

BASIC KNOWLEDGE ON INCOME TAX



- **Presented By:**
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Multiple tax system

(1) Taxes on income and profit

a) Income Tax –Company; b) Income Tax –Persons other than company;

(2) Taxes on property & capital transfer

a) Gift tax; b) Land Revenue; c) Stamp Duty –non judicial;

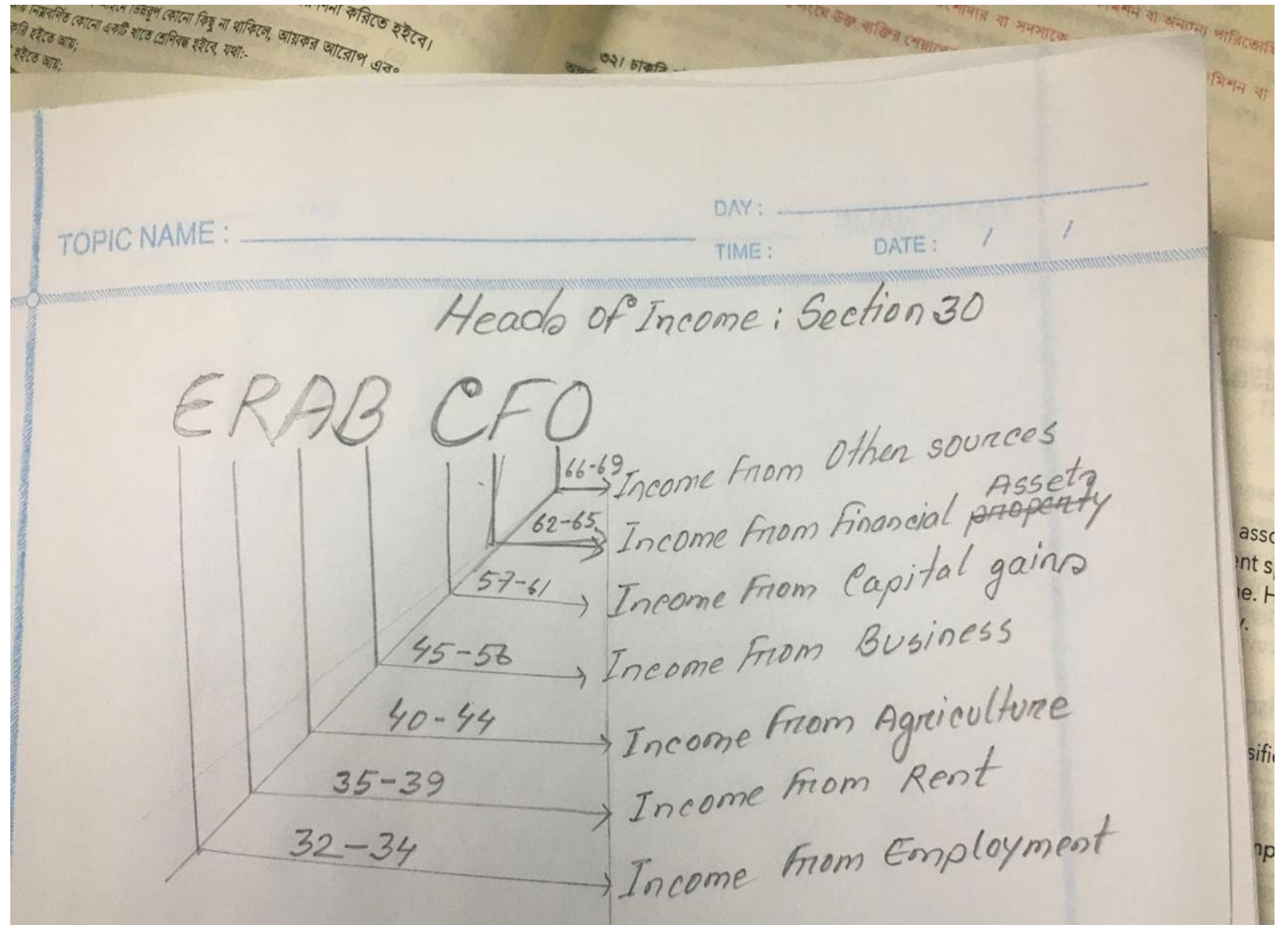
(3) Taxes on goods and services

a) Customs Duties (both on import and export); b) Excise Duty; c) Value Added Tax (VAT); d) Turnover tax; e) Supplementary Duty (usually on luxurious and socially undesirable items); f) Road tax; g) Electricity Duty; h) Narcotics Duty; i) Other taxes and duties (travel tax).

