



FROM PAGE 8

in the preparation of this budget, I am also thankful to the business leaders, industrialists, distinguished economists, members of the press, NGO representatives, civil society, honourable members of parliament and to my cabinet colleagues for their valuable comments and suggestions.

Mr. Speaker,

86. Our never-ending pursuit to build a society free of hunger and poverty shall continue. We want to pursue this objective through massive employment generation and ensuring health care and nutrition for all. In spite of our resource constraints we are determined to accelerate our onward march. Alongside the government, people belonging to all strata of the society and all shades of opinion must come forward and put in their best endeavours in materializing the hopes of this nation. This people-government partnership shall not only remain confined to the formulation of plan, this should also be expanded to the implementation of the plan. The engagement is not just for policy planning. It is importantly an engagement for results, for inclusion, for imaginative solutions, and ultimately an engagement to unlock the potentials of the nation."

Mr. Speaker,

87. In every crisis and disaster we, as a nation have left an indelible mark of our courage and determination, our patience and resilience. There are few parallels in history of the sacrifice that we have made in securing our independence and the progress that we have achieved over the past few decades. We have many achievements, but our problems are no less formidable. Yet we dream of a Sonar Bangla for our future generation where people will live in peace and harmony, where there will be equitable distribution of resources, where people will direct all their sincere endeavor to the attainment of a self-reliant nation. Let all of us come forward with all our spirited efforts, intense patriotism and deep commitment to unlock the potentials of our nation. Let us build a poverty-free, exploitation-free, developed and prosperous Bangladesh. Let us secure our due place on the world stage as a proud nation.

Allah Hafez
Bangladesh-Zindabad

Annexure-"A-1"

Financial Year 2006-2007

Income tax rate for individual category of assesses

Sl.No.	Proposed Slab	Proposed Rate
(a)	On first Tk. 1,20,000/- of total income	Nil.
(b)	On next Tk. 2,50,000/- of total income	10%
(c)	On next Tk. 3,00,000/- of total income	15%
(d)	On next Tk. 3,50,000/- of total income	20%
(e)	On the balance of total income	25%

Minimum tax payable Tk. 1,800/-

Annexure-"A-2"

Rates of taxes to be collected from brick manufacturer at the time of issuance of permission or renewal of license:

Sl.	Particulars	Amount of tax due (Taka)
1.	For one section brick field	7,500/-
2.	For one and half section brick field	10,000/-
3.	For two section brick field	15,000/-

Annexure-"A-3"

List of eligible sectors for tax holiday

- Textile;
- High Value Readymade Garments;
- Pharmaceuticals;
- Melamine;
- Plastic products;
- Ceramics & sanitary ware;
- Steel from iron ore;
- Fertilizer;
- Insecticide & pesticide;
- Computer hardware;
- Residential hotel having facility of three star or more;
- Petro-chemicals;
- Basic raw materials of drugs, chemicals & pharmaceuticals;
- Agricultural machine;
- Ship building;
- Boilers & compressors;
- Textile machinery; and
- Physical infrastructure:
 - Sea or river port;
 - Container terminals, internal container depot (ICD), container freight station (CFS);
 - LNG terminal and transmission line;
 - CNG terminal and transmission line;
 - Gas pipeline;
 - Flyover;
 - Large water treatment plant & supply through pipe line;
 - Waste treatment plant; and
 - Export processing zone.

Annex-"C"

Proposals for Value Added Tax (Local Stage) on the Budget 2005-06

- Amendments in the Value Added Tax Act, 1991
 - Inclusion of 'Local VAT office' and 'Divisional Officer' of the Large Tax-payers' Unit (LTU) in the definition of 'Local VAT Office' and 'Divisional Officer' in clause (Antosta Ja) and clause (Ra) of Section 2.
 - Insertion of a new sub-section 1ka under section 13 to fix the rate of duty drawback on certain goods by the government in the official gazette.
 - a) Reduction of minimum penalty from taka 25 thousand to taka 10 thousand for minor offences under sub-section (1) of section 37.
 - b) Insertion of 'Service' in clause (Triple Nio) of sub-section (2) under section 37.
 - Insertion of provision regarding request from a VAT officer to another VAT officer in the recovery of the government dues.

