



**ACNABIN**  
*Chartered Accountants*



# IMPORTANT CHANGES INTRODUCED BY THE FINANCE ORDINANCE, 2025



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*(Sitting from left to right)*

A.S.M Nayeem FCA, FCCA || ATMA Bari FCA || Iftekhar Hossain FCA

*(Standing from left to right)*

Md. Mominul Karim FCA || Md. Reajul Islam FCA || Md. Moniruzzaman FCA || Md. Rokonzaman CPFA, FCA  
 Muhammad Aminul Hoque FCA

## ABOUT ACNABIN

### Nomenclature

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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 40 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 08 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.



# PREFACE

This represents a brief summary of important changes introduced by the Finance Ordinance, 2025 and relevant amendments, both in the fields of ***Direct and Indirect Taxes***. As would be evident from the summary, some of the existing provisions of law have been amended or rationalized. Our aim is to acquaint our clients and prospective investors, home and abroad, with the latest amendments regarding the provisions of the said laws.

The content of this document is intended for general informational purposes and is not tailored to specific individual circumstances. It is recommended that no action be taken based on this information without first seeking professional advice and conducting a detailed assessment of the specific situation.

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NETWORK MEMBER



# 1 INCOME TAX

## 1.1 Tax rates on the level of income for individual (including non-resident Bangladeshi) and Hindu Undivided Family have been changed

Amount in BDT

AY 2025-2026		AYs 2026-2027 & 2027-2028	
Level of income	Tax rate	Level of income	Tax rate
Up to 350,000*	Nil	Up to 375,000*	Nil
Next 100,000	5%	Next 300,000	10%
Next 400,000	10%	Next 400,000	15%
Next 500,000	15%	Next 500,000	20%
Next 500,000	20%	Next 2,000,000	25%
Next 2,000,000	25%	On balance	30%
On balance	30%		

\* According to point 1.3 below

## 1.2 Tax rate for non-resident individual remains unchanged

- 30% (except non-resident Bangladeshi)

## 1.3 Tax-free levels of income for individual (including non-resident Bangladeshi) and Hindu Undivided Family have been changed

Amount in BDT

Tax-free level of income for	AY 2025-2026	AYs 2026-2027 & 2027-2028
General taxpayers	350,000	375,000
Women and senior citizens aged 65 years or above	400,000	425,000
Third gender taxpayers and physically challenged persons	475,000	500,000
Gazetted war-wounded freedom fighters	500,000	525,000
Gazetted "July Warriors" injured in July mass uprising 2024	N/A	525,000
The tax-free level of income for parents or legal guardians of physically challenged child or dependent will be increased by BDT 50,000 for each child/dependent. If both the parents of a physically challenged child are taxpayers, either of the parents will be entitled to avail the facility.		

## 1.4 Calculation of investment tax rebate has been changed

The amount of investment tax rebate would be lower of the following amounts:

- 3% of the total assessed income excluding exempted income, income on which reduced rate is applicable, share of profit from Partnership Firm or Association of Persons (AoP) and income subject to final discharge of tax liability; or
- 15% of the total investment and expense made in any income year as per Part-3 of the Sixth Schedule; or
- BDT 1,000,000

## 1.5 Minimum tax payable by individual has been changed

Amount in BDT

Area of residence	AY 2025-2026	AYs 2026-2027 & 2027-2028
Dhaka North, Dhaka South and Chattogram City Corporation	5,000	If the total income exceeds the tax-free limit, then a flat minimum tax of BDT 5,000 will be applicable regardless of location. However, the minimum tax for the new taxpayers would be BDT 1,000.
Any other City Corporation	4,000	
Other area	3,000	

## 1.6 Surcharge on individual's net wealth remains unchanged

AY 2025-2026		AYs 2026-2027 & 2027-2028
Total net wealth (in BDT)	Rate	
Up to 40 million	Nil	Unchanged
Over 40 million up to 100 million	10%	
Individual assessee (natural person) having more than 01 motor vehicles in his/her own name or having house property exceeding 8000 square feet in total		
Over 100 million up to 200 million	20%	
Over 200 million up to 500 million	30%	
Over 500 million	35%	

