

**Important Additions in
Income Tax Act (ITA), 2023
Compared to
Income Tax Ordinance (ITO), 1984**



ACNABIN
Chartered Accountants



bakertilly
NETWORK MEMBER

About ACNABIN

ACNABIN was formed in February 1985, with a mission to continually add value by helping clients succeed. The firm is in public practice for more than 38 years. The then largest partnership firm was founded with a vision to build an institution which would foster an environment for leadership, continuous growth, learning and collaborations. Over the past, the firm has become one of the leading and most reputable chartered accountancy firms in Bangladesh with global affiliations. At present, ACNABIN has nine partners whose expertise in audit, accounting, review, business consulting, business process outsourcing, technology solutions and taxation has established the firm as a multidisciplinary organization. All the partners have many years of experience of working both at home and abroad and with international consultants and organizations operating locally and globally. ACNABIN is regarded as one of the top firms of chartered accountants in the country context and has significant exposure in the relative market.



Table of contents

Sl. #	Particulars	Page
1	Commencement	5
2	Definition	5
3	Income from employment	8
4	Investment tax credit	9
5	6th Schedule (exemption)	10
6	Income from rent	11
7	Income from business	12
8	3rd Schedule (depreciation & amortization)	16
9	Income from financial assets	18
10	Income from other sources	19
11	Income tax return and assessment	20
12	Interest for amended and late return submission	22
13	Method of accounting and submission of audited financial statements	23

Table of contents

Sl. #	Particulars	Page
14	Penalty	24
15	Set off and carry forward of loss	25
16	Tax exemption	25
17	Minimum tax	26
18	Minimum tax on gross receipt	27
19	Withholding tax return	28
20	Taxpayer registration and cancellation	29
21	Proof of Submission of Return (PSR)	30
22	Tax deduction and collection at sources	31
23	General rules	34
24	Other significant changes in the ITA, 2023	35

Commencement

The ITA, 2023 has come into force from 22 June 2023.

Definition

ITA, 2023	ITO, 1984	Heading	Particulars
2(26)	-	Tax exemption	The tax exemption will include a tax rebate, tax holiday, tax exemption, payment of tax at reduced rate, or any income excluded from calculation of total income.
2(31)	2(20)	Expanded company's definition	Consider below mentioned entities as company in addition to the definition of company provided in ITO 1984: Liaison office of foreign organization, representative office, branch office, any permanent establishment of foreign entity or person, any industry and trade organization, foundation, association, cooperative societies, any educational institution, any organization registered with the NGO Affairs Bureau or Microcredit Regulatory Authority, statutory Government authority, local authority and autonomous body, Artificial Juridical Person.
2(32)	-	Assessee in default	Any person who fails to pay any tax is deemed to be an assessee in default.

Definition

ITA, 2023	ITO, 1984	Heading	Particulars
2(38)	-	Trust	<p>A trust would be established under the Trust Act, 1882 and the Specific Relief Act, 1877.</p> <p>Provided that, where a trust is established as a prerequisite for forming company/fund or managing company/fund, then such company/fund would be considered as a taxable entity, not the trust.</p>
2(40)	-	Demerger	<p>The concept of demerger has been newly introduced and a corresponding definition has been included in the Para 8(6) of the 8th Schedule of Part 1.</p>
2(42)	-	Fund	<p>Fund means any fund constituted or approved under any prevailing act/rule. Fund is excluded from the definition of company.</p>
2(45)	2(55)	Resident	<p>An individual needs to stay in Bangladesh at least for a continuous period or periods amounting in 183 days (previously 182 days) in an income year to be considered as resident.</p>
2(49)	-	Goods	<p>Goods means all kinds of visible movable assets except for securities and money.</p>
2(55)	2(45)	Perquisite	<p>Now, incentive bonus has been included in the definition of perquisite.</p>

Definition

ITA, 2023	ITO, 1984	Heading	Particulars
2(63)	Para 11(3) of 3 rd Schedule	Sale-proceeds	If the sales value of a motor vehicle exceeds the maximum limit under 3 rd Schedule (Tk. 30 lakh) then the sale-proceeds would be: [the receipt from sales of the transport X (value determined as per 3 rd schedule ÷ actual cost of acquisition)]
2(70)	2(14)	Business	Business also includes exchange of goods or services by any profitable or non-profitable entity and any profession or occupation.
2(72)	2(12A)	Bank transfer	Bank transfer also includes any payment fixed by the Government or any other authority of Government for fee, charge, duty-tax or any amount made through Challan.
2(73)	-	Inventory	The definition of inventory has been newly added.
2(91)	-	Local authority	Local authority means city corporation, zila parishad, upazila parishad, paurashava and union parishad.

