



Rein in tax exemptions

IMF mission prescribes NBR, banking division

REJAUL KARIM BYRON

Known knowns — is what best sums up the prognosis of the visiting International Monetary Fund mission so far as it looks to thrash out the conditions for the prospective \$4.5 billion loan.

Take, for instance, the prescription to the National Board of Revenue yesterday during the staff mission's second full day of meetings after it arrived in Dhaka on a 15-day tour.

The mission called for bringing down tax exemptions, which include complete relief from taxes, reduced rates or tax on only a portion of items.

It is a well-established fact by now that the tax exemptions in Bangladesh are unsustainably high and need to be reined in.

And yet, not much has been done on that front over the years.

What is worse is the government has no idea how much the state coffer is being deprived of for this act of generosity.

"There needs to be a systematic estimation — we have none," said Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh.

PRI did a study a while back on the matter and found Tk 40,000 crore is lost every year. That amount would easily be more than Tk 60,000 crore now.

"If there is no baseline estimate, we do not know where we stand on this," said Mansur, a former economist of the IMF.

The ten-man IMF mission has now asked the NBR to do that. The Daily Star has learnt from people involved in the discussions held yesterday.

"This is an old matter. The question now is who will do what and when," said Zahid Hussain, a former lead economist of the World Bank's Dhaka office.

The NBR though is reluctant to claw back the tax exemptions as it drives GDP growth, according to people familiar with the discussions, who requested anonymity to disclose sensitive deliberations.

The IMF team also urged the NBR to boost its revenue — a longstanding Achilles heel of the Bangladesh economy.

At less than 10 percent, Bangladesh has one of the lowest tax-GDP ratios in the world. And yet, not much was done to change the narrative.

A long-term plan from the NBR on how it would improve its receipts was sought.

The mission, which will wrap up its tour on November 9, also wanted a progress report on the various reforms undertaken by the NBR, particularly the automation of the tax administration.

"There have been no reforms — all efforts towards that end were in vain. The NBR has no interest in reforms. If you insist on reforms, they demand more resources, when they are adequately manned," Mansur said.

The Washington-based multilateral lender called for speeding up automation, yet another dragging issue.

"No reform can complete the finish line," Hussain said. The team wanted the status of the amendment of the

SEE PAGE 2 COL 5

IMF MISSION'S RECOMMENDATIONS

- Stock-taking of tax exemptions
- Reduce the tax benefits
- NBR's long-term plan to boost revenue
- Fewer bureaucrats in state bank boards
- Strategy paper to bring down bad loans
- Ensure autonomy of central bank
- Biannual monetary policy



Captain Shakib Al Hasan (L) embraces Mosaddek Hossain (C) as wicketkeeper Nurul Hasan and pacer Hasan Mahmud join in to celebrate Bangladesh's three-run victory over Zimbabwe in their Super 12 match of the T20 World Cup at the Gabba in Brisbane yesterday.

PHOTO: AFP



Tigers win 'twice' in a match

STAFF CORRESPONDENT

The match ended once, only it did not. Plenty of back-patting among the Bangladesh players only to be left quite perplexed just as the crowd was with the players asked to come back in.

The mowers and the rollers had made way into the ground with the Bangladesh team management members congratulating one another near the touchline on a memorable victory. The players were all off the field but the nerves that had just been relieved all rushed back in as umpire Marais Erasmus signalled no-ball, meaning Mosaddek Hossain had to bowl that final delivery again.

What transpired before that point had already left everyone on the edge of their seats. By no means a death overs specialist, all-rounder Mosaddek had been asked to do a job of defending 16 runs in the last over by skipper Shakib Al Hasan. He fired one at Ryan Burl's pads as Zimbabwe ran for a leg bye and that was critical as Burl, the recognised batter batting on 27, did not get the strike again.

Brad Evans then failed to muscle it out of the ground and departed as Mosaddek

SEE PAGE 2 COL 5



How many are they? Seven

Quader says JS won't be dissolved if BNP MPs resign

STAFF CORRESPONDENT

Referring to a statement of BNP Secretary General Mirza Fakhrul Islam Alamgir that his party MPs are ready to resign from parliament, Awami League General Secretary Obaidul Quader yesterday said the Jatiya Sangsad will not stop functioning if they do so.

"What's the point of this threat? Will parliament stop functioning if they resign? How many are they? Seven. It's a matter of their party, not ours," said Quader while briefing reporters at AL president's political office in Dhanmondi.