## 1.7 Environmental surcharge for the AYs 2026-2027 and 2027-2028

Sl.	Description of motor vehicle	Rate for each motor vehicle (in BDT)
1	Up to 1500 cc	25,000
2	More than 1500 cc but up to 2000 cc	50,000
3	More than 2000 cc but up to 2500 cc	75,000
4	More than 2500 cc but up to 3000 cc	150,000
5	More than 3000 cc but up to 3500 cc	200,000
6	More than 3500 cc	350,000

- Surcharge will apply to individual assessees (natural persons) owning more than one motor vehicles (excluding electric vehicles). Environmental surcharge is applicable in addition to the income tax payable under section 153 at the time of registration/fitness renewal of motor vehicles and cannot be refunded nor be adjusted with any other tax liability;
- Here, motor vehicle excludes bus, minibus, coaster, prime mover, truck, lorry, tank lorry, pick-up van, human hauler, autorickshaw and motorcycle.

## 1.8 Tax rate for corporate income tax has been changed

Description	AY 2025-2026		AYs 2026-2027 & 2027-2028	
	Tax rate	Upon compliance with Cond. 1	Tax rate	Upon compliance with Cond. 2
(a) Publicly traded company that transfers shares worth at least 10% of its paid-up capital through Initial Public Offering (IPO) or Direct Listing (for AYs 2026-2027 & 2027-2028)	22.5%	20%	22.5%	20%
(b) All other publicly traded companies	25%	22.5%	27.5%	25%
(c) Except for (a) and (b), other companies as defined u/s 2(31) of the ITA, 2023	27.5%	25%	27.5%	Cond. N/A
One Person Company (OPC)	22.5%	20%	27.5%	Cond. N/A
Publicly traded bank, insurance and finance companies	37.5%	Cond. N/A	37.5%	Cond. N/A
Non-publicly traded bank, insurance and finance companies	40%	Cond. N/A	40%	Cond. N/A
Merchant bank	37.5%	Cond. N/A	27.5%	Cond. N/A
Company and other than company producing all sorts of tobacco items including cigarette, bidi, chewing tobacco and gul	45% + 2.5% (surcharge)	Cond. N/A	45% + 2.5% (surcharge)	Cond. N/A
Publicly traded mobile operator company (10% share of paid-up capital transferred through stock exchange of which maximum 5% must be through pre-initial public offering)	40%	Cond. N/A	40%	Cond. N/A
Non-publicly traded mobile operator company	45%	Cond. N/A	45%	Cond. N/A
All non-resident entities except company, Association of Persons, firm (for AYs 2026-2027 & 2027-2028) and Bangladeshi non-residents	30%	Cond. N/A	30%	Cond. N/A
Trust and Association of Persons	27.5%	25%	27.5%	Cond. N/A
Funds	27.5%	25%	Nil	Nil
Firm	Slab rate		27.5%	Cond. N/A
Cooperative Society, registered under Cooperative Society Act, 2001	20%	Cond. N/A	20%	Cond. N/A

Description	AY 2025-2026		AYs 2026-2027 & 2027-2028	
	Tax rate	Upon compliance with Cond. 1	Tax rate	Upon compliance with Cond. 2
Private university, private medical college, private dental college, private engineering college or private college solely dedicated to imparting education on ICT	15%	Cond. N/A	10%	Cond. N/A

**Condition-1:** All income and receipts must be made through bank transfer. Any single transaction exceeding BDT 500,000 and annual transactions exceeding BDT 3,600,000 as expenses and investments must be made through bank transfer.

**Condition-2:** If all income is received through bank transfer during the income year.

- If any school, college, university, or educational institution does not arrange appropriate accessibility for persons with disabilities, a surcharge @ 2.5% will be imposed on the income of such institution.

Description	AY 2025-2026 Tax rate
Capital gain for company, Association of Persons and trust	15%
Dividend	20%
Subject to compliance with a few conditions, companies engaged in textile business *	15%
Subject to compliance with a few conditions, entities engaged in export of products **: <ul style="list-style-type: none"> <li>(a) Individual, firm and Hindu Undivided Family</li> <li>(b) Other tax payers</li> <li>(c) Other tax payers with LEED Certified Factory</li> </ul>	50% exempted 12% 10%

\* 15% reduced tax rate for textile industries is granted vide SRO no. 159 of 2022 dated 01 June 2022, which is valid up to 30 June 2025.

