

Income Tax at a Glance (2013-2014)

Among direct taxes, income tax is one of the main sources of revenue. It is a progressive tax system. Income tax is imposed on the basis of ability to pay. "The more a taxpayer earns the more he should pay" - is the basic principle of charging income tax. It aims at ensuring equity and social justice.

Income Tax Authorities:

- National Board of Revenue
- Chief commissioner of taxes
- Directors General of Inspection (Taxes),
- Commissioner of Taxes (Appeals),
- Commissioner of Taxes (LTU)
- Director General (Training),
- Director General Central Intelligence Cell (CIC),
- Commissioners of Taxes,
- Additional Commissioners of Taxes (Appeal/Inspecting),
- Joint Commissioners of Taxes (Appeal/Inspecting),
- Deputy Commissioners of Taxes,
- Tax recovery officers,
- Assistant Commissioners of Taxes,
- Extra Assistant Commissioners of Taxes
- Inspectors of Taxes.

Sources of Income:

For the purpose of computation of total income and charging tax thereon, sources of income can be classified into 7 categories, which are as follows :

- Salaries
- Interest on securities
- Income from house property
- Income from agriculture
- Income from business or profession
- Capital gains
- Income from other sources.

Tax Rate (Assessment Year- 2013-14)

Other than Company :

For individuals other than female taxpayers, senior taxpayers of 65 years and above and retarded taxpayers, tax payable for the

| | | |
|-------------|------------|-----|
| First | 2,20,000/- | Nil |
| Next | 3,00,000/- | 10% |
| Next | 4,00,000/- | 15% |
| Next | 3,00,000/- | 20% |
| Rest Amount | | 25% |

For female taxpayers, senior taxpayers of age 65 years and above and , tax payable for the

| | | |
|-------------|------------|-----|
| First | 2,50,000/- | Nil |
| Next | 3,00,000/- | 10% |
| Next | 4,00,000/- | 15% |
| Next | 3,00,000/- | 20% |
| Rest Amount | | 25% |

For retarded taxpayers threshold limit is TK.3,00,000

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|---|-----------|
| Minimum tax for any individual assessee located in City Corporation area is | Tk. 3,000 |
| Minimum tax for any individual assessee located in District headquarter is | Tk. 2,000 |
| Minimum tax for any individual assessee located in any other area is | Tk.1,000 |

Non-resident Individual 25%
(other than non-resident Bangladeshi)

For Companies

| | |
|--|-------|
| Publicly Traded Company | 27.5% |
| Non-publicly Traded Company | 37.5% |
| Bank, Insurance & Financial Company (Except merchant bank) | 42.5% |
| Merchant bank | 37.5% |
| Cigarette manufacturing company | 45% |
| Publicly traded cigarette company | 40% |
| Mobile Phone Operator Company | 45% |
| Publicly traded mobile company | 40% |

If any publicly traded company declares more than 20% dividend, tax rate would be 24.75% and if declares less than 10% dividend tax rate would be 37.5%.

If any non publicly traded company transfers minimum of 20% shares of its paid-up capital through IPO(Initial Public Offering) it would get 10% rebate on total tax in the year of transfer.

Tax Rebate for investment :

Rate of Rebate:

Amount of allowable investment is – actual investment or 30% of total income or Tk. 150,00,000/- whichever is less.
Tax rebate amounts to 15% of allowable investment.

Types of investment qualified for the tax rebate are :-

- Life insurance premium up to 10% of the face value.
- Contribution to Provident Fund to which Provident Fund Act, 1925 applies.
- Self contribution and employer's contribution to Recognized Provident Fund.
- Contribution to Super Annuation Fund.
- Contribution up to TK 60,000 to deposit pension scheme sponsored by any scheduled bank or a financial institution.
- Investment in mutual funds approved debenture or debenture stock, Stocks or Shares
- Contribution to Benevolent Fund and Group Insurance premium
- Contribution to Zakat Fund
- Donation to charitable hospital approved by National Board of Revenue
- Donation to philanthropic or educational institution approved by the Government
- Donation to socioeconomic or cultural development institution established in Bangladesh by Aga Khan Development Network
- Donation to ICDDRDB,
- Donation to philanthropic institution-CRP, Savar, Dhaka
- Donation up to five lac to (1) Shishu Swasthya Foundation Hospital Mirpur, Shishu Hospital, Jessore and Hospital for Sick Children, Sathkhira run by shishu swasthya Foundation, Dhaka. (2) Diganta Memorial cancer Hospital, Dhaka, (3) The ENT and Head-Neck cancer Foundation of Bangladesh, Dhaka and (4) Jatiya partibandhi Unnayan Foundation, Mirpur, Dhaka;
- Donation to Asiatic society of Bangladesh
- Donation to Muktijudha Jadughar
- Donation to National level institution set up in memory of liberation war;
- Donation to National level institution set up in memory of Father of the Nation
- Any investment by an individual in Bangladesh Government Treasury Bond;
- Investment in purchase of one computer or one laptop by an individual assessee.