INCOME TAX

Income tax is tax on income. Income tax is one of the main sources of revenue of Bangladesh Government to generate funds for running its administration and also funding development expenditure. Income tax is broadly classified in two categories namely “**personal income tax**” and “**corporate income tax**”. “Personal Income Tax” is tax on income of individuals, partnership firms etc. It has a progressive rate i.e. rate of tax increase as income increases. While “corporate income tax” is tax on income of companies. It has a flat rate.

HEADS OF INCOME: SECTION 30 OF ITA 2023



Calander Year, Financial Year, Income Year and Assessment Year

Calander Year
=
January to
December

Financial Year
=
July to June

Income Year
=
July to June (For
Individual and Companies
except Bank , Insurance
and Financial Institution)
January to December (For
Bank , Insurance and
Financial Institution)

Assessment Year
=
July to June

COMPUTATION OF INCOME

Particulars of Total Income		Amount ₱
1	Income from Employment (annex Schedule 1)	-
2	Income from Rent (annex Schedule 2)	-
3	Agricultural income (annex Schedule 3)	-
4	Income from business and Profession (annex Schedule 4)	-
5	Capital gains	-
6	Income from Financial Assets (Interest from bank & saving certificates)	-
7	Income from other sources (Royalty, License fee, Honorarium, Fees, Govt. Incentive etc.)	-
8	Share of income from firm or AOP	-
9	Income of minor or spouse under section (if not assessee)	-
10	Foreign income	-
11	Total income (aggregate of 1 to 10)	-

Tax Rate of Individuals

AY 2026-2027 (IY 2025-2026) AY 2027-2028 (IY 2026-2027)	Rates	AY 2028-2029 (IY 2027-2028) AY 2029-2030 (IY 2028-2029)	Rates
First Tk. 4,00,000—For Male	Nil	First Tk. 4,50,000—For Male	Nil
First Tk. 4,50,000 – For women and elder male citizens being 65 years of age or more	Nil	First Tk. 5,00,000 – For women and elder male citizens being 65 years of age or more	Nil
First Tk. 5,25,000 – For 3 rd gender assessee, handicapped or disabled persons	Nil	First Tk. 5,75,000 – For 3 rd gender assessee, handicapped or disabled persons	Nil
First Tk. 5,50,000 – For Gazetted war wounded freedom fighter and Gazetted wounded July Fighter of July Mass Uprising 2024.	Nil	First Tk. 6,00,000 – For Gazetted war wounded freedom fighter and Gazetted wounded July Fighter of July Mass Uprising 2024.	Nil
Next TK. 3,00,000	10%	Next TK. 3,00,000	10%
Next TK. 4,00,000	15%	Next TK. 4,00,000	15%
Next TK. 5,00,000	20%	Next TK. 5,00,000	20%
Next TK. 20,00,000	25%	Next TK. 20,00,000	25%
Balance Income	30%	Next TK. 2,63,50,000	30%
		Balance Income	35%

Non-assessable income limit

- The threshold limit in case of parents or legal guardian of any person with disability will be increased by BDT 50,000. If both father and mother of the disabled person is assessee then any one will avail this benefit

Tax Computation

Tax Computation

Particulars		Amount ₱
12	Gross tax on taxable Income	-
13	Tax rebate (annex Schedule 5)	-
14	Net tax after tax rebate (12-13)	-
15	Minimum tax	-
16	Tax Payable (Higher of 14 and 15)	-
17	(a) Net wealth surcharge (if applicable)	-
	(b) Environmental surcharge (if applicable)	-
18	Delay Interest, Penalty or any other amount under the Income Tax Act (if any)	-
19	Total amount payable (16+17+18)	-

Section 78: General
Tax Rebate in case of
Certain Investments
and Expenditure.