\* \* As per SRO no. 44 of 2024 dated 04 March 2024, valid up to 30 June 2028.

## 1.9 Definitions

### 1.9.1 Dividend

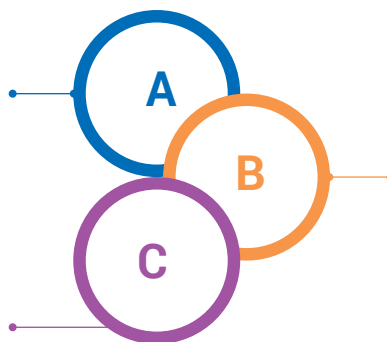
Any profit distribution by a Joint Venture (JV) to its members, except individual (natural person), will not be treated as Dividend.

### 1.9.2 Tax day and due date for filing return

The term and definition for “Tax day” have been repealed and a new term “Due date for filing return” has been introduced. Due date for filing return is as follows:

30<sup>th</sup> November from the end of income year for individual (natural person) and Hindu Undivided Family

In any unavoidable circumstances, up to 90 days' time extension opportunity for individual assessee (natural persons) if it is approved by the Commissioner of Taxes



15<sup>th</sup> day of the 9<sup>th</sup> month from the end of income year or 15<sup>th</sup> September whichever is later, for all other assessee

## 1.10 Income from employment

- (a) Following benefits from employer will not be treated as income from employment of the employee:
  - (i) Reimbursement of medical expenses for brain surgery and artificial limb replacement;
  - (ii) Premium paid against group insurance.
- (b) Premium paid against group insurance will not fall under perquisite as well as be treated as allowable expenditure for the employer u/s 49.

## 1.11 Perquisite

Enhanced monthly income based on motor vehicle benefits of employees:

Capacity of engine	Monthly deemed salary (in BDT)
Up to 1500 cc	15,000
Above 1500 cc up to 2000 cc	20,000
Above 2000 cc up to 2500 cc	30,000
Above 2500 cc	50,000

## 1.12 Income from rent

- (a) Advance rent received through bank transfer will be adjusted within 05 years or the contract period, whichever is shorter;
- (b) Total advance rent during a year exceeding BDT 0.5 million not received through bank transfer will be treated as special income from rent;
- (c) Any amount received against rental of property which is not subject to adjustment (e.g. security deposit) will be treated as special income from rent, spread over a maximum of 05 years. When returned, it will be deductible from income from rent;
- (d) No deduction is allowed against special income from rent (e.g. loss, depreciation).



### 1.13 Disallowances for not deducting due tax at source

Respective expenses will be disallowed and taxed if proper TDS are not made therefrom in the case of:

Income from agriculture

Income from financial assets

### 1.14 Disallowances under certain cases

- Allowable perquisite limit enhanced to 2 million from 1 million;
- Cap on royalty, technical know-how, technical fees etc. has been amended: lower of 15% of net business profit or 6% of business turnover;
- If more than 50% payments (excluding salary, rent and raw materials) are made without bank transfer, then 25% of those payments (without bank transfers) will be disallowed;
- If PSR is not available (where mandatory), expenses will be disallowed. However, if 50% higher tax is deducted from the expenses u/s 142, it will not be disallowed u/s 55.

### 1.15 Special business income

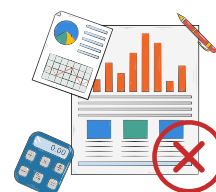
- (a) For entities paying tax at regular rate and tax-exempt entities: Disallowed expenses u/s 55, except "Depreciation on RoU assets", "Interest on lease liabilities" and "Impairment loss", will be treated as special business income;
- (b) For entities paying tax at reduced rate: Disallowed expenses u/s 55 will be taxed at reduced rate, except disallowance for improper TDS- those will be taxed at regular rate.

### 1.16 Income from other sources

- (a) Group insurance benefits received by employees will be treated as income from other sources;
- (b) Loan received by entities (except individuals- natural person) without bank transfer will be treated as special sectors of income from other sources;
- (c) Loans between siblings (individuals) through any channel will not be treated as income if both declare such a loan in their tax returns;
- (d) Any additional exempt income reported in amended return will be taxable as special sectors of income from other sources, with a few exceptions e.g. government pension, foreign remittance earned in abroad, income from recognized provident fund and approved gratuity fund, exemptions for income from employment, gifts from spouse, parents, children, siblings etc.

