

THE FINANCE ORDINANCE, 1984

CONTENTS

SECTIONS

1. Short title and commencement
2. Amendment of Act VI of 1898
3. Amendment of Act II of 1899
4. Amendment of Ben. Act I of 1932
5. Amendment of Act I of 1944
6. Amendment of Act XIV of 1963
7. Amendment of Act XV of 1963
8. Amendment of Act IV of 1969
9. Amendment of Act XXIII of 1980
10. Amendment of Ordinance XVIII of 1982
11. [*Omitted*]
12. Income-tax

THE FIRST SCHEDULE

THE SECOND SCHEDULE

THE THIRD SCHEDULE

***THE FINANCE ORDINANCE, 1984**

ORDINANCE NO. XLII OF 1984

[27th June, 1984]

An Ordinance to give effect to the financial proposals of the Government and to amend certain laws.

WHEREAS it is expedient to make provisions to give effect to the financial proposals of the Government and to amend certain laws for the purpose hereinafter appearing;

NOW, THEREFORE, in pursuance of the Proclamation of the 24th March, 1982, and in exercise of all powers enabling him in that behalf, the President is pleased to make and promulgate the following Ordinance:-

1. (1) This Ordinance may be called the Finance Ordinance, 1984. Short title and commencement

(2) Except as otherwise provided in this Ordinance, this section and sections 5 and 8 shall come into force at once, and other sections shall come into force on the first day of July, 1984.

2. In the Post Office Act, 1898 (VI of 1898), for the First Schedule thereto the Schedule set out in the First Schedule to this Ordinance shall be *substituted*. Amendment of Act VI of 1898

3. In the Stamp Act, 1899 (II of 1899), in section 28, after sub-section (2), the following new sub-section (2A) shall be *inserted*, namely:- Amendment of Act II of 1899

“(2A) Notwithstanding anything contained in sub-sections (1) and (2), where any property mentioned in any of these sub-sections is conveyed to the same person in parts by separate instruments executed within twelve months, the conveyance of the last part shall be chargeable with such amount of duty as would make up the *ad valorem* duty with which the conveyance for the whole property would be chargeable had it been conveyed by one instrument.”.

* The Ordinance was declared void by the Appellate Division of the Supreme Court of Bangladesh in Civil Appeal No. 48 of 2011 and subsequently the Ordinance has been made effective as an Act of Parliament by ১৯৮২ সনের ২৪ মার্চ হইতে ১৯৮৬ সালের ১১ নভেম্বর তারিখ পর্যন্ত সময়ের মধ্যে জারীকৃত কতিপয় অধ্যাদেশ কার্যকরণ (বিশেষ বিধান) আইন, ২০১৩ (২০১৩ সনের ০৭ নং আইন), ধারা ৪।

Amendment of
Ben. Act I of
1932

4. In the Motor Vehicles Tax Act, 1932 (Ben. Act I of 1932), in the First Schedule, *for* item 2 the following shall be *substituted*, namely:-

“2. Vehicles for carrying passengers not plying for hire-

- (a) seating not more than two .. Taka three hundred.
passengers
- (b) seating not more than .. Taka six hundred.
three passengers
- (c) seating not more than four .. Taka nine hundred.
passengers
- (d) every additional passenger .. Taka one hundred.”.
that can be seated

Amendment of
Act I of 1944

5. The following amendments shall be made in the Excises and Salt Act, 1944 (I of 1944), namely:-

- (1) *after* section 3B, the following new section shall be *inserted*, namely:-

“3C. Principle for determination of tariff classification.-

When for any reason, goods are, *prima facie*, classifiable under two or more headings of the First Schedule, the heading which provides the most specific description shall be preferred to headings providing a more general description.”;

- (2) in section 37, in sub-section (3), *for* the words “two thousand Taka” the words “ten thousand taka” shall be *substituted*;
- (3) The FIRST SCHEDULE shall be amended in the manner set out in the SECOND SCHEDULE to this Ordinance.