Investment Allowance		Lower of
		i) 3% of Taxable Income; ii) 10% of Actual Investment or iii) 7.5 Lac
Applicable eligible investments and allowances for general tax rebate	insurance, to 10% (ten percent) of the actual sum assured	
	recognized Provident Fund	
	approved Superannuation Fund	
	Government securities not exceeding Taka 5 (five) lakh;	
	Taka 1 (one) lakh and 20 (twenty) thousand in deposit pension scheme	
	any amount of contribution payable to Universal Pension Scheme	
	Any sum invested by a assessee, in any securities listed any stock exchange under Bangladesh Securities and Exchange Commission;	
		Scheddule 6 Part 3

SURCHARGE

a) NW up to 4 Crore=Nil

b) NW 4 crore to 10 crore
or assessee has more than one
motor vehicle in his own name
or has house property over
8000 Sq. ft. = 10%

c) NW 10 crore to 20
Crore=20%

d) NW 20 crore to 50
crore=30%

e) NW above 50 crore=35%

NW=Net Wealth

সম্পদ	সারচার্জের হার
(ক) নিট পরিসম্পদের পরিমাণ ৪ (চার) কোটি টাকা পর্যন্ত-	শূন্য
(খ) নিট পরিসম্পদের পরিমাণ ৪ (চার) কোটি টাকার অধিক কিন্তু ১০ (দশ) কোটি টাকার অধিক নহে; বা, স্থায়ী নামে একের অধিক মোটর গাড়ি; বা, মোট ৮০০০ বর্গফুটের অধিক আয়তনের গৃহ-সম্পত্তি	১০%
(গ) নিট পরিসম্পদের পরিমাণ ১০ (দশ) কোটি টাকার অধিক কিন্তু ২০ (বিশ) কোটি টাকার অধিক নহে-	২০%
(ঘ) নিট পরিসম্পদের পরিমাণ ২০ (বিশ) কোটি টাকার অধিক কিন্তু ৫০ (পঞ্চাশ) কোটি টাকার অধিক নহে-	৩০%
(ঙ) নিট পরিসম্পদের পরিমাণ ৫০ (পঞ্চাশ) কোটি টাকার অধিক হইলে	৩৫%

অনুচ্ছেদ খ

- (১) সিগারেট, বিড়ি, জর্দা, গুলসহ সকল প্রকার তামাকজাত পণ্য প্রস্তুতকারক করদাতার উক্ত ব্যবসায় হইতে অর্জিত আয়ের উপর ২.৫% হারে সারচার্জ প্রদেয় হইবে।
- (২) কোনো স্কুল, কলেজ, বিশ্ববিদ্যালয়সহ সকল শিক্ষাপ্রতিষ্ঠানে প্রতিবন্ধী ব্যক্তিগণের গম্যতার ক্ষেত্রে দেশে বলবৎ আইনি বিধান অনুযায়ী উপযুক্ত ব্যবস্থা না রাখিলে উক্ত প্রতিষ্ঠানের অর্জিত আয়ের উপর ২.৫% হারে সারচার্জ প্রদেয় হইবে।

ENVIRONMENT SURCHARGE

Environment
Surcharge impose
on highest cc car.