2. Amendments in the Value Added Tax Act, 1991

- Inclusion of 'Superintendent' of the Large Tax Payer Unit (LTU) in the definition of 'Superintendent' in clause (Nio) of rule 2.
- Clause (Ka) of proviso under sub-rule (1) of rule 17Ka has been amended to extend the time limit from thirty days to ninety days for bringing the goods back to the factory, in cases where the goods are damaged or unfit for consumption or when there is a material change in the nature of supply.

3. Value Added Tax related other S.R.O's

- Exempted from VAT:
 - Exemption on Iron Ore, Petroleum Bitumen, Magnesium Sulphates (Fertilizer), Zinc Sulphates (Fertilizer), Disodium Tetraborates (Fertilizer), Waste Paper, Infusion Set with or without IV fluid bag at the import stage.
 - 100% exported oriented industries have been enjoying VAT exemption to the extent of 80% on gas and electricity and 60% on WASA bills. The exemption will be extended to the 100% deemed exporters and the industries within EPZ. They have been also exempted from VAT payable on the services rendered by Insurance, C&F Agent, Freight Forwarders, Shipping Agent and Port Services both at the import and export stage.
 - Introduction of exemption on Rice, Chemical Fertilizer and Insecticides, Fungicides, Pesticides, Anti-sprouting products, Plant growth regulator and disinfectants to be used in agriculture, at the trade level.
- Introduction of Duty drawback at the rate of 80% on gas, electricity and 60% on WASA bills at the production level for 100% export industries and Drawback @ 100% on Insurance, C&F Agent and 60% on Telephone both at the import and export stage.

BUDGET

2005 - 2006

Text of FINANCE MINISTER'S speech

JUNE 10, 2005

Annexure-"B-1"

List of H.S. Codes where proposal of reduction of Custom Duty is Made

Sl.No.	H.S.Code	Description	Existing Rate	Proposed Rate
1.	1302.20.00	Pectic substances	15%	7.5%
2.	2501.00.24	Salt in bulk	25%	7.5%
3.	2501.00.91	Denatured salt (coloured)	25%	15%
4.	2513.20.00	Emery natural abrasives	15%	7.5%
5.	2519.90.00	Other carbonates	15%	7.5%
6.	2709.00.00	Crude Petroleum oils	25%	7.5%
7.	2710.11.11	Refined Oil	25%	15%
8.	2710.11.19	Refined Oil	25%	15%
9.	2710.11.20	Refined Oil	25%	15%
10.	2710.11.31	Refined Oil	25%	15%
11.	2710.11.32	Refined Oil	25%	15%
12.	2710.11.41	Refined Oil	25%	15%
13.	2710.11.42	Refined Oil	25%	15%
14.	2710.11.43	Refined Oil	25%	15%
15.	2710.11.49	Refined Oil	25%	15%
16.	2710.11.61	Refined Oil	25%	15%
17.	2710.11.62	Refined Oil	25%	15%
18.	2710.19.11	Refined Oil	25%	15%
19.	2827.31.00	Magnesium chloride	15%	7.5%
20.	3814.00.00	Organic composite solvents	25%	15%
21.	3824.90.90	Other chloro-paraffin wax	25%	15%
22.	3926.90.80	Cot and Apron	25%	15%
23.	4823.20.00	Filter paper and paperboard	15%	7.5%
24.	5202.99.10	Cotton Waste	7.5%	0%
25.	7217.30.00	Wire of other base metals	25%	15%
26.	7225.19.00	Other silicon-electrical steel	15%	7.5%
27.	7803.00.10	Hollow bars	15%	7.5%
28.	7803.00.90	Other bar	15%	7.5%
29.	8407.34.91	Bus or Truck CNG engine	25%	15%
30.	8408.20.31	Bus or Truck CNG engine	25%	15%
31.	8517.30.10	Telephonic machinery	15%	7.5%
32.	8517.30.90	Telephonic machinery	15%	7.5%
33.	8525.20.23	Cellular/Mobile telephone	1500 Tk.	300 Tk.
34.	8540.11.10	CRT for TV	25%	15%
35.	8544.11.00	Winding wire of copper	25%	15%
36.	9608.99.10	Ball points for ball point pen	15%	7.5%

