

Payment of income tax: Assessing the difficulties

ALTAF HOSSAIN

PRIMARILY we shall discuss Income Tax and its administration to establish good tax system and also its governance. The people who are responsible for collecting taxes do not get either incentive or moral lesson to be efficient. This is why our government is bitterly criticized for corruption.

Black money is estimated at Taka 60,000/- crores. Our Finance Minister says the brick manufacturers paid only 200 million taka during earlier year, while he would be able to collect taka one billion annually if he authorised Deputy Commissioner and S.P. to collect the fund.

In our country only 2,00,000 people are effective assesseees who pay tax to the time of above taka one lakh on income, whereas total number of assesseees is 12 lakh. Our Finance Minister has emphasised that he would bring more people under the Income Tax net. He has forgotten that the most powerful people do not pay tax. People having property worth of Taka 100 crore do not pay tax. One of our present member of the cabinet had told that the only fools come under the Income Tax net.

How many of the following pay tax? I am now drawing attention to the following difficulties, which are required to be rectified by amending

People with income (in Taka)	Number of Individual	Number of Company
a)Between 2,60,000 5,00,000	16,310	14,198
b) Between 5,00,001 10,00,000	7,512	5,977
c)Above 10,00,000	1,579	339

the Finance Ordinance and these measures will probably reduce the evasion of tax:

That Section 35 has clearly indicated the accounts have to be audited by a Chartered Accountant otherwise the accounts of the company shall be rejected. But nowhere it is clearly mentioned that what will

happen if the accounts are duly audited. But various decision of High Court and Appellate Division and Indian and Pakistan decisions have clarified clearly that audited accounts have to be accepted if there is no change in method of accounting, method of accounting; is such that correct profit can be deduced and there is no error of entry in the account book.

In Income Tax generally three methods of accounting like Cash

financial or commercial transaction in any manner with another industrial company incorporated under Companies Act 1994 (Act 18 of 1994) having one or more sponsor share holder common between them, whether that company is exempted or not under the said sub-section;

From this section it appears that no company will get the tax holiday if it has common sponsor director. The original idea was that tax holi-

restricted the meaning of the assessee. It is mentioned that the self-assessment will be applicable to all persons other than the Company. Now a question has arisen, whether the provision of section 83A will be applicable to all assesseees or restricted to the person as per rules applicable to self-assessment.

It is clearly stated that if the assessing officer is satisfied with the trading result then he can make the assessment on the basis of return

But an assessing officer by a stroke of pen does not hesitate to reject the books of accounts duly audited by a Chartered Accountant and put reliance on inspector's finding. If this is the fate of audited accounts then why our Income Tax Ordinance has been made it compulsory?

That the Deputy Commissioner of Taxes takes the help of Inspector for framing an assessment, so there are various decisions that the assessments should be annulled.

of judicial members. We are also afraid that we may not get justice if complicated question of law is involved. Our present Tribunal is consisted of accounting members and has done a remarkable job by disposing of one thousand cases every month since they have assumed the office nine months ago. Our Tribunal has taken good care of "justice delayed justice denied". But I feel that the sentiment has been hurt by abolishing the post of judicial members.

A new section is introduced to get the approval by the National Board of Revenue, if the assessment is going to be 30 per cent higher than returned income shown by the assessee in order to lessen the sufferings of the assessee. But we find that the DCT to save their own skin are sending most of the cases to the National Board of Revenue to increase income. In reality we find that the sufferings of assesseees have been increased. Now we are told that more than 10000 files are piled up for decision. It is most likely that assesseees will file appeals. We do not know how these appeals are going to be disposed off in view of shortage of officers.

I am advocating since long time that Income Tax Ordinance should be amended for better understanding and more compliance by the assessee. There are various decisions that if there is slightest ambiguity, then this must go in favour of the subject. But in fiscal law, we do not find such things. Our Finance Minister has lamented that there are more evasion of tax when our rate of tax in respect of individual is lowest among developed and developing countries. But only for the misuse of power and unnecessary harassment, the people are scared of coming under the income tax net.

Hope the government will take such measures as encourage the people to come forward to pay tax without any hesitation.