পরিবেশ সারচার্জের হার

২০২৬-২০২৭ হইতে ২০৩০-২০৩১ করবর্ষের (৫ বৎসরের) জন্য পরিবেশ সারচার্জ

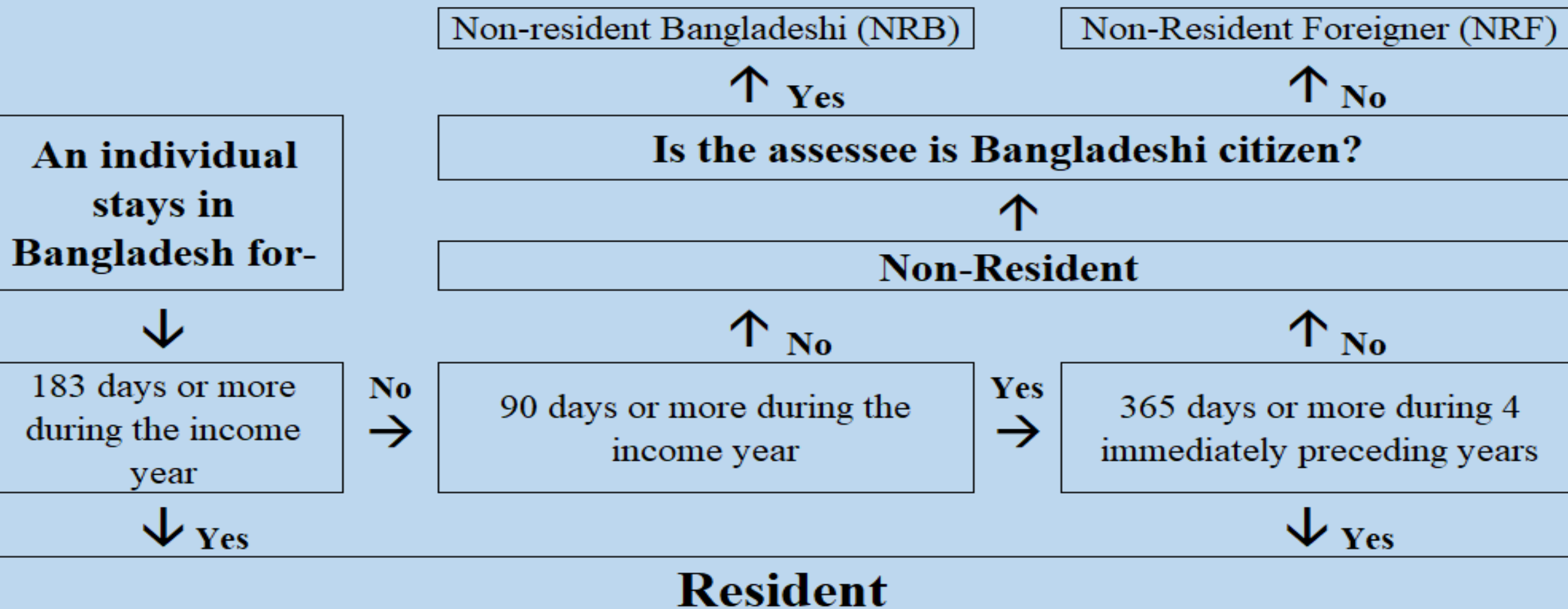
কোনো স্বাভাবিক ব্যক্তি যাহার নামে একাধিক মোটর গাড়ি, অতঃপর গাড়ি বলিয়া উল্লিখিত, রহিয়াছে, তাহার একের অধিক প্রত্যেকটি গাড়ির জন্য নিম্নবর্ণিত ছকে উল্লিখিত গাড়ির বিপরীতে উল্লিখিত হারে পরিবেশ সারচার্জ প্রদেয় হইবে, যথা:—

ক্রমিক নং	মোটর গাড়ির বর্ণনা	পরিবেশ সারচার্জের হার (টাকায়)
১।	১৫০০ সিসি পর্যন্ত প্রতিটি মোটর গাড়ির জন্য	২৫,০০০
২।	১৫০০ সিসির অধিক কিন্তু ২০০০ সিসির অধিক নহে এমন প্রতিটি মোটর গাড়ির জন্য	৫০,০০০
৩।	২০০০ সিসির অধিক কিন্তু ২৫০০ সিসির অধিক নহে এমন প্রতিটি মোটর গাড়ির জন্য	৭৫,০০০
৪।	২৫০০ সিসির অধিক কিন্তু ৩০০০ সিসির অধিক নহে এমন প্রতিটি মোটর গাড়ির জন্য	১,৫০,০০০
৫।	৩০০০ সিসির অধিক কিন্তু ৩৫০০ সিসির অধিক নহে এমন প্রতিটি মোটর গাড়ির জন্য	২,০০,০০০
৬।	৩৫০০ সিসির অধিক এমন প্রতিটি মোটর গাড়ির জন্য	৩,৫০,০০০