### 1.17 Funds

- (a) Funds are exempt from the following obligations:
  - (i) Submitting audited financial statements;
  - (ii) Filing income tax return.
- (b) No tax rate has been assigned for funds for the AYs 2026-2027 and 2027-2028;





- (c) All income of funds, except income from financial assets, will be exempt from tax;
- (d) TDS on Funds' income from all sources will be the final tax liability.

### 1.18 Tax exemption and investment rebate

- (a) Tax exemption through SROs will apply to class of income or class of persons, not to a particular person;
- (b) Only failure to file a return within the due date will lead to ineligibility for exemptions. All other conditions have been removed;
- (c) Certain exemptions can still be claimed even if the return is not filed on time, and when computing the delay interest u/s 174, such as:
  - (i) Government pension;
  - (ii) Foreign remittance earned abroad;
  - (iii) Gifts from spouse, parents, children, siblings;
  - (iv) Income from recognized provident fund and approved gratuity fund;
  - (v) Exemptions for income from employment etc.
- (d) Investment rebate will be calculated on 3% of total income, which now will include income subject to minimum tax, but excludes share of profit from Partnership Firm and AoP and income subject to final discharge of tax liability.



#### 1.18.1 Important amendments to/inclusion in the tax exemptions

- (a) Agricultural income up to BDT 500,000 is exempt if the assessee has no income other than income from agriculture and financial assets;
- (b) Income up to BDT 500,000 is exempt from poultry, shrimp and fish hatchery, palleted poultry feed, dairy products, frog farming, seed marketing, sericulture farming;
- (c) To claim ITES exemptions, all income must be received through bank transfers;
- (d) For employment income, exempted income will be calculated as the lower of 1/3<sup>rd</sup> or BDT 500,000;
- (e) All income, except for income from financial assets of funds, ICAB, ICMAB, ICSB, international educational institutions (established under separate Acts and not private universities), will be exempt from tax;
- (f) Awards received from any foreign governments are now exempt from tax;
- (g) Tax exemptions have been extended to international awards like Nobel, Ramon Magsaysay, Booker Prize, Pulitzer Prize, Simon Bolivar, Academy Award, Grammy Award, Emmy Award, Golden Globe Award, Cannes Film Festival Award;
- (h) Income of the National Pension Authority and income of beneficiaries from the Universal Pension Scheme are exempt from tax;
- (i) Gifts received from siblings are exempt from tax.

### 1.18.2 Important amendments to/inclusion in the eligible investment for tax rebate

The NBR, instead of the Government, will approve public welfare and educational institutions as eligible for tax-rebate qualifying investments.

### 1.19 Tax deduction at source

- (a) WPPF, Welfare Fund and Workers Welfare Foundation Fund will be responsible for deducting 10% tax while paying to beneficiaries;
- (b) 50% additional tax deduction will not apply in the absence of PSR, where income tax return or PSR submission is not mandatory.

### 1.20 Advance tax

- (a) Advance tax for cigarette manufacturers will increase to 5% from 3% on the net sale price;
- (b) 50% additional tax on 2<sup>nd</sup> and subsequent motor vehicles used to apply to all owners of motor vehicles. Now, it will apply to individuals (natural persons) only;
- (c) Entities not required to submit income tax returns u/s 166(2) are exempt from advance tax on motor vehicles.

### 1.21 Minimum and final tax

- (a) Individuals (natural persons) with gross receipts of BDT 40 million or more will pay 1% minimum tax (previously 0.25% on BDT 30 million or more);
- (b) Minimum tax on gross receipts for mobile phone operators reduced to 1.5% (from 2%);
- (c) Minimum tax on gross receipts for other sectors (except specific ones) increased to 1% (from 0.6%);
- (d) AIT paid for the import of raw materials by pesticide manufacturers will be treated as minimum tax from AY 2026-2027;
- (e) AIT paid for the import of raw materials by the toilet water manufacturer has been removed from the minimum tax liability;
- (f) Excess minimum tax paid over regular tax liability can be adjusted in future years when regular tax liability exceeds minimum tax liability;
- (g) For assessees exempt from filing return u/s 166(2), TDS from all income sources will be treated as final tax liability.



