

## **I am sceptical about govt's announced withdrawal of VAT on electricity- Stan Dogbe.**

The announcement by the pro-government media outlet, Asaase Radio, that the tax on electricity will be withdrawn should leave many Ghanaians like me sceptical about the government's sincerity.

The decision to reverse the previously approved policy of charging 15% value added tax (VAT) on electricity comes just days before the Trades Union Congress (TUC) planned demonstration on February 13.

The TUC and other labour organisations had vowed to hold a nationwide protest to push the government to withdraw the directive to implement the 15% VAT charge on residential electricity consumption.

It is hard to believe that the sudden decision change is not just a strategic move to thwart the TUC's planned demonstration. Will there be a withdrawal after labour cancels their nationwide demonstration?

I am even more appalled by the difficult job some have taken to delink the Vice President as chair of the economic management team from the decision to impose the VAT on electricity consumption. Does that not raise even more questions about the government's sincerity?

The decision to impose the VAT is another consequence of the government's mismanagement of the economy. Attempting to distance the Vice President from this unpopular decision only adds to the lack of transparency and accountability in the government's decision-making processes.

The government's move to engage the International Monetary Fund (IMF) to come to a consensus on how to make up for the revenue shortfall indicates poor economic management. The decision to drop the VAT on electricity without a comprehensive plan to address the revenue shortfall through additional spending cuts shows a lack of foresight and responsible financial planning.

It should be clear to the average Ghanaian that the government's decision to drop the VAT on electricity, if indeed true, is not driven by a genuine concern for the welfare of citizens but rather a strategic move to avoid public backlash and potential unrest.

We can all recall how the government offered Ghanaians free water and electricity during COVID-19, only to turn around and impose a 1% COVID tax on the already overburdened Ghanaians, which, as the NDC flag bearer John Mahama noted, we are still paying many years later.

The lack of transparency and accountability in decision-making processes and the attempt to shift blame further erodes public trust in the government's ability to manage the economy effectively.

President Nana Akufo-Addo and VP Bawumia must take concrete and sincere steps to address the citizens' concerns, ensure policies are implemented transparently, and be accountable.

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