Who should submit Income Tax Return?

- If total income of any individual other than female taxpayers, senior male taxpayers of 65 years and above and retarded taxpayers during the income year exceeds Tk 2,20,000/-.
- If total income of any female taxpayer, senior male taxpayer of 65 years and above during the income year exceeds Tk 2,50,000/-.
- If total income of any retarded taxpayer during the income year exceeds TK. 3,00,000.
- If any person was assessed for tax during any of the 3 years immediately preceding the income year. A person who
- lives in any city corporation/paurashava/divisional HQ/district HQ and owns a building of more than one storey and having plinth area exceeding 1,600 sq. feet/owns motor car/owns membership of a club registered under VAT Law.
- If any person subscribes a telephone.
- If any person runs a business or profession having trade license and operates a bank account.
- Any professional registered as a doctor, lawyer, income tax practitioner, Chartered Accountant, Cost & Management Accountant, Engineer, Architect and Surveyor etc.
- Member of a Chamber of Commerce and Industries or a trade Association.
- Any person who participates in a tender.
- A person who has a Taxpayer's Identification Number (TIN) in accordance with the provision of section 184A.
- Candidate for Union Parishad, Paurashava, City Corporation or Parliament elections.
- Any company registered under the Company Act, 1913 or 1994.
- Any Non-government organization (NGO) registered with NGO Affairs Bureau.

Time to Submit Income Tax Return:

For Company

By fifteenth day of July next following the income year or, where the fifteenth day of July falls before the expiry of six months from the end of the income year, before the expiry of such six months.

For Other than Company

Unless the date is extended, by the Thirtieth day of September next following the income year.

Consequences of Non-Submission of Return and Return of withholding tax.

- Imposition of penalty amounting to 10% of tax on last assessed income subject to a minimum of Tk. 1,000/-
- In case of a continuing default a further penalty of Tk. 50/- for every day of delay.

Consequences of using fake TIN

- DCT can impose a penalty not exceeding TK.20,000/-
- For continuous use of fake TIN deliberately- 3 years imprisonment, up to TK. 50,000/- fine or both.

Assessment Procedures :

- For a return submitted under normal scheme, assessment is made after giving an opportunity of hearing.
- For returns submitted under Universal Self Assessment Scheme, the acknowledgement slip is determined to be an assessment order. Universal Self Assessment is of course subject to audit.

Appeal against the order of DCT :

A taxpayer can file an appeal against DCT's or' er to the Commissioner (Appeals)/Additional or Joint Commissioner of Taxes (Appeals) and to the Taxes Appellate Tribunal against an Appeal order.

Tax withholding functions :

In Bangladesh withholding taxes are usually termed as Tax deduction and collected at source. Under this system both private and public limited companies or any other organization specified by law are legally authorized and bound to withhold taxes at some point of making payment and deposit the same to the Government Exchequer. The taxpayer receives a certificate from the withholding authority and gets credits of tax against assessed tax on the basis of such certificate

Heads of Income Subject to deduction or collection of income tax
at source with specified rates of deduction.

