100$	Effective if - Audit interventions lead to significant revenue recovery	Monthly report
	Enforcement Focus	% of audits uncovering non-compliance	$(\text{Audits with infractions} \div \text{Total audits conducted}) \times 100$		Repeat offenses decrease over time
	Taxpayer Focus	% of high-risk taxpayers assigned relationship managers	$(\text{High-risk taxpayers with assigned managers} \div \text{Total high-risk taxpayers}) \times 100$	- More high-risk taxpayers voluntarily disclose and correct non-compliance	Monthly report
	Service Focus	% of support cases resolved through official channels	$(\text{Cases resolved via phone/email} \div \text{Total support requests}) \times 100$		Monthly report
Key Taxpayers	Leverage Focus	% of key taxpayers assigned dedicated relationship managers	$(\text{Key taxpayers with managers} \div \text{Total key taxpayers}) \times 100$	Effective if - Key taxpayers maintain high compliance levels	Monthly report
	Enforcement Focus	% of infractions recorded from reviews	$(\text{No. of infractions recorded} \div \text{Total audits for key taxpayers}) \times 100$		- Revenue contributions remain stable or increase
	Taxpayer Focus	Quarterly compliance seminars participation rate	$(\text{No. Seminars held} \div \text{Planned quarterly Seminars}) \times 100$	- Targeted compliance interventions improve voluntary adherence	Monthly report
	Service Focus	% of support cases resolved through official channels	$(\text{Cases resolved via phone/email} \div \text{Total support requests}) \times 100$		Monthly report



GRA

-  **Head office location:**
Off Starlets' 91 Road, near Accra
Sports Stadium
P. O. Box 2202, Accra
-  **Digital Address: GA-144-3422**
-  **0800 900 110**
-  **0200 631 664 / 0552 990 000**
-  **info@gra.gov.gh**
-  **www.gra.gov.gh**