

Businesses complain of harassment by taxmen

The NBR chief vows zero-tolerance to revenue officials' misconduct

STAR BUSINESS REPORT

Businesses yesterday complained of harassment by revenue officials for tax collection, saying they want to pay tax with dignity and in a proper and transparent manner.

Some business leaders alleged that field-level officials sometimes misbehaved with taxpayers.

They also alleged that the officials continue to chase those who already pay taxes instead of putting in efforts to bring in the still untaxed population and businesses under the tax net.

"They suddenly raid our shops and take away documents. Some also threaten us, saying they can arrest us," said SA Quader Keron, chairman of Bangladesh Shop Owners Association.

"The NBR will not get tax by threatening us."

Keron's comments came at a dialogue on revenue matters, organised by the Federation of Bangladesh Chambers of Commerce and Industry at its headquarters.

Representatives of businesses from a wide range of sectors shared their views and experiences of dealing with the officials of the National Board of Revenue.

NBR Chairman Md Nojibur Rahman and three members of the revenue authority were present at the programme chaired by FBCCI President Abdul Matlub Ahmad.

Citing examples, Keron said some inspectors do not want to accept documents submitted by the firms' employees.

"Instead, they want the owners to visit the tax office. When the owners meet the

revenue officials, they are asked to pay extra money."

"We all want to pay tax but do not want to be harassed," said Md Siddiqur Rahman, president of the Bangladesh Garment Manufacturers and Exporters Association.

"We humbly request you [NBR] not to harass or embarrass us. We want to do business with dignity."

He also urged the revenue authority to remove the discrepancies in decisions on tax, VAT and duty.

Matlub Ahmad of FBCCI said the businesses do not want to spend Tk 3 to pay Tk 1 in tax.

The field officials sometimes behave in a manner that suggests that businesses are thieves, according to FBCCI Director Abu Motalab.

Khandaker Ruhul Amin, another FBCCI director, said the current VAT structure is high for restaurants, which forces many to go for illegal deals with field-level revenue officials.

"We have to build a relationship with tax officials to survive," he said, adding that a reduced rate of VAT at 4 percent would cut down this practice and allow the tax authority to get more revenues from restaurants.

On the issue, FBCCI Vice-President Md Shafiul Islam said: "We want to build a relationship from our heart, not through illegal means. We want to do business and pay tax in a transparent manner."

Former FBCCI director Mohabbat Ullah alleged that the NBR officials always target those who are already in the tax net.

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COASTAL SHIPPING DEAL WITH INDIA

Freight rates to remain same for both countries

Operating procedure may be finalised this month

REJAUL KARIM BYRON

The freight charge for the Bangladeshi and Indian ships plying each other's territories under the coastal shipping agreement will be the same for both the countries.

This was outlined in the draft Standard Operating Procedure (SOP) of the coastal shipping agreement, signed during Indian Prime Minister Narendra Modi's visit to Bangladesh last June.

The SOP will be finalised at the shipping secretary-level meeting of the two countries, which is due to take place later this month in New Delhi.

Once the SOP is finalised, the two countries' ships will ply each other's coastal waters to transport cargo, a move that will slash transport costs by two-thirds.

At present, trade between India and Bangladesh is conducted through Colombo or Singapore, due to which the cost goes up and so does the transit time.

For instance, the freight charge for carrying one tonne of rice to Bangladesh from India would be between \$30 and \$35, whereas it costs \$90 now.

Now, importers need to pay \$1,700-\$2,400 as freight charge per container with 4,000-5,000 tonnes of capacity and wait 30 to 40 days to get their consignment.

They would need to pay only \$400 for carrying the same amount of goods, which would reach Bangladesh in eight days, according to Bangladesh's shipping industry people.

The shipping charges will be fixed by the maritime authorities of both the countries, and a



joint shipping committee of the two countries will review the freight charges from time to time.

As per the draft SOP, 14 ports (seven in each country) have been named as ports of call.

In Bangladesh, the ports of call are Chittagong, Narayanganj, Khulna, Mongla, Sirajganj, Ashuganj and Pangaon.

In India, the ports are Kolkata, Haldia, Paradip, Kakinada, Visakhapatnam, Krishnapatnam and Chennai.

Besides, they can announce any port as port

of call from time to time through discussions.

Ports of call are ports where a ship docks in the course of its journey to load/unload cargo, obtain supplies, or to have repairs done.

Four routes have been identified for inter-country trade.

Each country will maintain the river routes in its territory in navigable condition and provide all the essential pilotage and conservancy services, including hydrographic surveys and supply of charts.

Shahjahan Mahmood

Quality services top priority: new BTRC chief

STAR BUSINESS REPORT

The newly appointed chairman of Bangladesh Telecommunication Regulatory Commission yesterday said he will give top priority to ensuring quality services for users.

Shahjahan Mahmood, who took charge in the last week of October, spoke at a meeting with a delegation of the Telecom Reporters' Network Bangladesh at his office in the capital.

People are not aware of all the services that the telecom operators provide, other than voice calls and text messages, he said.

Recently concerns have been raised over call-drops and poor telecom services, he said.

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Wheat imports rise for low global prices

SOHEL PARVEZ

Wheat imports rose 43 percent year-on-year to 10.46 lakh tonnes between July and mid-October, according to data from the food ministry.

Stakeholders said low prices in the international market have fuelled imports as it has allowed local businesses to sell the cereal cheaper than rice.

Better harvests in Ukraine, Russia, Canada, Australia and the US have brought down prices in the global market, said Ilahi Dad Khan, director (procurement) at the Directorate General of Food.

Low petroleum price is another reason behind the rise in imports as it reduces freight charges, he added.

Private imports accounted for 83 percent of the wheat that arrived till October; the rest was imported by the government to carry out various social safety net schemes, according to food ministry data.

"We see higher demand for wheat flour from industries that make bread, biscuits, and bakery and confectionary items," said Bishwajit Saha, general manager of City Group, a leading commodity importer and food processor.

Operators said rising health consciousness, population growth and higher consumption of wheat-based snacks have increased the demand for the grain; three-fourth of the annual demand is met through imports.

Wheat imports rose 41 percent to 37.84 lakh tonnes in fiscal 2014-15 compared to the previous year. Overall supply increased to more than 50 lakh tonnes in the same year because of local production standing at 13.48 lakh tonnes.

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