| No. | Heads | With holding authority | Rate | Chalan in the name of |
|-----|--|--|--|---|
| 1 | Salaries [S-50] | Any person responsible for making such payment. | deduction at average rate | Respective Zone |
| 2 | Discount on the real value of Bangladesh Bank Bills [S-50 A] | Any person responsible for making such payment. | 10% | LTU |
| 3 | Remuneration of Member of Parliament[S-50 B] | Any person responsible for making such payment. | deduction at average rate | Dhaka dist-Zone-1 |
| 4 | Interest on securities [51] | Any person responsible for issuing any security | 10% | LTU |
| 5 | Supply of goods and execution of contracts and sub-contracts or local LC [s-52, rule-16] | Any person responsible for making such payment | up to 2 lac- Nil From TK2,00,001 to 5,00,000—1% From TK.5,00,001 to 15,00,000-2.5% From 15,00,001 to 25,00,000—3.5% From 25,00,001 to 3,00,00,000—4% Where payment exceeds TK. 3,00,00,000—5% (In case of oil by Oil marketing co upto TK 2,00,000—Nil, if payment exceeds 2,00,000—0.60% | Dhaka dist- Zone-2, Dhaka CTG dist- Zone-2, Chittagong Other district- Respective Zone |
| 6 | Fees for Doctors [section-52A(1)] | The principal officer of a company or the chief executive of any NGO or trust responsible for making such payment. | 10% | Dhaka dist- Zone-8, Dhaka CTG dist- Zone-2, Chittagong Other district- Respective zone |
| 7 | Royalty, Fees for professional or technical services [S-52A(2)] | The government or any other authority, corporation or body or any company or any banking company or any insurance company or any co-operative bank or any NGO responsible for making such payment | 10% of the fees | Dhaka dist- Zone-8, Dhaka CTG dist- Zone-2, Chittagong Other district- Respective zone |
| 8 | Fees for professional or technical service, (—any other services applying professional knowledge) [section-52A(3)] | Do | 10%(who submit TIN) 15%(who do not submit TIN) | Dhaka dist- Zone-8, Dhaka CTG dist- Zone-2, Chittagong Other district- Respective zone |
| 9 | Stevedoring agency & Private Security service or any services other than services specified in this chapter [52AA] | The government or any other authority, corporation or body or any company or any banking company or any insurance company or any co-operative bank or any NGO responsible for paying any commission to a stevedoring agency or making any payment to a private security service. | 10% | Dhaka dist- Zone-14, Dhaka CTG dist- Zone-2, Chittagong Other district- Respective zone |
| 10 | C & F agency commission[52AAA] | Commissioner of customs | 10% | Dhaka dist- Zone-15, Dhaka CTG dist- Zone-3, Chittagong Other district- Respective zone |
| 11 | Cigarettes manufacturing | Any person responsible for | 10% of the value of the banderols | Dhaka dist- Zone- |

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| | [section 52B] | selling banderols to any manufacturer of cigarettes. | | 10, Dhaka CTG dist- Zone-4, Chittagong Other district- Respective zone |
| 12 | Compensation against acquisition of property [section 52C] | Any person responsible for payment of such compensation | (a). 2% of the amount of such compensation against the immovable property situated within City Corporation, Paurashava or Cantonment Board (b). 1% of the amount of such compensation against the immovable property situated outside the jurisdiction of City Corporation, Paurashava or Cantonment Board | Dhaka dist- Zone-15, Dhaka CTG dist- Zone-2, Chittagong Other district- Respective zone |
| 13 | Interest on saving instruments [section 52D] | Any person responsible for making such payment | 5% | Dhaka dist- Zone-10, Dhaka CTG dist- Zone-4, Chittagong Other district- Respective zone |
| 14 | Brick Manufacturer [section 52F] | Any person responsible for issuing any permission or renewal of permission for manufacture of bricks. | Tk.30,000/- for one section brick field. Tk. 45,000/- for two section brick field. Tk. 60,000/- for three section brick field. | Dhaka dist- Zone-7, Dhaka CTG dist- Zone-4, Chittagong Other district- Respective zone |
| 15 | Commission of letter of credit [section 52I] | Any person responsible for opening letter of credit. | 5% | LTU |
| 16 | Renewal of trade license by City Corporation or Paurashava [section 52K] | City Corporation or Paurashava. | Tk. 500/- for Dhaka (North and South) & Chittagong city corporation. TK. 300 for any city corporation other than Dhaka(North and South) & Chittagong city corporation and any paurashava of any district headquarters. TK. 100 in any other paurashava. | Dhaka dist- Zone-3, Dhaka CTG dist- Zone-2, Chittagong Other district- Respective zone |
| 17 | Freight forward agency commission [section 52M] | Any person responsible for making such payment. | 15% | Dhaka dist- Zone-6, Dhaka CTG dist- Zone-3, Other district- Respective zone |
| 18 | Rental Power Company [section 52N] | Bangladesh Power Development Board during payment to any power generation company against power purchase. | 4% | Dhaka dist- Zone-13, Dhaka CTG dist- Zone-3, Chittagong Other district- Respective zone |
| 19 | Foreign technician serving in diamond cutting industries [section 52O] | Employer. | 5% | Zone-9, Dhaka |
| 20 | For services from convention hall, conference centre etc. [section 52P] | Any person, being a corporation, body or authority established by or under any law including any company or enterprise owned, controlled or managed by it, or a company registered under কোম্পানী আইন, ১৯৯৪ (১৯৯৪ সনের ১৮নং আইন), any Non-government Organization registered with N.G.O. Affairs Bureau or any university or medical college or dental college or engineering college | 5% | Dhaka dist- Zone-4, Dhaka CTG dist- Zone-2, Chittagong Other district- Respective zone |
| 21 | Service charges, | Paying or crediting authority | 10% | Zone-11, Dhaka |