Annexure-"B-2"

List of H.S. Codes where proposal of enhancement of Custom Duty is Made

Sl.No.	H.S.Code	Description	Existing Rate	Proposed Rate
1.	Heading 16.04	Prepared or preserved fish; caviar	15%	25%
2.	Heading 16.05	Molluscs and other aquatic prepared or preserved	15%	25%
3.	2106.90.90	Other food preparations	15%	25%
4.	2601.11.00	Iron ore	0%	7.5%
5.	2601.12.00	Iron ore	0%	7.5%
6.	2601.20.00	Iron ore	0%	7.5%
7.	3811.90.00	Other Anti-knock preparations	7.5%	15%
8.	4903.00.00	Drawing or colouring books	0%	7.5%
9.	4904.00.00	Music, printed or in manuscript	0%	7.5%
10.	5605.00.20	Lumi lux yarn	7.5%	15%
11.	6112.11.00	Track suits of cotton	15%	25%
12.	6112.20.00	Ski suits	15%	25%
13.	6211.20.00	Ski suits	15%	25%
14.	7019.90.10	Glass wool blanket	7.5%	15%
15.	7211.29.10	Carbon steel strips	0%	7.5%
16.	7211.29.20	Carbon steel strips	7.5%	15%
17.	Heading 72.16	Angles, shapes and sections of iron	7.5%	15%
18.	7408.11.00	Copper wire	15%	25%
19.	7605.11.00	Aluminium wire	15%	25%
20.	8408.90.11	Engines of capacity 3 to 45 HP	0%	7.5%
21.	8413.50.20	Low lift pump for swimming pools	7.5%	15%
22.	8413.60.20	Low lift pump for swimming pools	7.5%	15%
23.	8413.70.20	Low lift pump for swimming pools	7.5%	15%
24.	8413.70.40	Low lift pump for swimming pools	7.5%	15%
25.	8413.81.20	Low lift pump for swimming pools	7.5%	15%
26.	8413.91.10	Low lift pump for swimming pools	7.5%	15%
27.	8426.41.10	Works trucks fitted with crane	7.5%	25%
28.	8427.20.00	Other self-propelled trucks	7.5%	15%
29.	8427.90.00	Other trucks	7.5%	15%
30.	8470.50.00	Cash registers	0%	15%
31.	8481.80.91	Taps, cocks, valves	15%	25%
32.	8504.40.10	Mobile and other battery charger	7.5%	15%
33.	8504.90.10	Static converters	15%	25%
34.	8541.40.00	Photosensitive semi-conductor	0%	15%
35.	8703.32.95	Vehicle 1500 cc- 1649 cc in CKD	15%	25%
36.	8703.32.96	Vehicle exceeding 1649 cc in CKD	15%	25%
37.	8705.40.00	Concrete-mixer lorries	7.5%	15%
38.	8705.90.00	Other special purpose vehicle	7.5%	15%
39.	Heading 87.08	Tractor Parts	0%	15%
40.	Heading 89.08	Scrap Vessel	800 Tk.	1000 Tk.

4. List of VAT related S.R.Os and on Order to implement the Budget proposals, 2005-2006.

- NBR's SRO No. 150-Law/2005/441-VAT dated: 09/06/2005
- IRD's SRO No. 151-Law/2005/442-VAT dated: 09/06/2005
- IRD's SRO No. 152-Law/2005/443-VAT dated: 09/06/2005
- IRD's SRO No. 153-Law/2005/444-VAT dated: 09/06/2005
5. IRD's SRO No. 154-Law/2005/445-VAT dated: 09/06/2005
6. IRD's SRO No. 155-Law/2005/446-VAT dated: 09/06/2005
7. IRD's SRO No. 156-Law/2005/447-VAT dated: 09/06/2005
8. IRD's SRO No. 157-Law/2005/448-VAT dated: 09/06/2005
9. IRD's SRO No. 158-Law/2005/449-VAT dated: 09/06/2005
10. NBR's SRO No. 159-Law/2005/450-VAT dated: 09/06/2005
11. NBR's SRO No. 160-Law/2005/451-VAT dated: 09/06/2005
12. NBR's Order No. 06/VAT/2005, dated: 09/06/2005