Amendment of
Act XIV of
1963

6. The following amendments shall be made in the Gift-tax Act, 1963 (XIV of 1963), namely:-

- (1) in section 2,-

- (a) in clause (ii), *for* the words, figure and letter “appointed under section 5A of the Income-tax Act” the words and figure “established under section 11 of the Income Tax Ordinance” shall be *substituted*;

- (b) clause (va) shall be *omitted*;
- (c) in clause (vii), for the words, brackets, figures and letter “clause (5A) of section 2 of the Income-tax Act” the words, brackets and figures “clause (20) of section 2 of the Income Tax Ordinance” shall be *substituted*;
- (d) clause (xiiia) shall be *omitted*;
- (e) *for* clause (xiv) the following shall be *substituted*, namely:-
 - “(xiv) “Income Tax Ordinance” means the Income Tax Ordinance, 1984 (XXXVI of 1984);
 - (xiva) “income year” has the meaning assigned to it in clause (35) of section 2 of the Income Tax Ordinance;”;
- (f) in clause (xva), *for* the words, comma, figures and brackets “Income-tax Act, 1922 (XI of 1922)” the words “Income Tax Ordinance” shall be *substituted*;
- (g) clauses (xx) and (xxiva) shall be *omitted*;
- (h) in clause (xxvi), *for* the words, comma, figures and brackets “Income-tax Act, 1922 (XI of 1922)” the words “Income Tax Ordinance” shall be *substituted*;
- (2) in section 3, *for* the words “previous year” the words “income year” shall be *substituted*;
- (3) in section 5,-
 - (a) except as otherwise provided-
 - (i) *for* the words “taxable territories”, wherever occurring, the word “Bangladesh” shall be *substituted*;
 - (ii) *for* the words “previous year” and “pervious years”, wherever occurring, the words “income year” and “income years” shall respectively be *substituted*;
 - (b) in sub-section (1),-
 - (i) in clause (ii), in sub-clause (a), the word “ordinarily” shall be *omitted*;

- (ii) in clause (iv), *for* the words, figure and letter “section 15D of the Income-tax Act” the words, figure and letter “paragraph 12 of Part B of the Sixth Schedule to the Income Tax Ordinance” shall be *substituted*;
- (c) in the Explanation, *for* clause (a) the following shall be *substituted*, namely:-
 - “(a) an individual shall be deemed to be resident in Bangladesh during the income year in which the gift is made if during that year he is regarded as a resident in Bangladesh within the meaning of the Income Tax Ordinance;”;
- (4) in section 7,-
 - (a) in sub-section (1), *for* the words, comma, figures and brackets “Income-tax Act, 1922 (XI of 1922)” the words “Income Tax Ordinance” shall be *substituted*;
 - (b) in the Explanation, *for* the words “Income-tax Act” the words “Income Tax Ordinance” shall be *substituted*;
- (5) in section 13,-
 - (a) in sub-section (1), *for* the words “a previous year” the words “an income year” shall be *substituted*;
 - (b) in sub-section (2), *for* the words “previous year” the words “income year” shall be *substituted*;
- (6) in section 18, *for* the words “previous year” the words “income year” shall be *substituted*;
- (7) in section 22, in sub-section (1), in clause (f), *for* the words, brackets and figures “sub-section (1) of section 46 of the Income-tax Act” the words, brackets and figures “sub-section (1) of section 137 of the Income Tax Ordinance” shall be *substituted*;
- (8) in section 23, in sub-section (11),-
 - (a) *for* the words, brackets, figures, comma and letter “sub-sections (5), (7) and (8) of section 5A of the Income-tax Act” the words, figures and comma “sections 12, 13 and 15 of the Income Tax Ordinance” shall be *substituted*;

(b) *for* the words “Income-tax Act” occurring at the end the words “Income Tax Ordinance” shall be *substituted*;

(9) *for* section 33 the following shall be *substituted*, namely:-

“**33. Mode of recovery.**-The provisions of sections 134, 137, 138, 139, 140, 141, 142 and 143 of the Income Tax Ordinance shall apply as if the said provisions were provisions of this Act and referred to gift-tax and sums imposed by way of penalty under this Act, instead of to income tax and sums imposed by way of penalty under that Ordinance, and to Deputy Commissioner of Taxes and Commissioner of Taxes under this Act instead of to Deputy Commissioner of Taxes and Commissioner of Taxes under that Ordinance.”;

(10) *for* section 41 the following shall be *substituted*, namely:-

“**41. Prohibition of disclosure of information.**-(1) subject to the provisions contained in sub-section (2), the provisions of sections 163, 168 and sub-section (1) of section 169 of the Income Tax Ordinance shall apply to all accounts or in relation to statements, documents, evidence or affidavits given, produced or obtained in connection with or in the course of any proceeding under this Act as they apply to or in relation to similar particulars under that Ordinance.