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| | remunerations, consulting fees, commissions remitted from abroad for services works done by persons living in the country [section 52Q] | (Banks or Financial institutions) | | |
| 22 | Deduction of tax from international gateway service in respect of phone call. [Sec-52R] | (1)The respective bank through which any revenue is received on account of IGW service. (2) IGW service operator | (1) 1% of total revenue received by IGW operator. (2) 5% of revenue paid or credited to ICX, ANS and others. | Zone-15, Dhaka |
| 23 | Deduction of tax from manufacturer of soft drinks. [Sec-52S] | The Security Printing Corporation (Bangladesh) Limited or any other person responsible for delivery of banderols or stamps | 3% value of such drinks as determined for the purpose of Value Added Tax(VAT) | Gazipur Zone |
| 24 | Importer [section 53] | The Commissioner of Customs. | (1) 5% (2) tk. 800 per ton in case of import of certain items | Dhaka dist- Zone-14, Dhaka CTG dist- Zone-1, Chittagong Other district - Respective zone |
| 25 | House property [section 53A] | The Government or any authority, corporation or body or any company or any banking bank or any co-operative bank or any NGO run or supported by any foreign donation or any university or medical college or dental college or engineering college or any college or school as tenant. | 5% of the gross rent | Dhaka dist- Zone-7, Dhaka CTG dist- Zone-2, Chittagong Other district- Respective zone |
| 26 | Shipping business of a resident [section 53AA] | Commissioner of Customs or any other authority duly authorized. | 5% of total freight received or receivable in or out of Bangladesh. 3% of total freight received or receivable from services rendered between two or more foreign countries. | Dhaka dist- Zone-10, Dhaka CTG dist- Zone-4, Chittagong Other district- Respective zone |
| 27 | Export of manpower [section 53B, rule-17C] | The Director General, Bureau of Manpower, Employment and Training. | 10% | Zone-4, Dhaka |
| 28 | Export of knit-wear and woven garments, terry towel, jute goods, frozen food, vegetables, leather goods, packed food [section 53BB] | Bank. | 0.80% of the total export proceeds. | Zone-4, Dhaka |
| 29 | Member of Stock Exchanges [section 53BBB] | The Chief Executive Officer of Stock Exchange. | 0.05% | Dhaka dist- Zone-7, CTG dist- Zone-3, CTG |
| 30 | Export or any goods except knit- wear and woven garments, terry towel, jute goods , frozen food, vegetables, leather goods, packed food [section 53BBBB] | Bank. | 0.80% of the total export proceeds. | Zone-4, Dhaka |
| 31 | Goods or property sold by public auction [section53C] [rule 17D] | Any person making sale. | 5% of sale price. | Dhaka dist- Zone-9, Dhaka, CTG dist-Zone-4, Chittagong Other district- Respective zone |
| 32 | Courier business of a non- resident [section 53CC] | Any person being a company working as local agent of a non-resident courier company. | 15% on the amount of service charge accrued. | Zone-11, Dhaka |