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basis, Mercantile basis are followed and Mixed or Hybrid basis. Now-a-days since Assessment Year 1999-2000 particularly in the case of publication industry the Deputy Commissioner of Taxes has started a new method of accounting for increasing income fabulously i.e. firstly rejecting our books of accounts, secondly estimating receipt based on circulation income through Inspector Report and adopting various rates of computing Gross Profit and at the same time

day would not be granted if we go for new unit in existing industry. This is why the number of applications for tax holiday in respect of the new industrial unit has been reduced substantially. There is a rumour that this amendment is going to be withdrawn.

That we have to submit return showing income at least 10 per cent higher than the last assessed income for qualifying self-assessment in respect of private company. Suppose the assessment is under dispute i.e. appeal is pending, then a question may arise whether last assessed income means disputed income or not disputed income. It is requested to be clarified as early as possible. But nowhere it is to be mentioned as self-assessment or section 83AA written on top of the return like self-assessment is to be made in respect of other assesseees.

That the word assesseees includes all persons who are liable to pay tax in self-assessment procedure.

But the self-assessment rule has

and compute the income and tax payable accordingly. Means of satisfaction are nowhere defined. There is various decisions if assessing officer is not satisfied with the result then he will have to state the reason for such non-satisfaction. In almost all the cases we find that they never accept the return nor state the reason for non-satisfaction of the trading result, as shown by a Return together with the Accounts duly certified by a Chartered Accountant. They prefer to depend on the report of non-technical person like Income Tax Inspector. A question has arisen whether the Inspector is more competent than the Chartered Accountant. It is really sad that they do not hesitate to reject the accounts audited by famous Chartered Accountant firm like Rahman Huq with whom our present Finance Minister was once associated. Do you think that all our chartered accountants do not certify correct accounts?

The Companies Act., I.T. Act., Chartered Accountant Act. and Income Tax Ordinance are connected with the audited accounts.

There are many decisions that assessment should be on real facts and not on presumption, assumption and on surmise.

It is saddest thing that Judicial authorities never record the verbal and written arguments of the appellant or his representative during appeal proceeding, but they depend on the findings of the officer below his rank. Direction should be given for considering the arguments of the appellant and give the judgment after discussing the contention of the appellant.

There is a strong demand for placing the Tribunal under law department since 1980, when at the initiative of our present Finance Minister, Taxes Department was transferred to the Finance Ministry. Income Tax problem is consisted of two things -- one in respect of the accounts and the other one in respect of law. This is why there was equal number of member in the Tribunal as judicial member and accountant member. Our present Finance Minister not only placed the Tribunal under the Ministry of Finance but also abolished the post

Recalling the Ghughudaha land rights movement

MD. ABDUL KADER and SOHEL IBN ALI

LAND and its reform is one of the most significant issues in Bangladesh. Not less than 70 per cent of this vastly agrarian society is directly related with agricultural production. But, more than half of the population of the country is landless, poor and vulnerable, and in the custody of less than 10 per cent of the population who occupy nearly 80 per cent of the land. Unfortunately, like the landless poor themselves, land is always an awkward issue to the politicians, law-makers, bureaucracy or civil society in Bangladesh. But in a situation when poverty reduction becomes a myth, without solving the land issue, the dream of development could never be accomplished. The western development models that do not fit in the socio-cultural structure of the nation tend to suppress the voice of landless people and their basic desires.

According to a report of Dr Abul Barkat, secretary of Bangladesh Economy Forum, there are more than one crore bighas of distributable khas land in our country and the number of landless poor families is around one crore also. A proper khas land management system can undoubtedly ensure some fortune for these poor landless families. Distribution of khas land to the landless poor is the only effective means for reduction of poverty and national development. Our country is profusely suffering from criminalisation to its each and every sector. In the name of development,

development itself is victimised by this criminalisation. The question of land has always been victimised. According to Barkat's report, among the total yearly court cases, 85 per cent is land related and only solving land related problems, yearly 33 thousand crore taka of revenue would have been saved which is more than 1.5 times our present

Dikhit, Kuralia and Chalan Beel movements in Pabna; Beel Pakuria and Radhaganj movements in Rajbari; Chapadaha movement in Faridpur; Ranisainkyel movement in Dinajpur, Gangchara movement in Rangpur; Debhata Kaliganj movement in Satkhira; Paikgacha movement in Khulna; Char Fashion, Char Jabber, Boyer Char,

contribute to national development. On the other hand, the Ghughudaha land movement resulted in changing national land management policy for the benefit of the poor.