Income from employment

ITA, 2023	ITO, 1984	Heading	Particulars
32(1)(d) & 32(2)(b)	21	Income from employment	Any amount or benefit received from any previous or future employer would be considered as income. Further, conveyance, travelling and daily allowance received and incurred fully and exclusively for the performance of office duty will not be considered as income.
33	Rules 33A to 33E of ITR, 1984	Determination of monetary value of perquisite, annuity and benefits	<input type="checkbox"/> In case of rent free accommodation - Annual rental value would be added as income. <input type="checkbox"/> In case of concessional rent - difference between concessional rent and annual rental value would be added as income. <input type="checkbox"/> Where car facility is provided by employer: - Up to 2500 cc - monthly Tk. 10,000 - Above 2500 cc - monthly Tk. 25,000 would be added as income <input type="checkbox"/> For any other perquisites or benefits items, the financial value or fair market value of the benefits will be considered as income.
34	-	Employee share scheme	Employee share scheme has been newly introduced.
Para 27, 6 th Schedule, Part 1	Rules 33A to 33J of ITR, 1984	Exemption	Exemption would be considered 1/3 rd of income from employment or Tk. 4,50,000 whichever is lower.

Investment tax credit

ITA, 2023	ITO, 1984	Heading	Particulars
78	44(2)(b)	Investment tax credit	Investment tax credit would be lower of: a) 3% of total income excluding income subject to exemption, reduced rate or minimum tax; or b) 15% of total investment and expense made in any income year as per Part 3 of the 6 th Schedule; or c) Tk. 10,00,000.
Para (2)(7)(a), 6 th Schedule, Part 3	Para 10(1)(a)&(c) and 28, 6 th Schedule, Part B	Savings certificate, Govt. securities and Govt. treasury bond	Now, investment limit for tax rebate has been fixed up to Tk. 5,00,000.
Para (2)(7)(b), 6 th Schedule, Part 3	Para 10(1)(b), 6 th Schedule, Part B	Unit & Mutual Fund and others	Now, investment limit for tax rebate has been fixed up to Tk. 5,00,000.
Para (2)(7)(c), 6 th Schedule, Part 3	Para 11, 6 th Schedule, Part B	Deposit Pension Scheme (DPS)	Now, investment limit for tax rebate has been fixed up to Tk. 1,20,000.

6th Schedule (exemption)

ITA, 2023	ITO, 1984	Particulars
Deleted	Para 11A	Exemption up to Tk. 50,000 of dividend income from listed companies has been deleted.
Deleted	Para 21	Exemption up to Tk. 50,000 of payment from WPPF has been deleted.
Deleted	Para 22A	Exemption up to Tk. 25,000 of income from mutual fund and unit fund has been deleted.
Para 10	Para 54	Any income earned by the following entities recognized by BSEC is exempted: <ul style="list-style-type: none"> ➤ Mutual Fund ➤ Alternate Investment Fund ➤ Real Estate Investment Trust ➤ Exchange Traded Fund

Income from rent

ITA, 2023	ITO, 1984	Heading	Particulars
35(3) & 36(1)	24	Definition and scope of rent	Income from rent will include income derived from house property, land, furniture, fixtures, factory building, office premises, plant and machinery, personal vehicle and any other assets of capital nature.
37	24 & 19(22)	Computation of Rental Value	<p>In the ITA, 2023 a formula is included for calculating the rental income and aims to simplify the procedures for determining taxable rental income. Advance rent would be considered income of the property owner in the income year of receipt. It will be deducted subsequently when the tenant adjusts it with future rental payments.</p> <p>The taxpayer is required to notify the concerned income tax authority within 30th of the respective month in which the property becomes vacant.</p>
38(d)	-	Repair maintenance allowance	<ul style="list-style-type: none"> <input type="checkbox"/> Commercial house property - 30% <input type="checkbox"/> Non-commercial house property - 25% <input type="checkbox"/> Other properties - 10% <p>Further, if the tenant pays a service charge in addition to the rent, the owner of the property shall not be entitled to claim repair and maintenance expenses (at rates of 30%, 25%, or 10%) based on the rental value.</p>