(2) Nothing contained in sections 163 and 168 of the Income Tax Ordinance shall apply to the disclosure of any such particulars as are referred to in sub-section (1) to any person acting in the execution of this Act or the Income Tax Ordinance or the Wealth-tax Act, 1963 (XV of 1963), where it is necessary or desirable to disclose the same to him for the purpose of this Act or of the other Act and the Ordinance aforesaid.”;

(11) *for* section 45 the following shall be *substituted*, namely:-

“**45. Act not to apply in certain cases.**- The provisions of this Act shall not apply to gifts made by-

(a) a corporation established by or under any law for the time being in force;

- (b) any institution or fund the income whereof is exempt from income tax under paragraph 1 of Part A of the Sixth Schedule to the Income Tax Ordinance.”.

Amendment of
Act XV of 1963

7. The following amendments shall be made in the Wealth-tax Act, 1963 (XV of 1963), namely:-

(1) in section 2,-

- (a) in clause (b), *for* the words, figure and letter “appointed under section 5A of the Income-tax Act” the words and figure “established under section 11 of the Income Tax Ordinance” shall be *substituted*;
- (b) in clause (h), *for* the words, brackets, figures and letter “clause (5A) of section 2 of the Income-tax Act” the words, brackets and figures “clause (20) of section 2 of the Income Tax Ordinance” shall be *substituted*;
- (c) clause (1A) shall be *omitted*;
- (d) *for* clause (j) the following shall be *substituted*, namely:-
- “(j) “Income Tax Ordinance” means the Income Tax Ordinance, 1984 (XXXVI of 1984);”;
- (e) in clause (00), *for* the words “Income-tax Act” the words “Income Tax Ordinance” shall be *substituted*;
- (f) clause (000) shall be *omitted*;
- (g) *for* clause (p) the following shall be *substituted*, namely:-
- “(p) “valuation date”, in relation to any year for which an assessment is to be made under this Act, means the last day of the income year as defined in clause (35) of section 2 of the Income Tax Ordinance if an assessment were to be made under that Ordinance for that year:

Provided that where in the case of an assessee there are different income years under the Income Tax Ordinance for different sources of income, the valuation date for the purposes of this Act shall be the last day of the last of the income years aforesaid;”;

- (h) in clause (s), *for* the words, comma and figure “Income-tax Act, 1922” the words “Income Tax Ordinance” shall be *substituted*;
- (2) in section 5, in sub-section (1),-
 - (a) in clause (i), *for* the words “taxable territories” the word “Bangladesh” shall be *substituted*;
 - (b) in clause (x), *for* the words, figure and letter “Chapter IXA of the Income-tax Act” the words and letter “Part B of the First Schedule to the Income Tax Ordinance” shall be *substituted*;
- (3) in section 5A, in clause (1), *for* the words, comma and figure “Income-tax Act, 1922” the words “Income Tax Ordinance” shall be *substituted*;
- (4) *for* section 6 the following shall be *substituted*, namely:-

“6. Exclusion of assets and debts outside Bangladesh.-

In computing the net wealth of an individual or a Hindu undivided family not resident in Bangladesh during the year ending on the valuation date-

- (a) the value of the assets and debts located outside Bangladesh; and
- (b) the value of the assets in Bangladesh represented by any loans or debts owing to the assessee in any case where the interest, if any, payable on such loans or debts is exempt from tax under a notification issued under clause (b) of sub-section (4) of section 44 of the Income Tax Ordinance,

shall not be taken into account.

Explanation.-An individual or a Hindu undivided family shall be deemed to be not resident in Bangladesh during the year ending on the valuation date if in respect of that year the individual or the Hindu undivided family, as the case may be, is not resident in Bangladesh within the meaning of the Income Tax Ordinance.”;