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| 33 | Payment to actors and actresses or purchase of film drama, any kind of television or radio program [section 53D] | The person responsible for making payment. | (a) 10% on the payment in case of purchase of film, drama, any kind of television or radio program (b) 10% on the payment to actor/actress (If the total payment exceed TK.10,000) | Zone-12, Dhaka |
| 34 | Deduction of tax at source from export cash subsidy [S-53DDD] | Any person responsible for payment | 5% | Zone-4, Dhaka |
| 35 | Commission, discount or fees [section 53E(1)] | Any person being a corporation, body including a company making such payment. | 10% | Dhaka dist- Zone-12, Dhaka CTG dist- Zone-4, Chittagong Other district- Respective zone |
| 36 | Commission, discount or fees [section 53E(2)] | Any person being a corporation, body including a company making such payment. | 5% of the difference between the sale price to the distributor or other persons and the retail price fixed by company. | Dhaka dist- Zone-12, Dhaka CTG dist- Zone-4, Chittagong Other district- Respective zone |
| 37 | Commission or remuneration paid to agent of foreign buyer [section 53EE] | Bank. | 75% | Dhaka dist- Zone-6, Dhaka CTG dist- Zone-3, Chittagong Other district- Respective zone |
| 38 | Interest on saving deposits and fixed deposits etc. [section 53F] | Any person responsible for making such payment. | 10% if there is TIN 15% if there is no TIN (not applicable if the balance does not exceed TK. 1,00,000 at anytime in the year in case of savings deposit) (not applicable on the amount of interest or share of profit arising out of any deposit pension scheme) sponsored by the government or by a schedule bank with prior approval of the Government.) | Zone-1, Dhaka |
| 39 | Real estate or land development business [section 53FF] | Any person responsible for registering any document for transfer or any land or building or apartment. | (a)(i) 5% for Dhaka, Gazipur, Narayanganj, Munshiganj, Narsingdi and Chittagong districts (ii) 3% for any other districts. (b).Tk. 1,600 per square meter for building or apartment for residential purposes and TK 6,500 per sq meter building for commercial purpose situated at Gulshan Model Town, Banani, Baridhara, Motijee commercial area and Dilkusa commercial area of Dhaka. TK. 1,500 per SQ meter for residential building and TK5,000 per SQ meter building used for commercial purpose situated at Defense Officers Housing Society (DOHS), Dhanmondi Residential Area, Lalmatia Housing Society, Uttara Model Town, Bashundhara Residential Area, Dhaka Cantonment Area, Karwan Bazar Commercial Area of Dhaka and Khulshi Residential Area, Panchlaish Residential Area, Agrabad and Nasirabad of Chittagong; Tk. 600 per square meter for residential building or apartment and TK.1,600 per sq. meter for commercial building situated in | Dhaka dist- Zone-5, Dhaka CTG dist- Zone-4, Chittagong Other district- Respective zone |

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| | | | areas other than mentioned above. | |
| 40 | Insurance commission [section 53G] | Any person responsible for paying such commission to a resident. | 5% | LTU |
| 41 | Fees of surveyors of general insurance company [section 53GG] | Any person responsible for paying such fees to resident | 15% | LTU |
| 42 | Transfer of property [section 53H] | Any person responsible for registering any document of a person. | (a) within the jurisdiction of Rajdhani Unnayan Kartripakya (RAJUK) and Chittagong Development Authority (CDA) -3% (b) within the jurisdiction of Dhaka and Chittagong districts excluding Rajdhani Unnayan Kartripakya (RAJUK) and Chittagong Development Authority (CDA), Gazipur, Narayanganj, Munshiganj, Manikganj and Narsingdi districts, City Corporation excluding Dhaka (South and North) city corporation and Chittagong City Corporation, Paurashava, Cantonment Board, - 2%; (c) in any area, other than the areas mentioned in sl. no. (a) and (b), -1%. | Dhaka dist- Central Survey Zone, Dhaka CTG dist- Zone-4, Chittagong Other district- Respective zone |
| 43 | Interest on deposit of post office & saving bank account [section 53I] | Any person responsible for making such payment. | 10% | Dhaka dist- Zone-9, Dhaka CTG dist- Zone-4, Chittagong Other district- Respective zone |
| 44 | Rental value of vacant land or plant or machinery [section 53J] | The Government or any authority, corporation or body including its units, the activities or any NGO, any university or medical college, dental college, engineering college responsible for making such payment. | 5% of the rent | Dhaka dist- Zone-15, Dhaka CTG dist- Zone-4, Chittagong Other district- Respective zone |
| 45 | Advertisement of newspaper or magazine or private television channel or private radio station or purchasing air time of private television channel or radio station [section 53K] | The Government or any other authority, corporation or body or any company or any banking company or any insurance company or any cooperative bank or any NGO or any university or medical college or dental college or engineering college responsible for making such payment. | 3%. | Dhaka dist- Zone-5, Dhaka CTG dist- Zone-3, Chittagong Other district- Respective zone |
| 46 | Collection of tax from transfer of shares by the sponsor shareholders of a company listed on stock exchange [section 53M] | Securities & Exchange Commission or Stock Exchange | 5% | SEC, DHK Stock ex, Zone-3, Dhaka, CTG stock EX- Zone-3, CTG |
| 47 | Dividends [section 54] | The principal officer of a company. | Resident/ non-resident Bangladeshi company -----20% Resident/ non-resident Bangladeshi person other than company ----10% Non-resident (other than Bangladeshi non-resident) person other than a company-- 25%. Non-resident company (other than non-resident Bangladeshi company) - | Dhaka dist- Zone-13, Dhaka CTG dist- Zone-4, Chittagong Other district- Respective zone |