During 1984-85, the landless peasants of Santhia upazila of Pabna district organised a movement for nearly thousand acres of khas land of Ghughudaha Beel. The

to break the unity of the poor, they faced all the attempts let loose on them and gradually became more indomitable.

On 10th June 1985 about twenty thousands of poor people gathered around Ghughudaha Beel; they came equipped with whatever they found like bow and arrow, bamboo sticks, etc. promising to face the

of khas land to more than 8000 families and 2200 acres of kaks water bodies to 700 families. Besides, thus far they identified more than one lac 60 thousand acres of khas land and water bodies and integrated about 3.5 lac poor people in 11 districts for an intense movement towards establishing their rights and thus reduce poverty. Now, a few words about the organisation. It started its activities with some freedom fighters and local social workers as a simple social organisation in 1976 in the village Bishnupur under Santhia Upazila of Pabna district. It was renamed as *Bishnupur Jubo Samity* which later was changed to *Nobo Jagoroni Sangstha* and finally registered as Samata. The khas land issue became a priori to the organisation during 1980s. Presently the organisation is working in Samata, Sirajgonj, Faridpur, Rajbari, Nator, Bogra, Kustia, Naogaon, Chapai Nawabgonj, Kurigram, Meherpur districts.

Samata and the inhabitants of Pabna district believe that 10th June should be observed as Land Rights Day for creating a space to raise the voice of landless poor in the country. In fact, the people of Pabna district formed 'Land Rights Day Observation Committee' and observed 10th June 2003 as 'Land Rights Day'. It organized four-day programme including press conference, mass rally at all the Upazilas in Samata working area, grand gathering at Ghughudaha Beel, local sports and open air theatre and a seminar at Pabna town.

The history of Ghughudaha Beel movement might be considered as the only tested model in our country. There is no doubt to say that the movement of Ghughudaha Beel shows the way to solve our land management problem in favour of establishing the poormen's rights on land. Led by the landless people the struggle is the only paradigm in our country for establishing their rights to the means of agricultural production, i.e. land.

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Mass rally at Ghughudaha, Santhia in Pabna district on Land Rights Day.

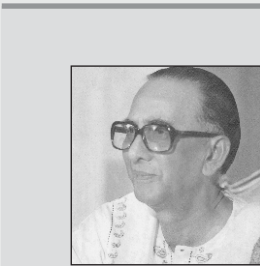
Thanarhat movements in Noakhali, Dashmina, Char Hadi, Char Borhan, Char Bashbaria and Char Shahjalal movements in Potuakhali; Ramgoti movement in Lakhipur and Hatier land movement. Yet a definite land management system yet not exists in this country. The bureaucratic replacement of 1971 failed to ensure freedom of the people from servitude. Realising this, government of 1972 declared that all the khas lands would be distributed to the landless poor people; that they were the actual owners of the vast amount of available khas land in the country. But unfortunately, the government order had never been materialised, rather the order acted like boomerang to the poor, at least till 1985.

On 10th June 1985, the country experienced the most successful land movement after independence. The movement of Ghughudaha Beel of Santhia thana in Pabna district was not only a periodic event but a success story of the poor people's struggle in Bangladesh. Our country's poor, who comprise the majority of the population, proved once again that 'equality belongs to unity'. There are also few other successful land movements that were organised in the post-war period but the discontinuation of those movements failed to

Beel at that time was illegally occupied by so-called jodtars with the help of influential people, some corrupt government officials and goon gun-power. The poor around Ghughudaha Beel decided to dedicate their lives to recover the Beel from usurpation and started to unite themselves with the support of the non-government organisation Samata. Inspired by the organisation they realised that none but the landless peasants were the real owner of Ghughudaha khas Beel according to government rules. Soon the organisation started to congregate those poor people into different individual groups and shaped the unity into an intense land movement.

