

star

BUSINESS

Tk 2,000

minimum tax

For those who need to

file tax return

STAR BUSINESS REPORT

Taxpayers who have to file returns to avail 38 types of services are likely to be required to pay a minimum tax from next fiscal year, said the finance ministry officials yesterday.

As per the plan, a person will have to pay Tk 2,000 as minimum tax even if he or she claims to have no income, according to the officials.

The tax authority is considering taking up the new measure a year after it made submission of tax returns mandatory for taxpayers seeking to avail services.

The NBR rules say proof of submission of return is needed for services such as getting loans exceeding Tk 500,000 from a bank or financial institution, becoming a director or a sponsor shareholder of a company and using an import or export registration certificate.

The proof will also be needed to secure or renew a trade licence in city corporations or municipalities and get the registration of a co-operative society.

As per the plan, a person will have to pay Tk 2,000 as minimum tax even if he or she claims to have no income, according to officials

Among others, the proof is also necessary for obtaining or maintaining a credit card, opening postal savings accounts exceeding Tk 500,000 or purchasing state sponsored savings instruments, known as “sanchaypatra” in Bangla, of over Tk 500,000.

People who open and continue using bank accounts of any sort with a credit balance of over Tk 10 lakh are also needed to submit tax returns and submit acknowledgement receipts or tax certificates, among others.

Officials said this section of registered taxpayers may be required to pay a minimum tax from the next fiscal year of 2023-24 if they have no income or they earn below the threshold of annual income where the tax rate is zero.

Officials said the ceiling of the zero-tax rate for personal income may be increased to Tk 350,000 from the next fiscal year, which begins in July, from Tk 300,000 at present.

READ MORE ON B3



Selim RF Hussain, centre, chairman of the Association of Bankers, Bangladesh, speaks at a press conference on “Bangladesh Banking Sector Outlook 2023” at the head office of Brac Bank in the capital yesterday. Md Ahsan-uz Zaman, managing director of Midland Bank, Syed Waseque Md Ali, managing director of First Security Islami Bank, Mashrur Arefin, managing director of The City Bank, and Abul Kashem Md Shirin, managing director of Dutch-Bangla Bank, were present.

PHOTO: BRAC BANK

Banks alone can’t

tackle NPLs

CEOs say as bad loan situation turns severe; call for major reforms

STAR BUSINESS REPORT

The banking sector alone can’t tackle the challenge of the higher non-performing loans (NPLs) given the severity of the issue, said the Association of Bankers, Bangladesh (ABB) yesterday.

“The issue of defaulted loans has become a major challenge for the banking sector in recent times,” said Selim RF Hussain, the chairman of the platform, which represents the chief executives of all banks in the country.

“The central bank and commercial banks can’t resolve the problems stemming from defaulted loans if the whole country and society do not take concerted efforts to this end.”

He made the comments at a press conference on “Bangladesh Banking Sector Outlook 2023” at the head office of Brac Bank in the capital.

Hussain said rules had been relaxed in the banking sector in the last four to five years, particularly since 2019, as the finance ministry

had thought that large borrowers would repay bad debts thanks to the flexible policies.

“But it was found after four years that the relaxed policies have not paid off.”

Hussain said he had recently had a discussion with the central bank governor where he also agreed that global best practices should be followed to arrest NPLs.

Default loans in the banking sector increased 16.8 per cent year-on-year to Tk 120,656 crore in 2022.

The ratio of the default loans accounted for 8.16 per cent of the outstanding loans given out by banks as of December last year, up from 7.93 per cent a year ago, data from the Bangladesh Bank showed.

The extent of troubled assets is obscured by lax regulatory definitions and reporting standards, extended forbearance, as well as weak supervisory enforcement, according to the World Bank.

Published NPL statistics do not reflect internationally accepted definitions of non-performing exposures, it said.

“It is not possible to resolve the NPL problem overnight. It will take time,” said Hussain, also the managing director of Brac Bank.

“We should have a big social commitment and must invest hugely to improve the legal framework for NPL resolutions. We need many more courts and concerned officials and special training for them.”

According to the ABB chief, many businesses usually secure stay orders from courts to have their NPLs treated as unclassified loans.

“Businesses show the NPLs as regular loans years after years based on the stay orders. The banking sector can’t deal with this sort of situation.”

Hussain also admitted that there is a lack of corporate governance in the banking sector.

In Bangladesh, the banking sector has flourished in the last 30-40 years but this advancement has been different from many other countries.