Income from rent

ITA, 2023	ITO, 1984	Heading	Particulars
38(d)	-	Repair maintenance allowance	Factory building has been excluded from the definition of house property. As a result, when a factory is leased out, the factory building owner may claim a maximum of @ 10% for repair and maintenance expenses.
39(1)	-	TDS on Expenses	Tax deduction is required, where applicable, for claiming expenses against income from rent.

Income from business

ITA, 2023	ITO, 1984	Heading	Particulars
45	-	Scope of income from business	Newly included: <ul style="list-style-type: none"> - Management fees received by the management companies - Amount received on account of lease by the lessor bank, insurance and financial institution - Realized gain from currency exchange subject to the provisions of 3rd Schedule - Income received from a discontinued business

Income from business

ITA, 2023	ITO, 1984	Heading	Particulars
46 & 56	30B	Special areas of business income & special business income	A new category called 'Special areas of business income' has been introduced. This type of income does not allow deductions of expenses, setting off of losses and any allowance under 3 rd Schedule. It is subject to taxation at the regular corporate tax rate. The expenses that are disallowed under section 55 (previously referred to as section 30 of the ITO, 1984) will be categorized as 'Special business income' and treated in the same way.
49	29	Allowable deductions	Newly included allowable deductions of income from business: <ul style="list-style-type: none"> - Inventory write-off - Duties, municipal tax, local tax, land development tax/khajna and Government fees excluding income tax and gift tax - Realized foreign exchange loss subject to the provision of 3rd Schedule - Contribution to Workers Profit Participation Fund (WPPF) of not exceeding 5% of disclosed net business profit.
51	29	Allowable bad debt expense	Introduction of procedures for allowing bad debt expenses as deductible expenditures.

Income from business

ITA, 2023	ITO, 1984	Heading	Particulars
53	-	Interest paid to associate enterprise	Interest paid up to Tk. 15,00,000 by the resident person (except for bank and financial institution) to any associate enterprise would be allowable expenditure. However, any interest paid to associate enterprise exceeding Tk. 15,00,000 will be allowable as prescribed by NBR.
55	30	Disallowance of certain expenditures	<p>Some important heads of expenses not admissible in certain circumstances:</p> <ul style="list-style-type: none"> - Total expenditure for royalty, license fee, technical service fee, technical know how fee, technical assistance fee or any expenditure of similar nature incurred for use of intangible assets that exceeds 10% of disclosed net business profit. - Head office or intra-group expense exceeding 10% of disclosed net business profit. - Foreign travel expenditure exceeding 0.5% of disclosed business turnover. However, foreign travel expense up to actual will be allowed subject to submission of proper evidential documents and commercial rationale.

Income from business

ITA, 2023	ITO, 1984	Heading	Particulars
55	30	Disallowance of certain expenditures	<ul style="list-style-type: none"> - Promotional expenses excluding advertising expense that exceeds 0.5% of business turnover. - Any amount of salary paid through except banking channel. - Payment made to some specified entities who had not submitted PSR (Proof of Submission of Return). - Capital or personal expenditure of the taxpayer. - Any amount of liability which was not clearly identified.
55	29 & 30	Disallowance of certain expenditures	<p>Some important heads of expenses not admissible in certain circumstances:</p> <ul style="list-style-type: none"> - Expenditures which are not related to the business activities. - Depreciation allowance and interest for Right of Use of Assets will be disallowed but any amount for rent, development & maintenance expense for uses of business land and premises would be allowable. - Impairment loss. - Any contribution to any fund which is not approved by the Board. - If the accounts are not maintained in proper manner, expenses would be disallowed without submitting evidential documents.