### 1.22 Income tax return

- (a) Charitable organizations, except orphanages and religious establishments, are now required to file income tax returns;
- (b) The following entities are excluded from mandatory return submission:
  - (i) Bangladesh Securities and Exchange Commission (BSEC);
  - (ii) Bangladesh Telecommunication Regulatory Commission (BTRC);

- (iii) Cantonment board;
- (iv) Organization, authority, commission, institute, board, academy or similar organizations constituted under any Act or Government Order who does not conduct commercial activities and regularly receive full or partial government funding to meet operational expenditures;
- (v) Funds.

### 1.23 Self-assessment and normal assessment

- (a) All assesseees can submit income tax returns under self-assessment procedure within the assessment year relevant to the due date of filing tax return;
- (b) Returns filed after that assessment year, will be treated as normal returns and assessed under normal assessment or provisional assessment process.

### 1.24 Audit

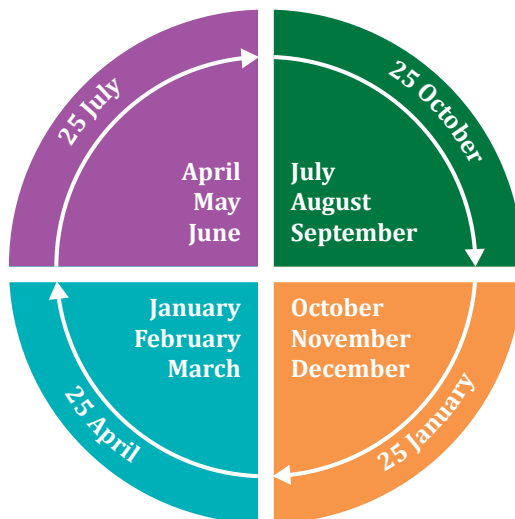
To streamline the audit process and reduce procedural complexity, a simplified audit framework has been introduced:

- (a) The NBR is entrusted with formulating audit guidelines covering audit risk factors, procedures for conducting audits and mechanisms for resolution;
- (b) Based on these guidelines, the NBR or any of its subordinate income tax authorities-subject to prior approval from the NBR, may select tax returns or revised returns for audit;
- (c) Upon such selection or approval, the DCT must inform the taxpayer of the specific reasons for the audit;
- (d) If any discrepancies are identified during the audit, the DCT will issue an audit report along with a notice requiring the taxpayer to submit a revised return, supported by relevant explanations and documentary evidence;
- (e) Where the revised return aligns with the audit findings and the full tax liability is duly paid, the return will be accepted and a confirmation letter of the audit completion will be issued;
- (f) Failure to comply with the audit notice or submission of an unsatisfactory revised return may result in tax assessment under section 183 (Tax assessment by the DCT) or section 184 (Best judgment assessment);
- (g) Tax returns or revised returns must be selected for audit within 02 years from the end of the assessment year in which the return was originally filed.



## 1.25 Withholding tax returns

- (a) Government's ministries, divisions and directorates will not be required to submit withholding tax returns;
- (b) Instead of monthly, withholding tax returns will have to be submitted quarterly:



## 1.26 Limited scope for declaring undisclosed income

All previous provisions under the First Schedule of the ITA, 2023 have been repealed, and a new mechanism for voluntary disclosure of undisclosed income has been introduced, subject to the following conditions:

- (a) The full amount of due tax on the total income, including the undisclosed portion, must be paid prior to filing the return;
- (b) A penalty of 10% on the proportional tax attributable to the undisclosed income must also be paid before submitting the return;
- (c) The return must be filed within the timeframe specified under section 171;
- (d) A declaration must be submitted along with the return, clearly stating the name of the declarant, the source and amount of disclosed income, and the tax and penalty paid on the disclosed income;
- (e) Voluntary disclosure under this provision will not be permitted in the following circumstances:
  - (i) A notice under section 212 has been issued prior to filing the return, relating to concealment of income, assets, expenditures or tax evasion;
  - (ii) Any proceeding has already commenced under sections 311 to 313 before filing the tax return;
  - (iii) Any notice under section 200 has been served on a banking company before filing such return;

- (iv) The disclosed income is derived from an illegitimate source or any criminal activities under any prevailing laws;
- (v) The disclosed income is exempt from income tax.