Bush opens door to possible closing of Guantanamo

REUTERS, Washington

President Bush left the door open to an eventual closing of the US detention centre at Guantanamo Bay on Wednesday amid mounting complaints and calls for it to be shut down, including a broadside from former president and human rights champion Jimmy Carter.

"We're exploring all alternatives as to how best to do the main objective, which is to protect America. What we don't want to do is let somebody out that comes back and harms us," Bush said in an interview with Fox News Channel when asked whether it should be shut down.

Calls for closure of the prison camp for foreign terrorism suspects at Guantanamo Bay, Cuba have risen over the past few days after Amnesty International set off a furor last month by calling it a 'gulag' and comparing it to the brutal Soviet

system of forced labour camps in which millions died.

Amnesty's secretary general, Irene Khan, said in a statement issued in London that she had noted Bush's comment "with interest" and urged him "to close the prison and charge the detainees under US law in US courts or release them, as this prison is a disgrace to American values and international law."

Rep. Nancy Pelosi of California, the Democratic leader of the House of Representatives, added her voice to the criticism by supporting those calling for the closure of the detention camp, including Carter and Sen. Joseph Biden, the senior Democrat on the Senate Foreign Relations Committee.

"I think that we need a fresh start, a clean slate for America in the Muslim world," Pelosi told reporters.

Money-spinning US talk lands Cherie Blair in more hot water

AFP, London

In the court room she's Cherie Booth, one of Britain's most respected civil rights lawyers, arguing tough cases against big banks, major hospitals, even government ministries.

"A great tactician ... noted for her 'solicitude and empathy towards clients'," the Chambers and Partners legal guide says, while the Legal 500 declared: "Outstanding ... a heavy hitter for the right kind of case."

But in her other life she as the wife of Prime Minister Tony Blair and mother of their four children, Cherie Blair comes in for a rougher ride.

Suspicious packages sent to embassies in Australia

REUTERS, Canberra

Five embassies in the Australian capital, including the US, British and Japanese missions, were shut down yesterday after they received suspicious packages containing white powder, police said.

Similar parcels were also posted to the South Korean and Italian embassies, Australia's Department of Prime Minister and Cabinet and parliament house in Canberra, forcing the closure of part of the parliament building for the second time in a week.

Annexure-"B-3"