3rd Schedule (depreciation & amortization)

ITA, 2023	ITO, 1984	Heading	Particulars
Para 3(1) of Part 1	Para 11(6)(a)	Cost of acquisition of motor vehicle	Cost of acquisition of a motor vehicle shall not exceed Tk. 30 lakh.
Para 4 of Part 1	Para 3	Allowable depreciation allowance	Depreciation allowance: <ul style="list-style-type: none"> - Machinery, establishment and equipment @ 10% - Building @ 5%; Factory building @ 10% - Ocean-going ship: <ul style="list-style-type: none"> (a) New @ 5% (b) Second hand purchase: <ul style="list-style-type: none"> (i) Less than 10 years @ 10% (ii) 10 years or more @ 20% - Apparatus run by battery and rechargeable battery @ 30% - Motor vehicles not plying for hire @ 10% - Motor vehicles plying for hire @ 20% - Printer, monitor including relevant items of computer hardware @ 25% - Professional and reference books @ 25%

3rd Schedule (depreciation & amortization)

ITA, 2023	ITO, 1984	Heading	Particulars
Para 4 of Part 1	Para 3	Allowable depreciation allowance	Depreciation allowance: <ul style="list-style-type: none"> - Mineral oil concerns: <ul style="list-style-type: none"> Portable boiler, drilling tools, well-head tank and rigs including equipment located on the ground @ 25% - Any other physical asset that was not mentioned in the table of Para 4 @ 10%.
Para 3 of Part 2	-	Allowable amortization allowance	Amortization on Research and development @ 10%.
Para 4 of Part 2	Para 3		Amortization on Bangladeshi made computer software and application @ 20%.
Para 5 of Part 2	-		Amortization on disallowed expense considered as capital nature @ 10%.

Income from financial assets

ITA, 2023	ITO, 1984	Heading	Particulars
62(1)	33	Scope of income from financial assets	<p>Income from financial assets includes:</p> <ul style="list-style-type: none"> - Interest, profit or discount of Government Securities or Government approved Securities and debenture or any other securities issued by the Local authority or company - Interest or profit received from bank or financial institution - Dividend <p>However, income from transfer of financial assets will be considered as capital gain.</p>
64	32(4)	Allowable deductions	Excise duty, bank charges, loan interest, etc.
65(a)	-	Condition for claiming expenses	TDS is applicable for claiming expenses against income from financial assets.

Income from other sources

ITA, 2023	ITO, 1984	Heading	Particulars
66	-	Cash incentive	Government cash incentive will be considered as Income from Other sources.
67(10)	19(24)	Paid up capital received in cash	If any company (not listed in Stock Exchange) receives paid-up capital from its shareholders in the form of cash.
67(15)	19(31)	Exempted income in amended return	<p>If an assessee submits a revised income tax return, disclosing income that qualifies for tax exemption or a reduced rate of tax, which was not previously reported in the original return, then such increased income will be classified as income from other sources.</p> <p>However, if the receipt is made through banking channel and evidential documents are furnished, the above provision would not be applicable.</p>
83(1)	46BB(5)	Less shown income in case of tax holiday	In the event that any income of a tax holiday-eligible entity appears reduced due to transactions with its associated enterprise, the said amount shall be considered as income from other sources for the tax holiday-eligible entity.

Income tax return and assessment

ITA, 2023	ITO, 1984	Heading	Particulars
76(5)(a)	44(5)	No tax exemptions	If a person fails to submit the income tax return within the tax day, the person will not be entitled to get any tax exemption benefits.
166(1)&(2)	75(1)	Mandatory return submission	<ul style="list-style-type: none"> - Person eligible to be registered as taxpayer u/s 261. - Recognized provident fund, approved gratuity fund, pension fund, and approved superannuation fund.
167(1)	80(1)	Submission of assets and liabilities statements for resident	<ul style="list-style-type: none"> - Owns any assets at abroad at any time during the concerned income year. - Becomes shareholder director of a company.
168	80(1)	Submission of statement of expense relating to life style	<ul style="list-style-type: none"> - If total income exceeds Tk. 5 lakh for the concerned income year. - Owns a motor vehicle during the income year. - Having business income. - Made investment in house property or apartment situated in the city corporation area.
169(2)	75(1)	General rule for submission of return	Person receiving income from execution of long-term contract will submit the income tax return along with audited financial statements, computation sheet and other prescribed documents.