Tax Payment

Particulars		Amount ₱
20	Tax deducted or collected at source (attach proof)	-
21	Advance tax paid (attach proof)	-
22	Adjustment of tax refund [mention assessment year(s) of refund]	-
23	Amount paid with return (attach proof)	-
24	Total amount paid and adjusted (20+21+22+23)	-
25	Deficit or excess	-

Section 2(45): RESIDENT



RESIDENT

Worked Example

Mr. Majib, a Bangladeshi citizen, stayed in Bangladesh from 1st July 2021 to 31st December 2021 and left for Japan. What will be his residential status in the income year?

Mr Majib is a resident because he resides in Bangladesh during the income year is $(31+31+30+31+30+31)=184$ days, which is more than required 183 days.

Mr. Masco, a citizen of USA, has been staying in Bangladesh since 1st January 2018. He leaves Bangladesh on 16 July 2021 on a visit to USA and returns on 1st March, 2022. What will be his residential status in the income year 2021-2022?

His stay in Bangladesh during the income year 2021-2022 is:

July 2021- 18 days

March 2022- 31 days

April 2022-30 days

May 2022-31 days

June 2022-30 days

Total staying- 140 days

His stay in preceding 4 income years:

2020-2021- 365 days

2019-2020- 366 days

2018-2019- 365 days

2017-2018- 181 days (from 1st January 2018 to 30th June 2018)

Total stay- 1,277 days

As his stay was more than 90 days in the income year 2021-2022 and more than 365 days in the preceding 4 years, he is a resident.

Section 33: Monetary Value of Perquisites, Allowance and Benefits

Perquisites, Allowances, Benefits, etc	Monetary Value
Accommodation	- Where rent is fully paid by employer or accommodation is provided by employer, annual value shall be included to income from employment. - Where accommodation is provided at a concessional rate, the difference between the rent actually paid by employee and annual value shall be added to the income from employment.
Benefit per Motor Car	(a) Taka 15 (Fiteen) thousand per month in case of vehicles up to 1500 cc; (b) Taka 20 (Twenty) thousand per month in case of vehicles above 1500 cc but up to 2000 cc; (c) Taka 30 (Thirty) thousand per month in case of vehicles above 2000 cc but up to 2500 cc; (d) Taka 50 (Twenty-five) thousand per month in case of such vehicles of more than 2500 cc;
Any other perquisite, allowance or benefit	Monetary value of fair market value of perquisite, allowance or benefit

Section 170: Specific Time for Return Submission.

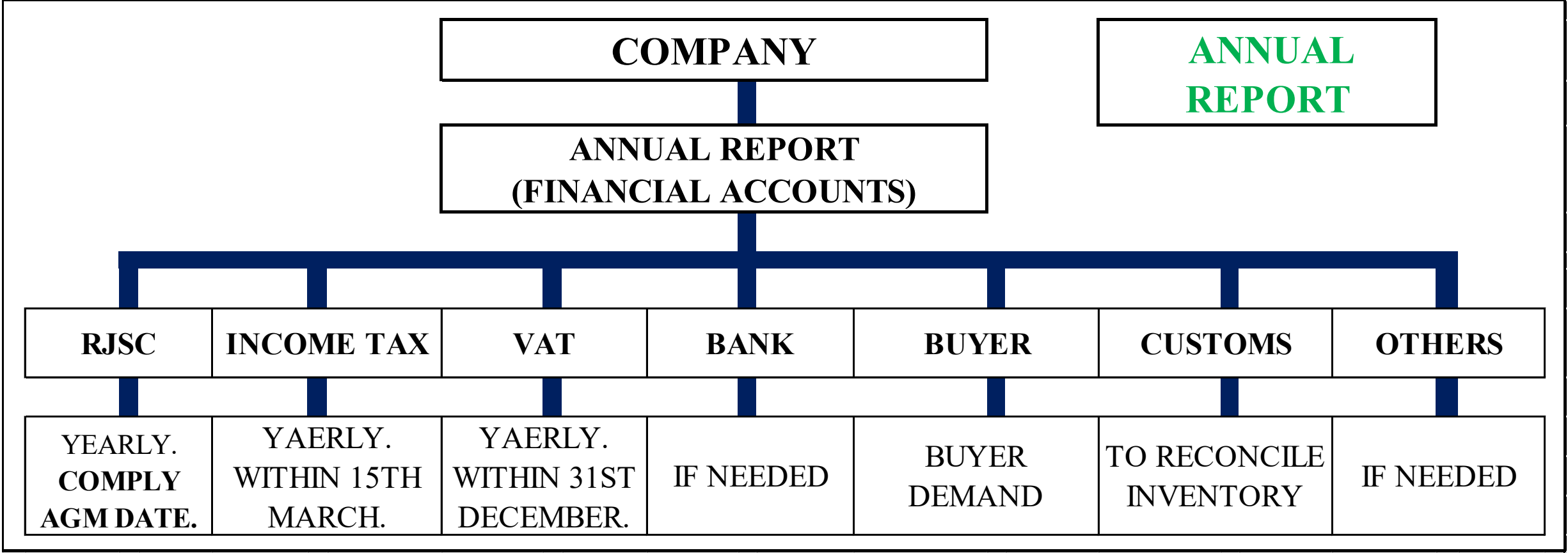
**Specific Time for
Return Submission
(For Individual
Person)**