List of H.S. Codes where proposal of reduction of Supplementary Duty is Made

Sl.No.	H.S.Code	Description	Existing Rate	Proposed Rate
1.	1702.40.00	Glucose and glucose syrup, containing in the dry state at least 20% but less than 50% by weight of fructose, excluding invert sugar	15%	0%
2.	2515.20.00	Ecaussine and other calcareous monumental or building stone; alabaster	15%	0%
3.	2710.11.11	Refined Oil	15%	0%
4.	2710.11.19	Refined Oil	15%	0%
5.	2710.11.20	Refined Oil	15%	0%
6.	2710.11.31	Refined Oil	15%	0%
7.	2710.11.32	Refined Oil	15%	0%
8.	2710.11.41	Refined Oil	15%	0%
9.	2710.11.42	Refined Oil	15%	0%
10.	2710.11.43	Refined Oil	15%	0%
11.	2710.11.49	Refined Oil	15%	0%
12.	2710.11.61	Refined Oil	15%	0%
13.	2710.11.62	Refined Oil	15%	0%
14.	2710.19.11	Refined Oil	15%	0%
15.	6110.12.00	Of Kashmir (cashmere) goats	15%	0%
16.	6110.19.00	Other fine animal hair	15%	0%
17.	6112.11.00	Track suits of cotton	15%	0%
18.	6112.20.00	Ski suits	15%	0%
19.	6211.20.00	Ski suits	15%	0%
20.	8519.10.10	Coin-or disc-operated record-players in CKD	15%	0%
21.	8519.21.10	Other record-players without loudspeaker in CKD	15%	0%
22.	8519.31.10	Turntables (record-decks) With automatic record changing mechanism in CKD	15%	0%
23.	8519.31.20	Turntables (record-decks) With automatic record changing mechanism in CBU	15%	0%
24.	8519.40.10	Transcribing machines in CKD	15%	0%
25.	8519.40.20	Transcribing machines in CBU	15%	0%
26.	8519.93.10	Other Pocket size cassette player sound reproducing apparatus in CKD	15%	0%
27.	8519.99.10	Other sound reproducing apparatus in CKD	15%	0%
28.	8520.10.10	Dictating machines not capable of operating without an external source of power in CKD	15%	0%
29.	8520.20.10	Telephone answering machines in CKD	15%	0%
30.	8527.12.90	Pocket-size radio cassette-players in CKD	15%	0%
31.	8527.21.20	Combined with sound recording or reproducing apparatus: in CKD	15%	0%

Annexure-"B-4"

List of H.S. Codes where proposal of enhancement of Supplementary Duty is Made

Sl.No.	H.S.Code	Description	Existing Rate	Proposed Rate
1.	1902.19.00	Pasta, uncooked	0%	65%
2.	1904.10.00	Prepared foods obtained by the swelling or roasting of cereals	0%	65%
3.	2201.10.00	Mineral waters and aerated waters	0%	35%
4.	2201.90.00	Other water	0%	35%
5.	2501.00.23	Salt boulder for crushing and salt in bulk	0%	35%
6.	2501.00.99	Other salt	0%	35%
7.	2915.70.32	Sodium salt of palmitic acid (soap noodle) imported by other	0%	35%
8.	3208.20.90	Paint imported by Other	0%	20%
9.	3402.90.10	Detergents	0%	20%
10.	5801.90.90	Woven pile fabrics and chenille fabrics	0%	20%
11.	5903.10.90	Other plastic laminated fabrics	0%	20%
12.	5903.20.90	Other plastic laminated fabrics	0%	20%
13.	8212.20.19	Stainless steel blade	0%	20%
14.	8212.20.90	Other Safety razor blades	0%	20%
15.	8504.32.00	Transformer	0%	20%
16.	8504.33.00	Transformer	0%	20%
17.	8714.92.10	Wheel rims of bicycle	0%	20%
18.	9401.61.00	Upholstered Seats, With Wooden Frame	0%	35%
19.	9405.10.10	Chandelier & Oth. Electric Ceiling Or Wall Lighting Fitting, Spotlight	0%	20%
20.	9405.10.90	Chandeliers & Oth. Elec. Ceiling Or Wall Lighting Fitting (Exc. Spotlights)	0%	20%
21.	9405.20.00	Electric Table, Desk, Bedside Or Floor-Standing Lamps	0%	20%
22.	9405.40.90	Other Elec. Lamps & Lighting Fittings, Nes	0%	20%
23.	9405.99.00	Parts Of Heading No.94.05 Of Other Materials	0%	20%
24.	9504.40.00	Playing cards	0%	35%

MILLENNIUM GOALS

Africa offsets global progress: UN

AFP, United Nations

A UN report yesterday on progress in halving extreme poverty and hunger across the globe by 2015 warned that millions in Africa were actually getting poorer and hungrier.

The report on the "Millennium Development Goals" adopted by world leaders in 2000 also noted a slowdown in reducing child mortality, with 11 million children under the age of five still dying every year from preventable causes.

On a global level, the report showed the target on poverty reduction to be achievable thanks largely to dramatic progress in Asia, but the

dire situation in Africa reflected "huge gaps" in meeting vital human needs.

The number of people living on less than one dollar a day in sub-Saharan Africa rose by 86 million from 1990 to 313 million in 20