People of Bishnupur and other villages took part in that land movement. They were preparing themselves to even sacrifice their lives and re-establish their rights. But not only the landless were preparing, also the land-grabbers were organising themselves when they heard about the peasants' initiatives. They hatched multiple plots and made several conspiracies to segregate the landless' unity. They harassed poor peasants lodging false cases against them, physically tortured many of them and even killed some of them in the show of their brutal greediness. But, it was not possible

goons and to establish their rights over khas land; and directly faced the land appropriators and their fortified fighters. Speeched of the progressive leaders motivated the peasants. They graced the day with their triumphant accomplishment; a small piece of the Beel was distributed to the landless. The success inspired them and made them more spirited. The movement was suddenly grew several times. Since then they just overlooked all the court cases, harassments, police, prison, torture, killing, arson whatever put to check their advance. At long last, sacrificing five lives the emancipation of total Ghughudaha Beel, which is around three thousands bigha, was accomplished by five thousand landless deprived poor people. Those five martyrs were Lalmohan and Haider Ali of Bishnunubaria, Entaj Ali of Ghughudaha and, Kalimuddin and Lokman of Bishnupur. After this historical Ghughudaha movement Samata became actual non-organisation by the poor for the poor themselves. They kept their land activities going and progressed to other areas besides Ghughudaha Beel. The struggle for the establishment of land rights continued by the poor through the organisation. Hitherto Samata with their partner organisations distributed 7011 acres



MUHAMMAD HABIBUR RAHMAN

Son! Shall I be able to see you again?

Son ! The case for your guardianship, Has caused me only great hardship. I am lost in a labyrinth of laws, I am lost in the jigsaws Of matters miscellaneous Puzzling and curious. Is the game of seesaws.

The matter has been adjourned sixty-nine times, Sometimes On the personal grounds of my counsel, And some other times On the personal grounds of their counsel. "Personal ground" is an elevating term, Always ready to give cover and lend an arm, Like the Fourth Schedule of the Constitution, To a defaulter of rules and regulations.

The reputed counsel would attend An international seminar on human rights, Environment, pollutions or women's rights At Geneva, Hongkong or Melbourne. The cost for the adjournment is to be borne Of course by the client. Was it not a good ground for adjournment? And grounds of adjournment are various. Some times they are queer and curious. The counsel or his dear ones have fallen ill. For his voting right the polling boxes he must fill. There are other endless pleas and pretexts, Seemingly in and clearly out of contexts. In this merry-go-round game The counsel vie with each other for a name. In this matter my counsel acts quite well Alas! In concert with their counsel. And the referee doesn't blow the whistle.

When your father was alive, never, never, Your uncles did ever Buy two lozenges for you. Had your father had left no property Would they have asked for guardianship During your minority?

In the written statement to the suit I have been described, as a woman of disrepute, Not fit to be appointed a guardian For her minor son. After all those concocted stories, aha! Son! People now shun me like a pariah. For my son's guardianship I am not reliable. And to others I have now become an untouchable.

To my next-door neighbour's little boy Long ago I gave him a little toy. And he has been very fond of me since then. The other day he came to talk to me, when Yelled at him his mother: "What is happening there ? Son! Come back here!" Son! Have I got a seed of the witch In the interstices of my genes stitched!

Son! When your father did home return Every time away from a sojourn He used to stand behind me And place his palms on my eyes And say, "Just guess, honey! What I have got for you." It was always something new. I dared not guess.

It was better that I should not guess. And I wanted him on me to lean And I wanted him my heart to win. Now I could only say, "After loving so much How could you leave me behind in the lurch!"

That precious little gift your father gave me On our last wedding anniversary, I've sold it away for meeting the legal expenses. I have now come back to my senses.

Sorry to say, my son, I do not want you any more. Son! I can't continue my case any more. Let the matter be dismissed, as they say, For lack of proper instructions, the euphemistic way, When the client does fail To pay fees to his or her counsel.

Son! Now my past does no longer worry me. My present does no longer worry me. And the future also does not worry me. Sometimes I think, after coming of age, Freed from the guardian's tutelage, You are coming running towards me And putting your arms around me And calling me, "Mum! Ma! Mother!" And saying nothing, we two only cried together.

No, no, no, now I shall not cry. I shall try my best, and I shall try To walk the earth and draw the breath of life Till your return I'll try to keep myself alive. But have you by this time started to believe Their stories about your mother true as well, Your mother's portrait drawn by their counsel True as well? In that face of your mother there would be no trace Of ruminating the happy days I spent with your father There would be no trace of the anxiety of the mother For the return of the son. That face might have the look of a fallen woman The face of a witch, a burnt out wood of the burning ghat An ugly fossil of the dirty past. Son ! That is the most dreadful thing I dread! I fear and dread! Alas! I am afraid!

Son! Will it happen that you believe on your return your mother's face drawn by their counsel as the real one? Son! Come back to me. I want to see you again. Son! I don't know. Shall I be able to see you again?