SEE PAGE 2 COL 4



People know what AL leaders do

Fakhrul fires back at Quader

UNB, Dhaka

BNP Secretary General Mirza Fakhrul Islam Alamgir yesterday slammed his ruling party counterpart Obaidul Quader for making a "personal attack", and said the people very well know how the Awami League leaders went from rags to riches.

Speaking at a press conference at the BNP's Nayapaltan central office, the BNP leader alleged that Quader made some objectionable comments about him on Saturday going beyond all moral decency.

"He [Quader] attacked me personally and said we get money from Dubai and

SEE PAGE 2 COL 1

JP THREATENS TO BOYCOTT JS — PAGE 3

BNP BARISHAL RALLY Permit stuck in mess over venue name

SUSHANTA GHOSH

Complications have arisen over the BNP's seeking permission for its November 5 rally venue in Barishal city, as the party did not use the venue's official name.

The BNP sought permission for the rally in the city's Bell Park, which was renamed 26 years ago to Bangabandhu Udyan by the then Awami League government.

Moniruzzaman Faruk, convener of Barishal City BNP, signed the letter submitted to the district's deputy commissioner on October 23.

A copy of the letter was forwarded to the office of Barishal Metropolitan Police Commissioner the same day.

A senior AL leader in Barishal said the application might get rejected as the BNP did not mention the venue's actual name.

"The BNP may look for an alternative venue," said the AL leader, seeking anonymity.

Contacted, Barishal Metropolitan Police Commissioner Saiful Islam said police were not authorised to give permission for the venue.

Barishal Deputy Commissioner Jashim Uddin Haider did not answer the correspondent's call. Instead, he sent an SMS asking the correspondent to text him.

SEE PAGE 6 COL 5

RALLIES IN DHAKA Why DMP's curbs should not be illegal?

HC asks authorities

STAFF CORRESPONDENT

The High Court yesterday questioned the legality of the rules that allow the police to prohibit assemblies and processions in Dhaka.

The court also issued a rule asking the authorities concerned of the government to explain within four weeks as to why section 29 of the Dhaka Metropolitan Police Ordinance, 1976, that empowers the law enforcers to prohibit assemblies and processions should not be declared illegal and unconstitutional.

Section 29 of the ordinance said, "Police commissioner may, by order in writing, prohibit any assembly or procession whenever and for so long as he considers such prohibition to be necessary for preservation of the public

SEE PAGE 2 COL 2

PRY SCHOOLS Govt plans 1 shift for all

STAFF CORRESPONDENT

The government is making a plan to have only one shift at all primary schools, said Aminul Islam Khan, the senior secretary of the Ministry of Primary and Mass Education, yesterday.

Implementation of the plan will begin from January next year, he told reporters on his last day at the ministry.

The plan will be made considering the number of students, classrooms and teachers of the particular schools, he said.

"About 90 percent of the work has been done so far," he said.

There are many primary schools that have just one, two or three classrooms. It is not possible to hold six classes in two rooms, he said, adding that such schools might be turned into pre-primary schools.

"No school will face closure, no teacher will lose their jobs. Only the work will have to be shared [by the teachers]," he said.

There are 65,566 primary schools in the country and most of them conduct classes in two shifts.



Working with molten metal involves multiple hazards. Besides the obvious risks of injuries caused by slips and trips at the foundry, the work entails chances of heat stress, heat stroke, and respiratory effects from exposure to the fumes to name a few. The photo of the men without proper personal protective equipment was taken at a re-rolling mill in the capital's Shyampur last week.

PHOTO: PALASH KHAN

Denied again

Ninth application for recognition of Guerrilla Hafiz turned down

AHMAD ISTIAK

Syed Hafizur Rahman, a martyred guerrilla of Liberation War, has once again been denied the state recognition.

Despite a previous assurance to this newspaper of necessary steps if the family applies afresh, the Ministry of Liberation War Affairs outright rejected an application submitted yesterday.

With this, the request for the recognition has now been turned down for the ninth time, leaving the family members in utter despair.

"We've applied nine times now, but never once was our

"We rejected the latest appeal because, as of February 8, 2022, we are no longer accepting applications for the recognition of martyred freedom fighters."



Liberation War Affairs Minister AKM Mozammel Haque

application accepted, let alone given consideration for further review," said Anwara Khatun, the younger sister of Hafiz.

"We have endured harassment in this manner for years. Now, we are feeling so helpless that we are at a loss for words," she said, her voice tinged with frustration.

"It's as if we've committed a crime by being members of the family of a martyred freedom fighter."

Previously, four of his family members submitted eight applications separately in 1974, 1985, 1990, 1991, 1998,

SEE PAGE 2 COL 2