## 1.27 Miscellaneous

- (a) 50% tax imposition on the difference between the actual import, export or investment with the declared one has been removed;
- (b) While assessing for escaped tax payment, which was previously assessed, if there is specific information that any tax payable under this Act has been evaded beyond the matters mentioned in the notice, the tax may be assessed by informing the taxpayer with prior approval from the Inspecting Additional Commissioner of Taxes;
- (c) Provisions of Double Taxation Avoidance Agreements (DTAAs) will prevail over the ITA, 2023;
- (d) Penalty for concealment of income is simplified and reduced;
- (e) Approval period for superannuation, pension, gratuity and provident funds must be at least 10 years;
- (f) When the sale value received from the transfer of land or establishment exceeds the amount declared in the registered deed, the excess amount will be treated as capital gain and taxed accordingly, subject to verification through bank statements and documentary evidence.

## 1.28 Summary of Tax Deduction at Source (TDS) and Tax Collection at Source (TCS) according to the ITA, 2023

Section & rule	Particulars	Rate*
86	Income from employment	Average rate
87	Remuneration of Members of the Parliament	Average rate
88	Deduction of tax by the Participation Fund, Welfare Fund and Worker's Welfare Foundation Fund	10%
89 & rule 3 of TDS Rules, 2024	Contractor, supplier etc.	As per <b>Annexure-A</b>
90 & rule 4 of TDS Rules, 2024	Service	As per <b>Annexure-B</b>
91	Intangible assets	10%

Section & rule	Particulars	Rate*
92	Advertising	5%
93	Actor, actress, producer, etc.	10%
94	Commission, discount, fee, etc.	<p>10% on commission, discount, fees, incentive, performance bonus, etc.</p> <p>1.5% on payment against distribution or marketing of goods of company or firm</p> <p>Sell of goods to any distributor or any other person under a contract at a price lower than the retail price, shall collect tax from such distributor or such any other person at the rate of 5% on the amount equal to <math>b \times c</math>, where:</p> <p><math>b</math> = Selling price of the company or firm to the distributor or any other person</p> <p><math>c</math> = 5%</p> <p>Provided that, the cigarette manufacturing company or firm shall collect tax @ 3% on the difference amount between the selling price to the distributor or any other person and the retail price fixed by the company or firm.</p>
95	Travel agent	0.3% on commission
96	Commission on letter of credit	5% on commission
97	Payment against local letter of credit	0.5%, 1%, 1.5%, 2% and 3% on applicable cases
98	Cellular mobile phone operator and tower sharing company	20%
99	Excess of premium paid on life insurance policy	<p>5% on excess amount of premium</p> <p>Provided that, no deduction of tax shall be made in case of death of such policy holder.</p>
100	Commission of insurance	5%
101	Fees, etc. of surveyors of general insurance company	15%
102	Interest from saving deposits and fixed deposits	<p>Trust, Association of Persons and company @ 20%</p> <p>In other cases @ 10%</p>
104	Interest income of resident (other than bank and financial institution)	10%

Section & rule	Particulars	Rate*
105	Interest on saving instruments	10%
106	Interest on securities	10%
107	Discount of the real value of Bangladesh Bank bills	Maximum rate
108	International phone call	IGW @ 1.5% ICX, ANS, BTRC and others @ 7.5%
109	Rent	10%
110	Services from convention hall, conference centre, etc.	10%
111	Compensation against acquisition of property	6% for City Corporation area, Paurashava or Cantonment board 3% for outside of the City Corporation area, Paurashava or Cantonment board area
112	Export cash subsidy	10%
114	Purchase of power	4%
115	Any sum paid by real estate developer to land owner	15%
116	Commission or remuneration paid to agent of foreign buyer	7.5%
117	Dividend (resident or non-resident Bangladeshi)	Company @ applicable rate for the company Any other person: (a) Having 12 digits TIN @ 10% (b) Without 12 digits TIN @ 15%
118	Lottery, etc.	20%
119 & rule 5 of TDS Rules, 2024	Income of non-resident	As per <b>Annexure-C</b>
120 & rule 8 of TDS Rules, 2024	Collection from importer	Shall collect tax not exceeding @ 20% 5% (general rate) 0%, 2%, 3% and 20% on certain imported goods BDT 600 per ton in case of import of certain items 0% on imported goods from Bhutan
121	Manpower export	10% on service charge or fees BDT 50,000 at the time of issuance and renewal of license