READ MORE ON B3

National

BUDGET

FY2023-24

Assess gravity

of current

problems first

Economist Selim Raihan

says in interview

MD ASADUZ ZAMAN



The government is yet to take any comprehensive corrective measures to tackle macroeconomic challenges as it has not properly assessed the gravity of the situation in the current fiscal year, an economist said.

The crisis flared up from deep-rooted problems accumulating over the years, Prof Selim Raihan, executive director of the South Asian Network on Economic Modeling (Sanem), told The Daily Star in a phone interview on Saturday.

Though some pressure has reduced, many challenges prevail in the macroeconomy’s primary drivers, such as export and remittance earning fluctuations, depletion of foreign currency reserves and inflationary pressure on low-income people, he said.

READ MORE ON B2

STOCKS	
DSEX	CASPI ▲
Flat 6,281.65	0.01% 18,521.78

COMMODITIES	
Gold ▼	Oil ▲
\$1,974.28 (per ounce)	\$71.88 (per barrel)

ASIAN MARKETS			
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▲ 0.38% 61,963.68	▲ 0.92% 31,086.82	▲ 0.27% 3,211.09	▲ 0.39% 3,296.47

USTR inquires about labour situation

REFAYET ULLAH MIRDHA

Visiting officials of the United States Trade Representative (USTR) yesterday sought the views of union leaders from different economic sectors on the labour situation in Bangladesh across six major areas.

The areas were: freedom of

association, collective bargaining agent, trade union registration, unfair labour practices, workers’ wages and uniform labour laws for both inside and outside of Export Processing Zones (EPZs).

Local union leaders and USTR officials discussed these issues at a meeting organised by the Solidarity

Centre at its office in Dhaka.

Md Towhidur Rahman, president of the Bangladesh Apparels Workers Federation, was present at the meeting attended by five or six union leaders from the country.

After the meeting, Rahman said the union leaders wanted relaxation

READ MORE ON B2

Years of Sustainable Development

The Emerging Credit Rating Ltd. (ECRL) has rated Dhaka Bank Limited for the year of 2022 up to April 07, 2024. A brief info of the rating based on Financial Statements are presented here.

Surveillance Rating (ECRL)		INTERPRETATION
Year 2022	Year 2021	
Long Term AA	Long Term AA	Commercial Bank rated “AA” has a very strong capacity to meet its financial commitments, and is generally in a position to withstand adverse developments in the economy, and in business and other external conditions. The bank typically possess a good track record and have no readily apparent weaknesses.
Short Term ST-2	Short Term ST-2	Commercial Bank rated “ST-2” has a strong capacity to meet its financial commitments in a timely manner, however, it is somewhat susceptible to adverse developments in the economy, and in business and other external conditions.
Outlook Stable	Outlook Stable	“Stable” indicates that a rating is likely to remain unchanged.
Valid from		April 08, 2023
Valid till		April 07, 2024

www.dhakabankltd.com

Officer to Manager (Grade: AO to SPO)
Trade Operations, Eastern Bank Ltd.

Prime Responsibilities

> Issuance of LC, TT, amendment following local and international rules and regulations.
> Import bill scrutiny and settlement of payment/acceptance.
> Disbursement and adjustment of import loans.
> Export LC advising.
> Export bill collection and purchase.
> Maintaining and providing MIS for related activities on regular basis.
> Ensuring internal and regulatory compliance including AML, CFT & TBML issues and strict monitoring of audit issues for non-recurrence.
> Proactively support other team members in daily work and also for completion of different projects as and when assigned.
> Ensuring service excellence.

Qualification & Other Competencies

> Minimum graduation from relevant background.
> 2-8 years of work experience in permanent position at Centralized Trade Processing in reputed banks.
> Strong background in Trade Operations, candidates with related professional degrees are preferred.
> Energetic and self-motivated team member and positive attitude to learn.
> Strong interpersonal and communication skills.
> Adequate computer literacy to work on online software modules and advanced knowledge in MS Office packages.

Job Location

Anywhere in Bangladesh

How You Can Apply?

Please log on to www.ebl.com.bd/career and apply on or before **Jun 01, 2023**.
Eastern Bank Ltd. (EBL) offers excellent career opportunities with competitive salary and benefit package. Candidates will be treated strictly on merit, experience and performance record.
Only short-listed candidates will be communicated and any sort of persuasion will result in disqualification. EBL reserves the right to accept or reject any application without assigning any reason whatsoever.

Eastern Bank Ltd.