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| | | | – at the rate applicable to a company. | |
| 48 | Income from lottery [section 55] | Any person responsible for making such payment. | 20% | Dhaka dist- Zone-9, Dhaka CTG dist- Zone-3, Chittagong, Other district- Respective zone |
| 49 | Income of non residents | Any person responsible for making payment. | Non-resident at the rate applicable to a company Non-resident non-Bangladeshi person other than a company – 25% Non-resident Bangladeshi person at the rate applicable to a resident Bangladeshi] | Zone-11, |
| 50 | Motor vehicle advance tax, SRO:187 | | | Central Survey Zone, Other district- Respective zone |
| 51 | Motor vehicle presumptive tax, SRO:171 | | | Central Survey Zone, Other district- Respective zone |
| 52 | Cargo/ Launch presumptive tax, SRO:173 | | | Central Survey Zone, Other district- Respective zone |

Submission of withholding tax return: Person who makes any TDS (Tax Deducted at Source) on payment, must file a separate return of withholding tax.

- To be submitted at
 - 15th day of October, January, April, July
 - or extended date up to 15 days by DCT.
- Following document should annexed with return:
 - -Statement of TDS
 - -Copy of Treasury Challans /Pay-Orders
 - Penalty for non-submission @10% on last assessed tax with minimum Tk. 1,000 and Tk. 50 per day for continuing u/s 124

Major areas for final settlement of tax liability :

Tax deducted at source for the following cases is treated as final discharge of tax liabilities. No additional tax is charged or refund is allowed in the following cases:-

- Supply or contract work or local LC (Sec-52);
- Royalty, fees for technical services [Sec 52A(2)];
- Commission from clearing & forwarding (C & F) agency (Sec 52AAA);
- Band rolls of handmade cigarettes (Sec-52B);
- Compensation against acquisition of properties (Sec 52C);
- Rental power companies (52N)
- Salaries of foreign technician of Diamond cutting industry (Sec 52O)
- International gateway service (IGW) and Interconnection Exchange (ICX) in respect of international Phone calls (52R)
- Import of goods, not being goods imported by an industrial undertaking as raw materials for its own consumption (Sec 53);

- Shipping business of a resident (Sec 53AA)
- Export of manpower (Sec 53B)
- Export of certain items (such as knit & woven garments etc) [sec 53BB]
- Transaction other than bond by a member of a Stock Exchange (Sec 53BBB)
- Auction purchase (Sec 53C)
- Courier business of non-resident (53CC)
- Cash subsidy (52DDD)
- Real estate or land development business (Sec 53FF);
- Insurance agent commission (Sec 53G).
- Payment on account of survey by surveyor of a general insurance company (Sec 53GG);
- Transfer of property (Sec 53 H)
- Income from transfer of securities or mutual fund units by a sponsor share holder (Sec 53M)
- Winning of lotteries [Sec 19(13)] or Sec 55.

Tax Recovery System :

In case of non-payment of income tax demand the following measures can be taken against a taxpayer for realization of tax:-

- Imposition of penalty
- Attachment of bank accounts, salary or any other payment.
- Filing of Certificate case to the Special Magistrate.

Advance Payment of Tax :

Every taxpayer is required to pay advance tax in four equal installments falling on 15th September; 15th December; 15th March and 15th June of each year if the latest assessed income exceeds Taka four lakh. Penalty is imposed for default in payment of any installment of advance tax.

Fiscal incentives :

Following are fiscal incentives available to a taxpayer:-

a) **Tax holiday** : Tax holiday is allowed for industrial undertaking and physical infrastructure facility established between 1st July 2011 to 30th June 2015 in fulfillment of certain conditions.

Industrial Undertaking Eligible for Tax holiday :

- active pharmaceuticals ingredient industry and radio pharmaceuticals industry;
- barrier contraceptive and rubber latex;
- basic chemicals or dyes and chemicals;
- basic ingredients of electronic industry (e.g resistance, capacitor, transistor, integrator circuit);
- bio-fertilizer; (will get tax holiday even it is set up in district of Dhaka, Narayanganj, Gazipur, Chittagong, introduced in FA 2012)
- biotechnology;
- boilers;
- compressors;
- computer hardware;
- energy efficient appliances;
- insecticide or pesticide;
- petro-chemicals;
- pharmaceuticals;

- (n) processing of locally produced fruits and vegetables;
- (o) radio-active (diffusion) application industry (e.g. developing quality or decaying polymer or preservation of food or disinfecting medicinal equipment);
- (p) textile machinery;
- (q) tissue grafting; or
- (r) any other category of industrial undertaking as the Government may, by notification in the official Gazette, specify.

