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TAX RETURN Deadline extended by two months

STAR BUSINESS REPORT

The National Board of Revenue (NBR) yesterday extended the deadline for the submission of income tax returns for individual taxpayers by two months to the end of January next year.

The tax day will be observed on 31 January, 2024, for individual taxpayers instead of November 30, 2023, according to an order signed by Md Mohidul Islam Chowdhury, second secretary tax law at the NBR.

The tax administration considered the extension after trade bodies, including the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), demanded more time since many taxpayers could not take preparations to file tax returns in line with the Income Tax Act 2023.

The previous deadline for the filing of income, expenditure and wealth statements without penalty was November 30.

The FBCCI said it would not be possible for many taxpayers to submit returns by the November 30 deadline due to the prevailing political situation and upcoming elections.

Earlier, the Chittagong Chamber of Commerce and Industry (CCI) also urged for an extension of the deadline to January 31.

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BUDGET IMPLEMENTATION

In crore taka; SOURCE: FINANCE DIVISION

	Actually implemented in FY22	Revised target of FY23	Actually implemented in FY23
Total budget	519,320	660,508	563,921
Tax revenue	299,620	388,000	327,667
NBR revenue*	292,917	370,000	319,684
Interest payment	70,779	90,013	83,944
Bank borrowing	75,533	115,425	118,025
Borrowing from savings tools	20,260	20,000	-3,347
Subsidy	41,991	77,196	70,751
Budget deficit	184,107	227,508	198,046
Deficit in % of GDP	4.64	5.12	4.46

* Tax including NBR revenue

Tax collection falls short of IMF loan conditions

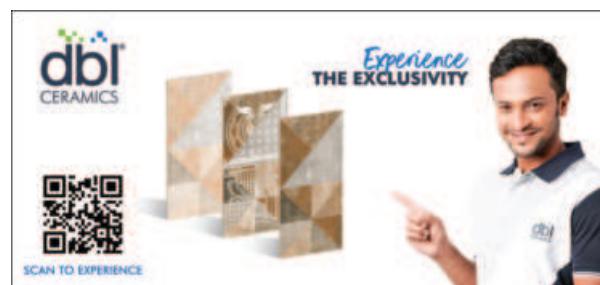
REJAUL KARIM BYRON

The government has fallen Tk 17,946 crore short of the revenue it was to collect in the form of taxes last fiscal year as per one of International Monetary Fund's (IMF) conditions for a \$4.7 billion loan.

The target was to collect Tk 345,630 crore between July 2022 and June 2023.

But the government finally collected Tk 327,664 crore in total tax revenue last fiscal year, according to a Finance Division report.

An IMF delegation visited Dhaka in October to review the progress made in meeting the conditions for the release of the loan's second



tranche of about \$681 million.

A finance ministry official said they had already informed the delegation of the government's inability to fulfil two conditions involving the tax collection and foreign

currency reserves.

The government also explained the reasons behind its shortcomings, said the official.

However, the government is hopeful of getting the second tranche, he added.

The loan proposal is expected to be placed at an IMF board meeting on December 11 or 12 for approval, said the official.

The finance division on Tuesday published its budget implementation report for last fiscal year.

The government's total revenue collection, meaning from the National Board of Revenue (NBR) tax, non-NBR tax and revenue, stood

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NBR names top 9 VAT depositor firms of FY22

STAR BUSINESS REPORT

The National Board of Revenue (NBR) yesterday named nine companies as the highest payers of value-added tax (VAT) for the 2021-22 fiscal year, with five firms having retained their positions for the second consecutive year.

Olympic Industries, one of the largest biscuit makers of Bangladesh, deposited the highest amount of VAT paid by consumers followed by Unimed Unilever Pharmaceuticals Ltd and General Pharmaceuticals Ltd in the manufacturing category.

Olympic Industries was the highest VAT payer in the previous fiscal year also.

In the trading category, local consumer electronics maker Walton and supermarket chain Unimart remained the biggest VAT depositors to the state coffers for the second year.

Hamko Corporation, an automotive battery and solar inverter maker, has been named as the third highest VAT payer for the 2021-22 fiscal year.

Hamko was one of largest taxpayers

from Dhaka in the 2020-21 fiscal year also.

In the services category, two mobile financial service providers, bKash and Nagad, retained their positions as the two of the top three VAT paying entities.

Also, the NBR named Aarong as one of the top three VAT payers in the services category.

Five companies made it on the list for the second year straight

"We are humbled to have been recognised as the country's top VAT collector in the services sector for the second consecutive year," said Kamal Quadir, founder and CEO of bKash.

"As the largest mobile financial service provider in the country, we will continue to operate regulated financial services for the betterment of Bangladesh," he added.

Qadir also said that under the regulation of Bangladesh Bank, bKash has served Bangladeshis for over a

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IPDC Finance MD resigns

STAR BUSINESS REPORT

Mominul Islam, who served IPDC Finance as its managing director and CEO for over a decade, has decided to resign from the post to pursue a career outside the non-bank financial company.

"In a move that marks the end of an era, Mominul Islam, the visionary leader and MD and CEO of IPDC Finance, has decided to pursue his career outside IPDC, setting sail for new

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Metal drums which once contained imported chemicals are washed and recycled by wholesalers for a myriad of uses, such as for storing fuel for generators at factories and for planting trees meant for rooftop gardens. Each drum sells for Tk 1,300 whereas half a drum sells for Tk 700. The photo was taken at MA Bari Sarak in Khulna city's Sonadanga area on Monday.

PHOTO: HABIBUR RAHMAN

Freight movement through airports in Bangladesh fell to a four-year low last fiscal year as airlines slashed their capacity



Story on B4

Banks appreciate taka further against USD

STAR BUSINESS REPORT

Bankers decided to cut purchase and selling rates of the US dollars by more Tk 0.25 per dollar from next week to signal to the market that the USD rate would not always rise against the taka.

Officially, banks will buy each dollar at Tk 109.75 from remitters and exporters and sell each at Tk 110.25 to importers from December 3, as per the latest decision of The Bangladesh Foreign Exchange Dealers' Association (Bafeda) and the Association of Bankers, Bangladesh (ABB).

The interbank exchange rate will be Tk 110.25 per dollar.

The additional 2.5 percent incentive from banks' own funds and the government announced 2.5 percent incentives on remittance earnings will remain unchanged.

The Bafeda and ABB took the decision at a meeting on Tuesday night.

Some exporters are delaying the realisation of export proceeds while some local syndicates are holding on to cash dollars because they think that the USD rate will increase in the upcoming days. That is why bankers decided to cut the USD rate against the local currency, industry insiders said.

Selim RF Hussain, chairman of ABB, told The Daily Star that they had taken the decision to give the message to the market that the USD rate would not always rise against local currency.

He said they will trade at the new rates starting next week.

In a recent meeting, Bangladesh Bank (BB) governor Abdur Roof Talukder told bank executives that export realisation had dropped in recent months.

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SECURING EXCELLENCE FOR THE FOURTH TIME!

National Bank Limited, the First Local Issuer of International Mastercard Credit Cards in Bangladesh, has been honored with the prestigious Excellence Award 2022-23 from Mastercard Bangladesh in the category of Credit Business (International). This marks the fourth occasion that National Bank Limited has received such recognition from Mastercard Bangladesh.

National Bank Limited extends its appreciation to all of its customers and stakeholders for their valuable contribution to this significant accomplishment.



A Bank for Performance with Potential