- (5) in section 7, in sub-section (2), in clause (b), *for* the words “taxable territories”, wherever occurring, the word “Bangladesh” shall be *substituted*;
- (6) in section 8, in sub-section (1), *for* the words “Income-tax Act”, wherever occurring, the words “Income Tax Ordinance” shall be *substituted*;
- (7) in section 22, *for* the words “taxable territories”, wherever occurring, the word “Bangladesh” shall be *substituted*;
- (8) in section 23, in sub-section (1), in clause (f), *for* the words, brackets and figures “sub-section (1) of section 46 of the Income-tax Act” the words, brackets and figures “sub-section (1) of section 137 of the Income Tax Ordinance” shall be *substituted*;
- (9) in section 24, in sub-section (11),-
 - (a) *for* the words, brackets, figures, comma and letter “sub-sections (5), (7) and (8) of section 5A of the Income-tax Act” the words, figures and comma “sections 12, 13 and 15 of the Income Tax Ordinance” shall be *substituted*;
 - (b) *for* the words “Income-tax Act” occurring at the end the words “Income Tax Ordinance” shall be *substituted*;
- (10) in section 31, in sub-section (2), *for* the words “taxable territories”, wherever occurring, the word “Bangladesh” shall be *substituted*;
- (11) in section 31A, *for* the words, figures, letter, comma and brackets “section 43A of the Income-tax Act, 1922 (XI of 1922)” the words “section 98 of the Income Tax Ordinance” shall be *substituted*;
- (12) *for* section 32, the following shall be *substituted*, namely:-
 - “**32. Mode of recovery.**- The provisions of sections 134, 137, 138, 139, 140, 141, 142 and 143 of the Income Tax Ordinance shall apply as if the said provisions were provisions of this Act and referred to Wealth-tax and sums imposed by way of penalty under this Act, instead of to income tax and sums imposed by

way of penalty under that Ordinance, and to Deputy Commissioner of Taxes and Commissioner of taxes under this Act instead of to Deputy Commissioner of Taxes and Commissioner of Taxes under that Ordinance.”;

(13) *for* section 42 the following shall be *substituted*, namely:-

“42. Prohibition of disclosure of information.-(1)

Subject to the provisions contained in sub-section (2), the provisions of sections 163, 168 and sub-section (1) of section 169 of the Income Tax Ordinance shall apply to all accounts-or in relation to statements, documents, evidence or affidavits given, produced or obtained in connection with or in the course of any proceeding under this Act as they apply to or in relation to similar particulars under that Ordinance.

(2) Nothing contained in sections 163 and 168 of the Income Tax Ordinance shall apply to the disclosure of any such particulars as are referred to in sub-section (1) to any person acting in the execution of this Act or the Income Tax Ordinance or the Gift-tax Act, 1963 (XIV of 1963), where it is necessary or desirable to disclose the same to him for the purpose of this Act or of the other Act and the Ordinance aforesaid.”.

8. In the Customs Act, 1969 (IV of 1969), in the First Schedule,-

Amendment of Act IV of 1969

- (a) against Tariff Heading No. 84.11 in column (1), in column (3), *for* the figure “50%”, wherever occurring, the figure “100%” shall be *substituted*;
- (b) against Tariff Heading No. 87.10 in column (1), in column (3), *for* the figure “100%” the figure “150%” shall be *substituted*.

9. In the Finance Act, 1980 (XXIII of 1980), in section 12,-

Amendment of Act XXIII of 1980

- (a) *after* sub-section (1), the following new sub-section shall be *inserted* with effect on and from the 1st day of August, 1984, namely:-

“(1A) Subject to the provisions of sub-section (2), there shall be levied and collected Foreign Travel Tax on all foreign travels by land or sea by Bangladeshi

nationals and Bangladeshis having permanent residence or owning properties or business in Bangladesh or enjoying other facilities not available to foreign nationals, at the rate of fifty taka per traveller by land and two hundred taka per traveller by sea.”;

- (b) in sub-section (2), for clause (v) the following shall be substituted, namely:-

“(v) return tickets purchased abroad in foreign currency subject to the condition that journey in respect of such tickets also originate from abroad.”.

Amendment of
Ordinance
XVIII of 1982

10. In the Sales Tax Ordinance, 1982 (XVIII of 1982), after section 5 the following new sections shall be *inserted*, namely:-

“5A. Power to deliver certain goods without payment of duty and to repay duty on certain goods.- Subject to such conditions, limitations or restrictions as it thinks fit to impose, the Board may, in such general cases as may be prescribed by rules or in particular cases by special order, authorise delivery of goods without payment of sales tax or to repay sales tax on certain goods in accordance with the provisions of section 21 of the Customs Act, 1969 (IV of 1969).

5B. Refund to be claimed within four months.- (1) No refund of any sales tax claimed to have been paid or over-paid through inadvertence, error or misconstruction shall be allowed, unless such claim is made within four months of the date of payment.