July to September- Lower of- 5% of
payable tax u/s 173 or 25,000 Incetive
October to December- No Incentive
January to March-Higher of- 2% of
payable tax u/s 173 or 3000 Penalty
April to June-Higher of- 5% of payable tax
u/s 173 or 5,000 Penalty

**Specific Time for
Return Submission
(For Companies)**

**Specific Time is 15th
day of Nine month of
Income year ending.**

Two Month before of Specific Time-
Lower of- 5% of payable tax u/s 173 or
25,000 Incetive
Within Specific Time- No Incentive
Remaining time after Specific Time-Higher
of- 2% of payable tax u/s 173 or 25,000
Penalty



REGULAR WORK OF VAT AND INCOME TAX DEPARTMENT

CORE WORK		WORK PROCEDURE	
Annual Report Preparation (FS)		Information and Documents Collect from:	
		Accounts Department	Finance Department
		Commercial Department	HR/Admin Department
		Logistics & Support Service Department	Mercendising Department
		Secretariat Department	Other Related Department
Income Tax Return Submission	Companies	Return Prepare as per Annual Report	
	Diretors	Information and Documents Collect (If any):	
		Remuneration Certificate	Advance Income Tax Documents
		Bank Statements, DPS/FDR Statements	Investment Related Documents
		Insurance/ Saving Certificate	Directorship Related Documents
		Portfolio Statements against Investment in Share	Enterprise Accounts Preparation
Monthly TDS Report Submission			
Withholding Tax Return Submission			
Income Tax Assessment Completion			
Tax Clearance Certificate Collection			
Monthly VAT Return Submission			
VAT Assessment Completion			
VAT Clearance Certificate Collection			
Installation Certificate Collection			

COMPANY TAX RATES

Listed company (Transfer shares worth at least 10% paid-up via IPO/direct listing/ rights issue/RPO)	22.5% (20% if all receipt via bank transfer)
Listed company (<10% paid-up via IPO/direct listing/ rights issue/RPO)	25% (22.5% if all receipt via bank transfer)
Other Company [as defined in Sec 2(31)] of ITA 2023	27.5% (25% if all receipt via bank transfer)
Bank, insurance, NBFI - listed (Except Merchant Bank)	37.50%
Bank, insurance, NBFI - non-listed	40%
Tobacco manufacturer	45% + 2.5% surcharge
Mobile operator	45% (40% if listed)
Trust / partnership firm / AOP/ Artificial Judicial Person(AJP) , Merchant Banks	27.50%
Co-operative society	20%
Private University / Private Medical College/ Private Dental College/ Private Engineering College/ Private ICT College	5%

COMPANY TAX RATES-FOR INCOME FROM EXPORT -UP TO JUNE 2028

(Income Tax SRO No. 44-Law/Income Tax-25/2024 Date 04-03-2024)

Subject to compliance with a few conditions, entities engaged in export of products:	
(a) Individual, firm and Hindu Undivided Family	50% exempted
(b) Other taxpayers	12%
(c) Other taxpayers with LEED-certified factory	10%

TAX RATE FOR NON-RESIDENT- 30%

GIFT TAX

Gift means the transfer of any immovable or movable property by one person to another voluntarily and without any consideration of money or money's worth.

