

# Star BUSINESS

**জীবনে প্রয়োজন আরো বেশি স্বাচ্ছন্দ্য**  
 সর্বাধুনিক প্রযুক্তি সমন্বিত ব্যাংকিং সেবায় মাসিক আয়ের সাথে বাড়তি আয় যোগ করুন আর জীবন করুন সুসমৃদ্ধ

যে কোন প্রয়োজনে ০৯৬১২০০১১২২  
 টোলফ্রী শ্রীআহ'র মুদারাবা নিতির ছিঁড়তে পরিচালিত



DHAKA WEDNESDAY JULY 2, 2014, e-mail:business@thedailystar.net

## Bank account for house rent collection

STAR BUSINESS REPORT

Landlords who charge more than Tk 25,000 as rent for a single living unit will now have to maintain a separate bank account for rent collection.

The move comes as part of the National Board of Revenue's efforts to crack down on tax dodging by landlords. Till April this year, the NBR identified 45,601 such home owners in the country, with 30,000 in Dhaka alone.

As per the rule issued yesterday, landlords will now have to maintain a separate register and record regarding particulars of the tenants and the amounts received.

Financial penalty will be imposed for not depositing rents in the bank accounts or for not following the process properly.

The Bangladesh House and Flat Owners Association, a newly formed platform, however, opposed the move, as the landlords might pass off the tax burden on to the tenants in the form of higher rents.

The association also said the bindings may encourage creation of an unholy nexus between the home owners, tenants and revenue officials.

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## Incomes from all sources should be taxed

An economist says NBR has to speed up reforms

STAR BUSINESS REPORT

The government should make all personal incomes, irrespective of their sources, taxable to collect more money from individual taxpayers in an effort to reach its ambitious revenue target, an economist said yesterday.

Sadiq Ahmed, vice chairman of Policy Research Institute (PRI), said no sectors should be given a blanket tax exemption.

"If some concessions have to be made to motivate additional domestic and foreign investment, the scope of those concessions should be limited in a way that does not undermine tax collection."

He said providing tax exemption to any high-earning sectors, such as garments, is also not the right policy.

The former World Bank official also urged the government to introduce a proper wealth tax.

He said the modernisation plan of the National Board of Revenue has all the key ingredients of making the agency modern, efficient and capable of meeting the challenging revenue targets.

"But its implementation is slow and needs to be substantially speeded up."

Ahmed spoke at a discussion on the budget for the new fiscal year. PRI, a think-tank, organised the event in its office in the city in association with the UK Department for International Development



Analysts attend a discussion on budget organised by the Policy Research Institute in association with DFID in Dhaka yesterday.

(DFID).

At 11 percent, Bangladesh has one of the lowest tax-GDP ratios in the region. In this backdrop, the government has targeted to raise the ratio by 4 percent of GDP in the next five years.

"The revenue potential of personal income tax alone is huge," Ahmed said in a presentation.

At present, the top 10 percent of the population owns 35 percent of the national income while personal income taxes are a meagre 1.5 percent of GDP.

Ahmed said, this year's budget also aims to modernise the tax structure by increasing reliance on a

progressive income tax system.

"This is a positive note but there is a long way to go. The income tax measures have to be broadened substantially with well articulated income and property tax reform."

Ahmed said the tax base needs to be broadened through stronger enforcement of tax laws, along with efforts to further simplify tax filing and tax payments systems.

Siddiqur Rahman Chowdhury, a former finance secretary, said apart from the existing taxpayers, there are many people who have taxable income, but they have not been brought under the tax net.

## Banks return to profits

REJAUL KARIM BYRON

Operating profits for most banks rose in the first half of the year due to the return of normalcy on the political front after a turbulent year.

Primary figures from 15 commercial banks yesterday showed that their profits between January and June increased 10 percent year-on-year to Tk 3,731 crore.

By and large, bankers credited the stable political scenario for the rise in profits.

"Although the profit has gone up, it was not up to our expectations," said Helal Ahmed Chowdhury, managing director of Pubali Bank.

He said the import and export businesses went up and remittance flow also increased in recent months, boosting the profit figures.