Income tax return and assessment

ITA, 2023	ITO, 1984	Heading	Particulars
170	-	Return under self-assessment	All taxpayers must file self-assessment returns, except for companies and individuals leaving Bangladesh. However, among companies, One Person Companies (OPC), banks, insurance, and financial institutions must file returns under the self-assessment scheme.
171	75(6)	Time extension for return submission	There is no provision to extend the time for submitting income tax returns after the tax day.
176	-	Consequence of submission of incomplete return	If any return or revised return is submitted by not following the provisions of section 169 and instructions of the Board, it will be considered an incomplete return, and assessed under the normal assessment scheme.
179(1)	79(1)	Submission of all records and documents	If an amended return u/s 175 or an incomplete return u/s 176 is submitted to the DCT, the DCT has the authority to request for submitting all records and documents related to the prior 03 years for the purpose of tax assessment.
183(6)	83	Tax determination	The DCT shall not disallow any expense claimed by the taxpayer except giving him an opportunity of being heard.

Income tax return and assessment

ITA, 2023	ITO, 1984	Heading	Particulars
197(1)(b)	94(1)(c)	Limitation of assessment	Where any return is not submitted within the tax day, the assessment must be completed within 01 year from the end of the concerned assessment year.
212(4)	93(4)	Concealment of tax and payment of other amounts	If any assets were not previously disclosed in any income tax return, these will now be deemed as if they were acquired within the last 06 years and will be considered income.

Interest for amended and late return submission

ITA, 2023	ITO, 1984	Heading	Particulars
174	73A(1)	Interest rate for late submission of return	The interest rate would be 4% per month. Further, if there is any fraction of a month, then it would be considered as a full month.
180(2)	82BB(5)(b)	Interest rate for self-assessment amended return	The interest rate for the increased tax liability would be 5% per month.

Method of accounting and submission of audited financial statements

ITA, 2023	ITO, 1984	Heading	Particulars
73	35(3)	Submission of audited financial statements	Audited financial statements are mandatory to be submitted for Association of Persons, fund, firm having turnover exceeding Tk. 3 crore, and person having income from long-term contract.
74	-	Accounting method for long term contract	The percentage of work completion method will be applied in case of long-term contracts.

Penalty

ITA, 2023	ITO, 1984	Heading	Particulars
266(2)(c)	124(3)	Penalty for non-submission of information/ documents	The penalty for not furnishing required information to the concerned tax authority would be Tk. 50,000 and in a continuous default, a further penalty of Tk. 500 for each day.
267(2)	123(1)(b)	Penalty for not maintaining accounts for rental income	The penalty for not maintaining accounts in the prescribed manner would be 50% of tax liability or Tk. 5,000, whichever is higher.
272(1)	128(1)	Penalty for concealment of income	Penalty for concealment of income would be (a+b): a = Concealed tax amount X 15% b = Concealed tax amount X 10% X No. year (s) of the duration of concealment's assessment year

Set off and carry forward of loss

ITA, 2023	ITO, 1984	Heading	Particulars
70(2)&(3)	37	Set off & carry forward business losses	<ul style="list-style-type: none"> - Business loss can be set off only against the income from business. - Loss from any sources of income subject to tax exemption, reduced tax rate or minimum tax will not be set off or carried forward.

Tax exemption

ITA, 2023	ITO, 1984	Heading	Particulars
76(2)	44	Separate SRO required for tax exemption	Separate circular from the National Board of Revenue (NBR) is required to avail the tax exemption given by other laws.

Minimum tax

Except below mentioned sections, all other deducted or collected taxes for the concerned sections will be considered as minimum tax under section 163(2)(a) of ITA, 2023:

Section # ITA, 2023	Heading of section
86	Income from employment
87	Remuneration of Members of the Parliament
93	Actor, actress, producers, etc.
96	Commission of letter of credit
97	Local letter of credit
98	Cellular mobile phone operator
99	In excess of premium paid on life insurance policy
103	Interest on deposit of post office savings bank account
104	Interest income of resident
107	Discount on the real value of Bangladesh Bank bills
109	Rental income
130	Brick manufacturers
131	Issuance or renewal of trade license