(2) In the case of provisional payments of sales tax made along with section 81 of the Customs Act, 1969 (IV of 1969), the said period of four months shall be reckoned from the date of the adjustment of sales tax after its final assessment.

5C. Drawback of the export on imported goods.- Subject to the conditions laid down in Chapter VI of the Customs Act, 1969 (IV of 1969), when any goods, capable of being easily identified which have been imported into Bangladesh and upon which sales tax has been paid on importation, are exported to any place outside Bangladesh or as provisions or stores for use on board a conveyance proceeding to a foreign territory, whole of the sales tax shall be repaid as drawback.

5D. Drawback on goods taken into use between importation and exportation.- Notwithstanding anything contained in section 5C, the repayment of sales tax as drawback in respect of goods which have been taken into use between their importation and subsequent exportation shall be made in accordance with the provisions of the rules made in that behalf.

5E. Drawback on goods used in the manufacture of goods which are exported.-Where it appears to the Board that in respect of goods of any class or description manufactured in Bangladesh and exported to any place outside Bangladesh, a drawback of sales tax should be allowed on any imported goods of a class or description used in the manufacture of such exported goods, the Board may, by notification in the *official Gazette*, direct that drawback shall be allowed in respect of such imported goods to such extent and subject to such conditions as may be provided in rules.

5F. When no drawback allowed.- Notwithstanding anything contained in section 5B, 5C and 5D, no drawback shall be allowed under the conditions laid down in section 39 of the Customs Act, 1969 (IV of 1969).”.

11. [Shop tax.- Omitted by section 13 of অর্থ আইন, ১৯৮৯ (১৯৮৯ সনের ৩৬ নং আইন)।]

12. (1) Subject to the provisions of sub-sections (2), (3), (4) and (5) in making any assessment for the year beginning on the first day of July, 1984, income tax shall be charged at the rates as specified in the Third Schedule. Income-tax

(2) In making any assessment for the year beginning on the first day of July, 1984,-

- (a) where the total income of an assessee, not being a company, includes any income chargeable under the head “Salaries” or any income chargeable under the head “Interest on securities”, the income tax payable by the assessee on that part of his total income which consists of such inclusion shall be an amount bearing to the total amount of income tax payable according to the rates applicable under the operation of the Finance Ordinance, 1983 (XXVII of 1983), on his total income, the same proportion as the amount of such inclusion bears to his total income; and

- (b) where the total income of a company includes any profits and gains from Life Insurance business, the income tax payable by the company shall be reduced by an amount equal to 12.5 *per cent* of that part of its total income which consists of such inclusion.

(3) In making any assessment for the year beginning on the first day of July, 1984, where the assessee is a co-operative society, the tax shall be payable at the rate specified in paragraph A or B (i) (d) of the Third Schedule, whichever treatment is more beneficial to the assessee:

Provided that in calculating for the purpose of this subsection, the amount of income tax at the rates specified in paragraph A of the Third Schedule, no deduction in respect of any allowance or sums referred to in the proviso to the said paragraph shall be made.

(4) (a) In making any assessment for the year beginning on the first day of July, 1984, where the total income of an assessee other than a company not registered in Bangladesh, includes any profits and gains derived from the export of goods out of Bangladesh, income tax payable by him in respect of such profits and gains shall, subject to the provisions of clauses (b) and (c), be reduced by an amount computed in the manner specified hereunder:-

Amount.

- (i) Where the goods exported abroad had not been manufactured by the assessee who exported them:
- | | |
|--|---|
| <p>(a) and where the export sales during the relevant year exceed the export sales of the preceding year;</p> <p>(b) and where the export sales during the relevant year do not exceed the export sales of the preceding year;</p> | <p><i>plus</i> and additional 1 <i>per cent</i> for every increase of 10 <i>per cent</i> in export sales over those of the preceding year subject to an overall maximum of 40 <i>per cent</i>.</p> <p><i>minus</i> 1 <i>per cent</i> for every decrease of 10 <i>per cent</i> in export sales from those of the preceding year subject to an overall minimum of 20 <i>per cent</i>.</p> |
|--|---|
- (ii) Where the goods exported had been manufactured by the assessee who had exported them:

- | | |
|---|--|
| (a) where the export sales do not exceed 10 <i>per cent</i> of the total sales: | Nil. |
| (b) where the export sales exceed 10 <i>per cent</i> but do not exceed 20 <i>per cent</i> of the total sales: | 30 <i>per cent</i> of the income tax attributable to export sales. |
| (c) where the export sales exceed 20 <i>per cent</i> but do not exceed 30 <i>per cent</i> , of the total sales: | 40 <i>per cent</i> of the Income tax attributable to export sales. |
| (d) where the export sales exceed 30 <i>per cent</i> but do not exceed 40 <i>per cent</i> of the total sales: | 50 <i>per cent</i> of the income tax attributable to export sales. |
| (e) where the export sales exceed 40 <i>per cent</i> of the total sales: | 60 <i>per cent</i> of the income tax attributable to export sales: |

Provided that the terms, "export of goods out of Bangladesh", "goods exported abroad" and "export sales" used in this clause shall include sale of locally manufactured machinery, equipment and other finished products within the country to any agency against its procurement programme in foreign exchange.

(b) Nothing contained in clause (a) shall apply in respect of the following goods or classes of goods, namely:-

- (i) tea;
- (ii) raw jute;
- (iii) Jute manufactures;
- (iv) raw hides and skin and wet-blue leather;
- (v) such other goods as may be notified by the National Board of Revenue from time to time.

(c) The National Board of Revenue may make rules providing for the computation of profits and the tax attributable to export sales and for such other matters as may be necessary to give effect to the provisions of this sub-section.

(5) In cases to which the Second Schedule of the Income Tax Ordinance, 1984 (XXXVI of 1984), applies the tax chargeable shall be determined as provided in that Schedule but with reference to the rates imposed by sub-section (1), and in accordance where applicable, with the provisions of sub-section (2).

(6) For the purpose of making deduction of tax under Chapter VII of the Income Tax Ordinance, 1984 (XXXVI of 1984), the rates specified in the Third Schedule shall apply as respects the year beginning on the first day of July, 1984, and ending on the thirtieth day of June, 1985.

(7) For the purposes of this section and of the rates of tax imposed thereby, the expression "total income" means total income as determined for the purpose of income tax in accordance with the provisions of the Income Tax Ordinance, 1984 (XXXVI of 1984).

THE FIRST SCHEDULE

(See section 2)

"THE FIRST SCHEDULE INLAND POSTAGE RATES

(See section 7)

Letters

For every 10 grams or fraction 1.00 Taka
thereof

Postcards

Single 50 Poisha
Reply 1.00 Taka

Business Reply Envelopes

For every 10 grams or fraction 1.00 Taka
thereof

Business Reply Cards

Business Reply Cards 50 Poisha

Book Packets including printed matters

For the first 50 grams or fraction thereof 50 Poisha

For every additional 25 grams or fraction thereof 10 Poisha
in excess of 50 grams

Pattern and Sample Packets

For the first 50 grams or fraction thereof 50 Poisha

For every additional 25 grams or fraction thereof 20 Poisha
in excess of 50 grams

Registered Newspapers (Single Copy)

For a weight not exceeding 100 grams 10 Poisha

For a weight exceeding 100 grams but not 20 Poisha
exceeding 200 grams

For every additional 200 grams or fraction 10 Poisha
thereof ...

Registered Newspapers Packets

(More than one copy of the same issue)

For a weight not exceeding 100 grams 10 Poisha

For every additional 50 grams or fraction thereof 10 Poisha
in excess of 100 grams

Blind Literature Packets

Not exceeding 8 Kilograms or any lower limit 10 Poisha
that may be prescribed by the Director-General
... ..
Free

Parcels

For every 400 grams or fraction thereof 2.00 Taka

Inland Aerogramme

Inland Aerogramme 1.00 Taka

Air Parcels

For every 400 grams or fraction thereof ... 2.50 Taka”.

...