Physical Infrastructure Eligible for Tax holiday:

- (a) deep sea port;
- (b) elevated expressway;
- (c) export processing zone;
- (d) flyover;
- (e) gas pipe line,
- (f) Hi-tech park;
- (g) Information and Communication Technology (ICT) village or software technology zone;
- (h) Information Technology (IT) park;
- (i) large water treatment plant and supply through pipe line;
- (j) Liquefied Natural Gas (LNG) terminal and transmission line;
- (k) mono-rail;
- (l) rapid transit;
- (m) renewable energy (e.g energy saving bulb, solar energy plant, windmill);
- (n) sea or river port;
- (o) toll road or bridge;
- (p) underground rail;
- (q) waste treatment plant; or
- (r) any other category of physical infrastructure facility as the Government may, by notification in the official Gazette, specify.

- b) Income derived from any Small and Medium Enterprise (SME) engaged in production of any goods and having an annual turnover of not more than taka thirty lakh is exempt from tax.
- c) Income from poultry is exempt from tax up to 30th June, 2015, subject to investing at least 10% of the exempted income in the purchase of bond or securities if such income exceeds Tk. 1,50,000/-.
- d) Income derived from export of handicrafts is exempted from tax up to 30th June, 2015.
- e) An amount equal to 50% of the income derived from export business is exempted from tax.
- f) Listed companies are entitled to 10% tax rebate if they declare dividend of more than 20%.
- g) Income from Information Technology Enabled Services (ITES) business is exempted up to 30th June, 2015.
- h) Income of any private Agricultural College or private Agricultural University derived from agricultural educational activities.
- i) Income received as pension and gratuity.
- j) Income from dividend of a mutual fund or a unit fund up to taka 25000/-.
- k) Income from dividend amounting to Tk. 10,000.

Avoidance of Double Taxation Agreement

There are agreements on avoidance of double taxation between Bangladesh and 29 countries which are:-

(1) United Kingdom (2) Singapore (3) Sweden (4) Republic of Korea (5) Canada (6) Pakistan (7) Romania (8) Sri Lanka (9) France (10) Malaysia (11) Japan (12) India (13) Germany (14) The Netherlands (15) Italy (16) Denmark (17) China (18) Belgium (19) Thailand (20) Poland (21) Philippines (22) Vietnam (23) Turkey (24) Norway (25) USA (26) Indonesia (27) Switzerland (28) Mauritius (29) Kingdom of Saudi Arabia (30) United Arab Emirates (31) The Union Myanmar

List of the Commissioner's/DG's (Income Tax Wing):

| Sl.No (1) | Name of the office (2) | Name of the officer (3) | Phone No. (4) | E-mail (5) |
|--------------|---|---------------------------------|-------------------------|--|
| 1 | Commissioner Taxes Zone-1, Dhaka | Mr. Chowdhury Amir Hossain | 8362944 8333855 (PA) | |
| 2 | Commissioner Taxes Zone-2, Dhaka | Md. Abdur Razzak | 8312416 | Razzaque1957@yahoo.com |
| 3 | Commissioner Taxes Zone-3, Dhaka | Mr. Liakat Ali Khan | 8312402 | alikhan_778@yahoo.com |
| 4 | Commissioner Taxes Zone-4, Dhaka | Mr. Rustom Ali Mollah | 9336788 | Rostom-@yahoo.com |
| 5 | Commissioner Taxes Zone-5, Dhaka | Mr. Serajul Islam | 9346364 | Seraj.tax@gmail.com |
| 6 | Commissioner Taxes Zone-6, Dhaka | Mr. Mir Mushtaque Ali | 8316049 | mmali156@yahoo.com |
| 7 | Commissioner Taxes Zone-7, Dhaka | Mrs. Rawshan Ara Akhter | 8350603 | |
| 8 | Commissioner Taxes Zone-8, Dhaka | Mr. Zia Uddin Mahmud | 9340075 | |
| 9 | Commissioner Taxes Zone-9, Dhaka | Mr. Alangir Hossain | 7913771 | Respl_1@yahoo.com |
| 10 | Commissioner Taxes Zone-10, Dhaka | Mr. Md. Sultan Mahmud | 9331821 | |
| 11 | Commissioner Taxes Zone-11, Dhaka | Rokeya Khatun | 9568087 | |
| 12 | Commissioner Taxes Zone-12, | Mr. Nurul Alam | 9561698 | mnalam27@yahoo.com |
| 13 | Commissioner Taxes Zone-13, Dhaka | Mrs. Shaheen Akhter | 8319910 | shaheen_rangon@yahoo.com |
| 14 | Commissioner Taxes Zone-14, Dhaka | Mrs. Setara Begum | 95137719 | setaratax@yahoo.com |
| 15 | Commissioner Taxes Zone-15, Dhaka | Mrs. Nahar Faerdousi begum | 9350522 | Nfb-2008@yahoo.com |
| 16 | Director General, Central Intelligence Cell (CIC) | Mr. Parvez Iqbal | 8311011 | pikbal@yahoo.com |
| 17 | Commissioner Large Taxpayer's Unit (LTU), Dhaka | Mr. Sanjit kumar Biswas | 8312472 | |
| 18 | Director General, Tax Inspection, Dhaka | Mrs. Arifa Shahana | 8359444 | |
| 19 | Director General, Tax Training Academy | Mr. Mefthahuddin Khan | 9333520 | meftha85@gmail.com |
| 20 | Commissioner Central Survey Zone, Dhaka | Mr. Syed Md. Mahbubur Rahman | 7174224 | s.mahbub@gmail.com |
| 21 | Commissioner | Mr. Dabir Uddin | 031-715190 | |