Minimum tax

The provision under ITO, 1984 of final tax liability on deducted or collected tax from the following heads, will now be minimum tax liability under section 163(2)(a) of ITA, 2023:

Section # ITO, 1984	Heading of section
52C	Compensation against the acquisition of property
52D	Interest on savings instruments
53DDD	Export cash subsidy
Serial No. 3 and 4 of the Table of section 53F(1)	Interest on savings deposit and fixed deposits, etc.
53H	Transfer, etc. of property
53P	Any sum paid by real estate developer to land owner

Minimum tax on gross receipt

Classes of assessee	Rate of minimum tax (ITA, 2023)	Rate of minimum tax (ITO, 1984)
Manufacturer of cigarette, bidi, chewing tobacco, smokeless tobacco or any other tobacco products	3% of the gross receipts	1% of the gross receipts
Carbonated beverage	5% of the gross receipts	0.6% of the gross receipts

Withholding tax return

ITA, 2023	ITO, 1984	Heading	Particulars
177 & TDS Rule, 2023	75A	Frequency and deadline of submission	Monthly withholding return must be submitted within 15 days of the following month.
177 & TDS Rule, 2023	50 & 58	Monthly TDS statements	These statements have been merged with the monthly return of withholding taxes.
177 & TDS Rule, 2023	109 & 110	Statements of Dividend and Interest (other than interest from securities)	
177 & TDS Rule, 2023	108	Salary statement	To be submitted once a year with the withholding return within 15 September.
177 & TDS Rule, 2023	108A	Statement for submission of return of employees	To be submitted once a year with the withholding return within 15 April.

Taxpayer registration and cancellation

ITA, 2023	ITO, 1984	Heading	Particulars
261	184B	Registration	<p>Every person will register himself as a taxpayer for below reasons:</p> <ul style="list-style-type: none"> - Taxpayer - Required to submit return u/s 166 - Required to submit proof of submission of return (PSR) u/s 264 - Intend to pay tax or submit return
262	-	Cancellation of registration	<p>A person can apply for cancellation of his registration for below reasons:</p> <ul style="list-style-type: none"> - Not required to submit the PSR or income tax return u/s 166. - Non-existent due to death, retirement, dissolution, or any other similar reasons. - Leaving Bangladesh permanently and would not be engaged in any income-generating activities in Bangladesh. - Any other legal reason.

Proof of Submission of Return (PSR)

ITA, 2023	ITO, 1984	Heading	Particulars
264	184A	Proof of Submission of Return (PSR)	<p>Required to submit Proof of Submission of Return (PSR):</p> <ul style="list-style-type: none"> - Taking loan above Tk. 20 lakh. - Public employee. - Supplier, supplying goods or services to the specified persons. - To open and maintain bank accounts of trust, funds, foundations, NGOs, microcredit organisations, societies, and co-operative societies. - House owner in any city corporation, if leases/rents the house property to any specified person.

Tax deduction and collection at sources

ITA, 2023	ITO, 1984	Heading	Particulars
86	50	Employment	TDS on payment from the accumulated balance of the Recognized Provident Fund would be as per Para 6 of the 2 nd Schedule, Part 3.
88	52DD	WPPF	Tax is to be deducted @ 10% on any payment from WPPF.
89 & TDS Rule, 2023	52 & Rule 16	Contractors, suppliers, etc.	<p>TDS rates are almost identical, except below:</p> <ul style="list-style-type: none"> - 10% for cigarettes, bidi, zarda, gul and tobacco leaves. - 3% for supply of Extra High Voltage Power Cable 33KV to 500KV by local manufacturers having their own Vertical Continuous Vulcanization line.
90 & TDS Rule, 2023	52AA	Services	Rates are the same as previous.
92	53K	Media advertisement	Tax to be deducted @ 5%.
94	53E	Commission, discount, fee, etc.	The rates are same. However, the firm has been added to the deducting authority.
101	53GG	Fees, etc. of surveyors of general insurance company	TDS @ 15%