RATE OF GIFT TAX

Exemption from gift Tk 20k

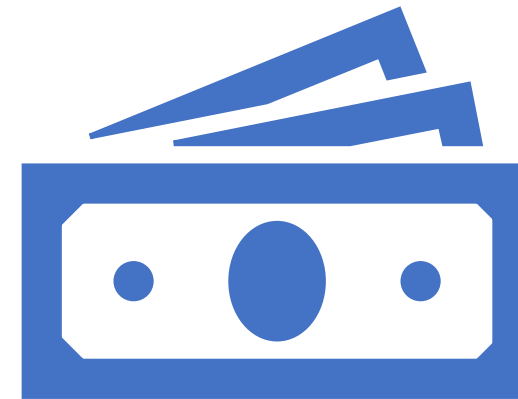
First 5 lac=5%

Next 10 lac= 10%

Next 20 lac=15%

On the balance= 20%

Gift made to son, daughter, father, mother, spouse, own brother and sister are exemption from gift tax.



EXCISE DUTY

Incase where the balance, whether credit or debit, at any time during a year.

SRO No. 126-Law/2026/331-Excise
on June 7, 2026

Balance debit/credit	Rate of Duty
Tk 4 lac	Nil
Tk 4 lac 1 to 5 lac	150
Tk 5 lac 1 to 10 lac	500
Tk 10 lac 1 to 50 lac	3,000
Tk 50 lac 1 to 1 Crore	5,000
Tk 1 Crore 1 to 2 Crore	10,000
Tk 2 Crore 1 to 5 Crore	20,000
Above Tk 5 Crore	50,000

Important Elaboration words

NBR: THE NATIONAL BOARD OF REVENUE	LTU: LARGE TAXPAYER UNIT
CCT: CHIEF COMMISSIONER OF TAXES	CTC: CENTRAL INTELLIGENCE CELL
DG: DIRECTOR GENERAL	SRO: STATUTORY REGULATORY ORDER
CT: COMMISSIONER OF TAXES	TIN: TAXPAYER'S IDENTIFICATION NUMBER
ADC: ADDITIONAL COMMISSIONER OF TAXES	BIN: BUSINESS IDENTIFICATION NUMBER
JCT: JOINT COMMISSIONER OF TAXES	AIT: ADVANCE INCOME TAX
DCT: DEPUTY COMMISSIONERS OF TAXES	TDS: DEDUCTION OF INCOME TAX AT SOURCE
TRO: TAX RECOVERY OFFICERS	AT: ADVANCE TAX (ATV- ADVANCE TRADE VAT)
ACT: ASSISTANT COMMISSIONERS OF TAXES	ED: EXCISE DUTY
EACT: EXTRA ASSISTANT COMMISSIONER OF TAXES	VAT: VALUE ADDED TAX
INSPECTOR: INSPECTORS OF TAXES	VDS: VAT DEDUCTED AT SOURCE



অর্থবছর পরিবর্তন সংক্রান্ত গুরুত্বপূর্ণ সিদ্ধান্ত

২০২৭-২৮

২০২৭-২৮ অর্থবছরকে
ট্রানজিশনাল অর্থবছর হিসেবে
বিবেচনা করে ৯ মাসে অর্থবছর
(জুলাই-মার্চ) শেষ করা হবে।

২০২৮-২৯

অতঃপর ২০২৮-২৯ অর্থবছর
থেকে নতুন অর্থবছর
(**এপ্রিল-মার্চ**) অনুযায়ী
সরকারের সব কার্যক্রম
শুরু করা হবে।



FINANCIAL YEAR

THANK YOU

ALLAH HAFEJ