Imports rose 18.08 percent as of April of the just-concluded fiscal year. It went down by 3.47 percent during the same period of fiscal 2012-13.

In the month of April alone, imports shot up 23.47 percent, which was down by 3 percent in the same month last year.

"We hope the situation will improve in the next six months. As a result, the profits will also soar," Chowdhury told The Daily Star.

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## IGWs plan to form cartel

ABDULLAH MAMUN

A group of international gateways is going to form a clearing house to control the entire cache of overseas calls, in potential violation of the competition law and long distance policy.

IGW Operators Forum, comprising 17 gateways of the total 29 in the market, plans to set up the IGW clearing house, which may also allow for a murky window for collecting unspecified fees.

Usually the gateways transmit international calls to operators through the exchanges connected to other gateways.

If the plan gets through, the gateways will be connected with the clearing house, forming a cartel to control the sector, said some IGW investors who do not want to join the forum.

The IGWs' forum sent a proposal to Bangladesh Telecommunication Regulatory Commission to form the clearing house, said Abdus Salam, co-convenor of the forum.

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Extreme right, Debapriya Bhattacharya, distinguished fellow of Centre for Policy Dialogue, attends the opening plenary of the United Nations High-level Political Forum on Sustainable Development in New York on Monday.

## Debapriya suggests efficiency gains for development

STAR BUSINESS DESK

International negotiations to generate efficiency gains are the way to help implement the next stage of global development goals, Debapriya Bhattacharya, distinguished fellow of Centre for Policy Dialogue, said.

There is a palpable need to mobilise additional public finance, particularly domestic revenue resources and concessional foreign assistance to fund the ambitions of post-2015 international development agenda, he said.

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## Seven European countries urge retailers to contribute to Rana Plaza fund

REFAYET ULLAH MIRDHA

The governments of seven European countries have asked retailers to immediately put in their contributions to the Rana Plaza Trust Fund as the victims are yet to receive adequate compensation more than one year after the deadly industrial disaster.

The message came in a joint statement from the governments of the Netherlands, United Kingdom, France, Germany, Denmark, Italy and Spain, read out by Liliane Ploumen, Dutch minister for foreign trade and development cooperation, at a meeting of the Organisation for Economic Cooperation and Development in Paris last week.

"We recommend that companies that sourced in Rana Plaza contribute to the established trust fund... immediately, and we invite all companies irrespective of

whether they have any sourcing links to Rana Plaza to also contribute," she told the OECD Global Forum on Responsible Business Conduct on June 26.

"Finally, we also urge the government of Bangladesh and the BGMEA to increase their contribution and ensure their public accountability."

The trust fund needs \$40 million to fully compensate the victims, but has only received \$17 million so far, nearly half of which has been given by one company alone, British retailer Primark, the statement said.

Of the \$17 million, \$4 million has already been disbursed to the victims, according to Roy Ramesh Chandra, secretary general of IndustriALL Bangladesh Council, the local chapter of IndustriALL, the global union federation which was instrumental in drafting in the trust fund.



**পুরো রমজান মাস জুড়ে মাস্টারকার্ড ডেবিট অথবা ক্রেডিট কার্ড ব্যবহার করে নির্দিষ্ট পার্টনার আউটলেটে পান ৩৫% পর্যন্ত ডিসকাউন্ট আর প্রতিবার ব্যবহারে নতুন গাড়ি জিতে নেয়ার সুযোগ তো থাকছেই**

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<b>ZAARA</b> ২৫% ডিসকাউন্ট	<b>NABILA</b> ২৫% ডিসকাউন্ট except jewellery & cosmetics	<b>J JAMDANI KUTIR</b> ২৫% ডিসকাউন্ট	<b>শ্রীশ্রী</b> ২৫% ডিসকাউন্ট Exclusive Furniture & Home Interior	<b>DIAMOND WORLD LTD.</b> ২৫% ডিসকাউন্ট
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\* আকর্ষণীয় ডিসকাউন্ট উপভোগ করুন আরো অনেক পার্টনার আউটলেটে-এ

বিজ্ঞপিত তথ্যের জন্য কল করুন  
 ০৯৬১৩-২৪২৪২৪  
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