THE SECOND SCHEDULE

(See section 5)

**Amendment of the First Schedule to the Excises and Salt Act, 1944
(I of 1944).**

In PART 1,-

- (a) in SECTION III, for Item 03.04 in column 1 and the entries relating thereto in columns 2 and 3 the following shall be *substituted*, namely:-

“03.04 Petroleum gases and Taka one thousand four
other gaseous hundred twelve and poisha
hydrocarbons including fifty nine per one thousand
natural gas and cubic metres or taka forty
liquefied petroleum gas per one thousand cubic
feet.”;

(b) in SECTION V,-

- (i) in Item 05 01, in sub-item (1), after clause (v) in the second column and the entries relating thereto in the third column, the following shall be *added*, namely:-

“(vi) Plastic bag Thirty *per cent ad valorem*.”;

- (ii) in Item 05.02, in sub-item (2), in clause (a), for sub-clauses (i) and (ii) in the second column and the entries relating thereto in the third column the following shall be *substituted*, namely:-

- “(i) Cycle tyres Thirty *per cent ad valorem*
(ii) Cycle tubes Thirty *per cent ad valorem*.”;

(c) in SECTION IX, in Item 09.02, in the Explanation, *after* the words and comma “table wares of all sorts,” the words and comma “glazed tiles,” shall be *inserted*;

(d) In SECTION X, *after* Item 10 09 in the first column and the entries relating-thereto in the second and third columns, the following new Item shall be *added*, namely:-

“10.10 Nut, bolt and screw, all Thirty *per cent ad valorem*.”;
sorts

(e) in SECTION XI *for* Item 11.06 in the first column and the entries relating thereto in the second and third columns, the following shall be *substituted*, namely:-

“11.06 Electrical goods, apparatus, Ten *per cent ad valorem*.”;
appliances, equipments and
fittings including all lighting
fittings and covers thereof
... ..

(f) in SECTION XII, *for* Item 12.07 in the first column and the entries relating thereto in the second and third columns, the following shall be *substituted*, namely:-

“12.07 Wood and articles of wood Twenty *per cent*

Plywood board, hardboard, laminated *ad valorem*.
board, block board (including flush
doors), batten board, particle board,
whether veneered or plain, whether
or not containing any material other
than wood, artificial or reconstituted
wood being wood shaving, wood
chips, sawdust, wood flour or other
ligneous waste agglomerated with
natural or artificial resins or other
organic binding substances, in sheets,
blocks, boards or the like

12.08 Cinematographic films ...

Explanation.- In this Item, “Cinematographic films” include cinematographic film exposed and developed, whether or not incorporating sound track. Taka three per linear metre of each print.”.

THE THIRD SCHEDULE

(See section 12)

Rates of Income tax

A. In the case of every individual, Hindu undivided family, unregistered firm, an association of persons and every artificial juridical person referred to in clause (46) of section 2 of the Income Tax Ordinance, 1984 (XXXVI of 1984), not being a case to which paragraph B applies-

	Rates.
(1) Where the taxable income does not exceed taka 10,000.	... 2.5% of the amount.
(2) Where the taxable income exceeds taka 10,000-but does not exceed taka 20,000.	Taka 250 <i>plus</i> 5% of the amount exceeding taka 10,000.
(3) Where the taxable income exceeds taka 20,000 but does not exceed taka 30,000.	Taka 750 <i>plus</i> 10% of the amount exceeding taka 20,000.
(4) Where the taxable income exceeds taka 30,000 but does not exceed taka 40,000.	Taka 1,750 <i>plus</i> 20% of the amount exceeding taka 30,000.
(5) Where the taxable income exceeds taka 40,000 but does not exceed taka 50,000.	Taka 3,750 <i>plus</i> 30% of the amount exceeding taka 40,000.
(6) Where the taxable income exceeds taka 50,000 but does not exceed taka 80,000.	Taka 6,750 <i>plus</i> 40% of the amount exceeding taka 50,000.
(7) Where the taxable income exceeds taka 80,000 but does not	Taka 18,750 <i>plus</i> 50% of the amount exceeding taka 80,000.

exceed taka 1,30,000.

(8) Where the taxable income exceeds taka 1,30,000 but does not exceed taka 2,00,000. Taka 43,750 *plus* 55% of the amount exceeding taka 1,30,000.

(9) Where the taxable income exceeds taka 2,00,000. Taka 82,250 *plus* 60% of the amount exceeding taka 2,00,000:

Provided that-

- (i) no income tax shall be payable on a total income which before the deduction of the sums, if any, exempted under paragraphs 1 to 14, 17, 18 and 20 of Part B of the Sixth Schedule to the Income Tax Ordinance, 1984 (XXXVI of 1984), does not exceed taka 20,000; and
- (ii) the income tax payable shall in no case exceed-
 - (a) the amount by which the total income exceeds taka 20,000, or
 - (b) the amount representing sixty *per cent* of the total income, whichever amount is the less:

Provided further that in the case of a person other than a company being resident in Bangladesh bringing income accruing and arising outside Bangladesh into Bangladesh through official channels, income tax shall be charged at the rate of thirty *per cent* of such income or at the rate applicable to his total income including such income whichever is more beneficial to him.