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|----|--|--------------------------|-----------------|--|
| | Taxes Zone-1, Chittagong | | | |
| 22 | Commissioner Taxes Zone-2, Chittagong | Mr. Apurba Kanti Das | 031-710840 | apurba1962@yahoo.com |
| 23 | Commissioner Taxes Zone-3, Chittagong | Mr. Nazrul Islam | 031-725897 | nazrulnibr88@yahoo.com |
| 24 | Commissioner Taxes Zone-4, Chittagong | Mr. Pradyut Kumar Sarker | 031-727775 | |
| 25 | Commissioner Taxes Zone- Rajshahi | Mr. Sunil Kumar Shaha | 0721- 812320 | ctrjbd@yahoo.com |
| 26 | Commissioner Taxes Zone- Khulna | Mr. Md. Golam Mostafa | 041-760669 | |
| 27 | Commissioner Taxes Zone- Sylhet | Mr. Shoeb Ahmed | 0821- 716403 | Shoeb.1962@yahoo.com |
| 28 | Commissioner Taxes Zone- Rangpur | Mr. Animesh Roy | 0521-61772 | |
| 29 | Commissioner Taxes Zone- Barisal | Proshanta Kumar Roy | 0431-72202 | proshantar@yahoo.com |
| 30 | Commissioner Taxes Zone- Narayanganj | Mrs. Atian Nahar | 7646847 | atiannahar@gmail.com |
| 31 | Commissioner Taxes Zone- Gajipur | Mr. A. K. Borhanuddin | 9261884 | akborhanuddin@yahoo.com |
| 32 | Commissioner Taxes Zone- Comilla | Mahbub Hossain | 081-72480 | mahbubsajjad@yahoo.com |
| 33 | Commissioner Taxes Zone- Mymensing | Mr. Ranjan Kumar Bhowmik | 091-66124 | ranjan_0573@yahoo.com |
| 34 | Commissioner Taxes Zone- Bogra | Mr. Md. Abdul Mazid | | mdmajid2011@yahoo.com |
| 35 | Commissioner, Taxes Appeal Zone-1, Dhaka | Kazi Emdadul Haq | 9337533 | |
| 36 | Commissioner, Taxes Appeal Zone-2, Dhaka | Mr. Golam Nabi | 8333116 | |
| 37 | Commissioner, Taxes Appeal Zone-3, Dhaka | Mr. Md. Abdul Malek | 8361136 | |
| 38 | Commissioner, Taxes Appeal Zone-4, Dhaka | Dr.S. M. Jahangir Alam | 8391447 | |
| 39 | Commissioner, Taxes Appeal Zone-Chittagong | Mr. Md. Salim Afzal | 031-714217 | Salim.afzal@yahoo.com |
| 40 | Commissioner, Taxes Appeal Zone-Khulna | Chimay Prasun Biswas | 041-760349 | |
| 41 | Commissioner, Taxes Appeal Zone-Rajshahi | Hafiz Ahmed Murshed | 0721- 774800 | |