Section & rule	Particulars	Rate*
122	C&F agent's commission	10%
123	Income from export	1%
124	Income remitted from abroad in connection with any service, revenue sharing, etc.	<p>7.5% for all cases, except:            Received from freight forward agent on gross bill or gross bill including commission, on such bill amount @ 1.5%            No deduction against remittance from abroad which is:</p> <p>(a) Excluded from total income by Sixth Schedule, Part-1:</p> <ul style="list-style-type: none"> <li>(i) Subscription to religious or charitable organizations (para 12)</li> <li>(ii) Remittance earned in abroad by Bangladeshi individual (para 17)</li> <li>(iii) IT-enabled services (para 21)</li> <li>(iv) Foreign remittance earned by Bangladeshi flag carrier ocean-going ship (para 33)</li> </ul> <p>(b) Any donation or grant received by any educational or research institution</p>
125 & rule 6 of TDS Rules, 2024	Transfer of property	As per <b>Annexure-D</b>
126 & rule 7 of TDS Rules, 2024	Developer or real estate developer	As per <b>Annexure-E</b>
127	Commission and etc. for Government stamp, court fee, cartridge paper	10%
128	Lease of property	4%
129	Cigarette manufacturer (banderole)	10%
130	Brick manufacturer	<p>(a) BDT 80,000 for not more than 108000 cubic feet volume of seasonal brick field</p> <p>(b) BDT 120,000 for more than 108000 but not more than 124000 cubic feet volume of seasonal brick field</p> <p>(c) BDT 160,000 for more than 124000 cubic feet volume of seasonal brick field</p> <p>(d) BDT 220,000 for brick fields which are not mentioned in (a), (b) &amp; (c)</p>



Section & rule	Particulars	Rate*
131	For issuance and renewal of trade license	BDT 3,000 in Dhaka South & North City Corporation or Chattogram City Corporation BDT 2,000 in any other city corporation BDT 1,000 in any other paurashava at any district headquarter BDT 500 in any paurashava
132	Shipping business of a resident	5% or 3%
133	Sale by public auction	10% on selling price 1% in case of sale of tea No tax in case of sale of plot (land)
134	Collection of tax from transfer of share	15%
135	Transfer of securities	$a = (b - c) \times 15\%$ , where, a = amount of tax payable under this section b = transfer price of securities c = acquisition cost of securities
136	Transfer of shares by shareholders of stock exchange	15%
137	Member of stock exchanges	0.03%
138	Commercially plying motor vehicles	As per <b>Annexure-F</b>
139	Operations from inland ships	Each passenger BDT 125, BDT 170 and BDT 125 on applicable cases

- \* This document does not hold any legal validity. It is strongly advised to thoroughly examine the relevant Laws and Regulations for compliance and guidance;
- \* The TDS rate will apply to the transactions from 01 July 2025;
- \* **For details, please see the concerned sections and the Tax at Source Rules, 2024.**

#### ⇒ **Person responsible for payment of money [Section 140(1)]**

- (a) In the case of any payment considered as income under the category of “Income from employment”, the employer or in cases where the employer is a local authority, company or institution, such authority, company or institution and their principal officers shall also be included;
- (b) In the case of any payment under the category of “Income from financial assets”, the issuing organization, company or any other institution of such financial assets or the principal officers of such organization, company or institution;
- (c) In the case of any other payment considered as taxable income under this Act or in the case of any payment where tax deduction or collection at source is applicable under

Part-7 of the Act, the payer himself or if the payer is a company or other institution, their principal officer shall also be included.

### ⇒ Specified person means [Section 140(3)]

- (a) Any company, firm, Association of Persons, trust or fund;
- (b) Public-Private Partnership;
- (c) Any foreign contractor, foreign enterprise or association or organization established outside of Bangladesh;
- (d) Any hospital, clinic or diagnostic centre;
- (e) Any e-commerce platform not being any other specific persons, called by whatever name, having an annual turnover exceeding BDT 10 million;
- (f) Hotel, resort, motel, restaurant, convention centre, community centre, transport agency having annual turnover exceeding BDT 10 million;
- (g) Any person except a farmer involved in the production and supply of tobacco leaves, cigarettes, bidi, jorda, gul and any other tobacco-related products.