Explanation.-The expression "taxable income", as used in this paragraph, means the taxable income as defined in clause (63) of section 2 of the Income Tax Ordinance, 1984 (XXXVI of 1984).

- B.** In the case of every company and local authority and in every case in which under the provisions of the Income Tax Ordinance, 1984 (XXXVI of 1984), income tax is to be charged at the maximum rate-

Rates.

- (i) on the whole of the total income excluding the amount representing income from dividends from a company having its registered office in Bangladesh-
- | | |
|---|------------------------------------|
| (a) in the case of every industrial company being a publicly traded company | 45 <i>per cent</i> of such income. |
| (b) in the case of every industrial company not being a publicly traded company | 50 <i>per cent</i> of such income. |
| (c) in the case of all other companies including banks and financial institutions and local authorities | 60 <i>per cent</i> of such income. |
| (d) in the case of a person not being a company who is not resident in Bangladesh | 30 <i>per cent</i> of such income: |

Provided that a rebate at the rate of 10 *per cent* of the tax shall be allowed to a company registered in Bangladesh under the Companies Act, 1913 (VII of 1913), on so much of its income, profits and gains accruing or arising outside Bangladesh to which sub-section (4) of section 12 of this Ordinance does not apply as are brought by it into Bangladesh.

Rate.

- (ii) On the amount representing income from dividends declared and paid by a company formed and registered in Bangladesh under the Companies Act, 1913 (VII of 1913), or a body corporate formed in pursuance of an Act of Parliament in respect of the share capital issued, subscribed and paid after the 14th day of August, 1947
- 15 *per cent*.

Explanation.- The term “publicly traded company” as used in this paragraph means a public limited company which fulfils the following conditions:-

- (a) it is an industrial company formed on or after 1st April, 1984;
- (b) the paid up capital of the company is not less than taka 20 lakhs;
- (c) at least 50% of the paid up capital of the company as at the end of the accounting year is subscribed by the shareholders other than the Directors and sponsors of the company;
- (d) no share of the company has been purchased in *benami* by the Directors and sponsors of the company;
- (e) average ownership of shares of the company is at least 1 for each taka 20,000 of the paid up capital;
- (f) at least 10% dividend has been declared and distributed to the shareholders of the company out of the profit of the accounting year for which assessment is to be made; and
- (g) the shares of the company are listed in a Stock Exchange before the end of the accounting year for which assessment is to be made.

C. In the case of every registered firm-

- | | |
|---|--|
| (1) Where the total income does not exceed taka 20,000. | Nil. |
| (2) Where the total income exceeds taka 20,000 but does not exceed taka 30,000. | 10% of the amount exceeding taka 20,000. |
| (3) Where the total-income exceeds taka 30,000 but does not exceed taka 60,000. | Taka 1,000 <i>plus</i> 15% of the amount exceeding taka 30,000. |
| (4) Where the total-income exceeds taka 60,000 but does not exceed taka 1,20,000. | Taka 5,500 <i>plus</i> 20% of the amount exceeding taka 60,000. |
| (5) Where the total income exceeds taka 1,20,000 but does not exceed taka 2,00,000. | Taka 17,500 <i>plus</i> 25% of the amount exceeding taka 1,20,000. |
| (6) Where the total income exceeds taka 2,00,000. | Taka 37,500 <i>plus</i> 30% of the amount exceeding taka 2,00,000: |

Provided that income tax shall not be payable by a registered firm in respect of the income, profits and gains derived by it from the exercise of a profession if such income, profits and gains depend wholly or mainly on the personal qualifications of its partners who are prevented by any law for the time being in force or by convention or rules or regulations of the professional association, society or similar body of which they are members to constitute themselves into a corporate body with a limited liability which can be registered as a company under the Companies Act, 1913 (VII of 1913), unless such profession consists wholly or mainly in the making of contracts on behalf of other persons or the giving to other persons of advice of a commercial nature in connection with the making of contracts.

Explanation.- The term “registered firm”, as used in this paragraph, means a firm registered under section 111 of the Income Tax Ordinance, 1984 (XXXVI of 1984).
