City



People gather near the wreckage of a bus that had a head-on collision with a loaded truck on Dhaka-Bogra highway under Sherpur upazila in Bogra yesterday. The accident left 10 people killed and at least 20 others injured. PHOTO: STAR

Hike in source tax 'absurd'

Businesses say the move in proposed budget will affect exports, local industries

STAFF CORRESPONDENT

The proposed 1.5 percent tax at source on export is 'absurd' and 'abnormal' as such a high rate might hamper the growth of local industries and overseas shipments, business leaders said yesterday.

If the source tax on export is fixed at 1.5 percent, it should be imposed on the profits made from the shipments and not from the entire receipts from them, said Shafiul Islam Mohiuddin, vice-president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI).

"Both industrial and export growth will face severe challenges if the proposed tax at source is finalised on exports," he said in the apex trade body's reactions to the proposed budget for fiscal 2016-17.

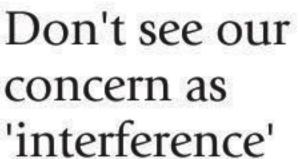
Businesspeople, especially garment exporters, have been demanding a reduction in source tax to 0.3 percent from the current 0.6 percent. But Finance Minister AMA Muhith has now proposed a 1.5 percent source tax on all kinds of exports.

Siddiqur Rahman, president of

Bangladesh Garment Manufacturers and Exporters Association (BGMEA), said the 1.5 percent source tax goes against the government's industrial policy.

"Our view is that if the proposed source tax on export, especially on the garment sector, is fixed, the industry will not flourish properly and new investment will hardly come in," he said.

FBCCI President Abdul Matlub Ahmad said small and medium enterprises, like the growing local motorcycle industry, would face stiff competi-At a separate press conference, tion as the supplementary duty on a SEE PAGE 11 COL 5



Says Italian ambassador DIPLOMATIC CORRESPONDENT

Italian Ambassador to Bangladesh Mario Palma has laid emphasis on joint efforts to fight the evil of the day, a ruthless and faceless terrorism which is acting in the name of religion.

"Only by so doing can we help to make the world in general and Bangladesh in particular a better place to live in," he said.

The Italian envoy made the remarks at a reception at his residence yesterday evening.

"To our Bangladeshi friends I would say: please, don't look at our preoccupation -- the concern of Italy, the European Union SEE PAGE 11 COL 4





PRAYER TIMING JUNE 4

Fazr Zohr Asr Maghrib Esha AZAN 4-05 12-45 5-00 6-45 8-15 JAMAAT 4-40 1-15 5-15 6-50 8-45 SOURCE: ISLAMIC FOUNDATION



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The Daily Star





১৭তম প্রতিষ্ঠাবার্ষিকীর এই শুভক্ষণে ব্যাংকের সম্মানিত গ্রাহক ও শুভানুধ্যায়ীদের জানাই আন্তরিক শুভেচ্ছা এবং অভিনন্দন





The Grand Finale of Rupchanda-The Daily Star Super Chef 2016 is here. Today, Khulna's Rafia and Dhaka's Hasina will face each other for the final battle. The two finalists will provide a total of 8 different dishes in front of the judges. Famous actress Joya Ahsan is also going to grace the grand finale of Super Chef 2016. She is going to share how to handle the success when an artist achieves it all in life. The judges are eager to see what kind of innovation the finalists bring to the finale. The two finalists will present total 8 different dishes in front of the judges. So don't miss this exciting grand finale of Rupchanda-The Daily Star Super Chef 2016.



Watch oday at 9PM



Repeat time is Sunday 1:10 pm