Tax deduction and collection at sources

ITA, 2023	ITO, 1984	Heading	Particulars
104	-	Interest income of resident	TDS @ 10% for interest paid to any other person except for banks or financial institutions.
119 & TDS Rule, 2023	56	Income of non-resident	The rates are almost the same except following: <ul style="list-style-type: none"> - Survey for coal, oil, or gas exploration @ 20% - Fees, etc., of surveyors of general insurance company @ 5.25%
125 & TDS Rule, 2023	53H & Rule 17II	Transfer of property, etc.	The maximum tax rate will be 8% of the deed value or Tk. 20,00,000; whichever is higher. However, area-wise, separate tax rates are mentioned in the Tax at Source Rules, 2023.
126 & TDS Rule, 2023	53FF	Real estate or land developer	Tax Collection at Source (TCS) will not exceed the following: <ul style="list-style-type: none"> - Tk. 1,600 per sqm for residential building or apartment - Tk. 6,500 per sqm for commercial building or apartment - 5% of deed value of land in connection with building or apartment However, area-wise, separate tax rates are mentioned in the Tax at Source Rules, 2023.

Tax deduction and collection at sources

ITA, 2023	ITO, 1984	Heading	Particulars
127	-	Commission for selling Govt. stamp, court fee, cartridge paper	TCS @ 10%
134	-	Transfer of shares	<ul style="list-style-type: none"> - 15% tax to be deposited on the difference between face value and fair value of transferred shares. - Fair value shall be determined based on the valuation report provided by the Professional valuer.

General rules

ITA, 2023	ITO, 1984	Heading	Particulars
141(1)	-	Gross-up for tax deduction or collection where payment was made without tax	Base value = $(100 \times \text{payment amount without tax}) / (100 - \text{applicable tax rate})$
142	For some specific sections	General rules for deduction or collection of tax	Tax to be 50% higher in case of non-submission of PSR and transaction without bank transfer. This provision is applicable for all sections except for section 119 (tax deduction or collection from non-residents).

Other significant changes in the ITA, 2023

ITA, 2023	ITO, 1984	Heading	Particulars
150(2)	-	Impact of minimum tax on recognition of revenue (IFRS 15)	Section 150(2) states that the income tax deducted or collected in a particular income year will be credited toward the person's tax liability for that same income year.
182(14)	-	Audit due to failing of maintaining rules of payment of tax	If an assessee fails to maintain the rules of payment of tax outlined in Part 7 of the ITA, 2023, then the tax authority can select their income tax return for an audit u/s 182(14), even if the income tax return was submitted under the self-assessment scheme.
226	-	Refund claim	The taxpayer can claim the refund in the prescribed manner if the said refund amount was not transferred to his account.
263(1)	-	Withholding Identification Number (WIN)	The person who is required to withhold tax, needs to obtain WIN.
327	174	Authorized representative	Every tax lawyer shall be a member of the tax lawyer's association registered with the Board.

Other significant changes in the ITA, 2023

ITA, 2023	ITO, 1984	Heading	Particulars
328	178A	Electronic tax management	Notice, order, demand notice, certificate, communication or acknowledgement letter can be send to the specified computer or electronic system approved by Board. Further, attendance or hearing before the income tax authority and appellate tribunal can be performed by electronic system.
341	-	Amendment of schedule	Board may amend any Schedule of this Act but cannot impose any tax or increase tax rate through the amendment.
344	186	Repeal and savings	The ITO, 1984 will be repealed as soon as the ITA, 2023 has come in force. Further, if any cases or legal proceedings are pending at Court, then it shall be settled in such way that the ITO, 1984 has not been repealed.
Para (7)(c), 8 th Schedule, Part 2	111A(8)(c)(iii)	Startup	A subsidiary of another company holding 50% or more of its shares can be a startup.

Contact us

Head Office:

BDBL Bhaban (Level-13 & 15), 12 Kawran Bazar Commercial Area, Dhaka-1215, Bangladesh.
Telephone: (+88-02) 41020030 to 35, Facsimile: (+88-02) 41020036, e-mail: acnabin@bangla.net
Web: www.acnabin.com

Branch Office:

Jahan Building No. 7 (1st Floor, North Side), 59 Agrabad Commercial Area,
Chattogram-4100, Bangladesh.
Telephone: (+88-031) 333317352, Facsimile: (+88-031) 333317353,
e-mail: acnabin.ctg@acnabin-bd.com