## Annexure-A

### Deduction from the payment to contractor, supplier etc. [Section 89]

Where any payment is to be made by a specified person to a resident on account of below mentioned reasons:

- (a) Execution of a contract, other than a contract for providing service or supply as mentioned in any other section of Part 7 of the Act;
- (b) Supply of goods;
- (c) Manufacture, process or conversion;
- (d) Printing, packaging or binding.

Then, the person responsible for making the payment shall, at the time of making payment or credit, deduct tax on the base value, not exceeding 10%.

### Deduction of tax from payment to contractors, etc. [Rule 3 of TDS Rules, 2024]

- (1) Under section 89, the tax shall be deducted at source on any amount of the base value at the rate specified in the table below:

**Table**

Sl.	Description	Rate
1	In case of industrial establishment engaged in production of MS billet and locally purchased MS scrap	0.5%
2	In case of oil supplied by oil marketing companies engaged in marketing petroleum oil and lubricants	0.6%
3	In case of oil supplied by dealers or agents of petroleum oil marketing companies	1%

Sl.	Description	Rate
4	In case of supply of paddy, rice husk, rice, wheat, potato, livestock, fish, meat, onion, garlic, peas, chickpea, lentil, ginger, turmeric, dry chili, pulse, maize, flour, corn flour, salt, edible oil, sugar, seeds, jute stick, mustard, sesame, raw tea leaves, black pepper, cardamom, cinnamon, clove, bay leaf and jute	0.5%
5	In case of supply of cotton and yarn	1%
6	In case of supply of all types of fruits	2%
7	In case of sub-contracts provided by 100% export-oriented garment industries	1%
8	In case of industrial establishment engaged in manufacturing cement, iron or iron product, ferroalloy product other than MS billet	2%
9	In case of supply of oil by a company engaged in oil refinery activities	1.5%
10	In case of company engaged in gas transmission	3%
11	In case of company engaged in gas distribution	0.6%
12	In case of supply of 33 KV to 500 KV Extra High Voltage Power Cable manufactured by a company at local stage that has its own Vertical Continuous Vulcanization line	3%
13	In case of supply of book to a person other than the government, any government authority, corporation or body of the government and including all of its attached and subordinate offices	3%
14	For supply of recycled lead	3%
15	In case of supply of raw materials used for industrial production	3%
16	In case of supply of raw materials used in the recycling industry	1.5%
17	In case of manufacturing, processing or conversion, civil works, construction, engineering, or any other similar activities	5%
18	In case of supply of tobacco-based raw materials to the cigarette, bidi, jarda, and gul industries	10%
19	(a) In case of supply of all goods that were not specified in serial no. 1 to 18 of the table (b) In all other cases mentioned in section 89	5%

Provided that, deduction of tax at source shall not be applicable in respect of supply of oil or gas by petrol pump or CNG station.

- (2) Where tax had been paid under section 120 against any imported goods and such imported goods have been supplied, then the tax to be deducted at source would be determined by (b-a), where:

a = The amount of tax paid for the imported goods under section 120;

b = If the tax had not been paid for the imported goods under section 120, then the tax to be deducted at source under section 89.

- (3) Where any goods are supplied for which tax had been paid at source under section 94, then the amount of tax to be deducted at source would be determined by (b-a), where:

a = The amount of tax paid under section 94;

b = If the tax had not been paid for the goods under section 94, then the tax is to be deducted at source under section 89.

Provided that, in case of goods supplied by any distributor or any other person under a contract as mentioned in section 94, the term “b” as mentioned in this sub-rule shall be computed as follows:

$$b = \{\text{selling price of the product by a company to the distributor or any other person under section 94}\} \times 5\% \times 10\%$$

- (4) Upon verifying that the payee or the payee’s income, subject to tax at source under this rule, is exempted from tax or subject to a reduced tax rate in a given income year, the Board may issue a certificate allowing payments to be made to the payee without any tax deduction or with deduction at a reduced rate, as appropriate.

## Annexure-B

### Deduction from the payment of service [Section 90]

If a specified person pays a specified amount to a resident for any service, the person responsible for making the payment shall deduct tax at the time of making payment at a specified rate that does not exceed 20%.

### Deduction from the payment of service [Rule 4 of TDS Rules, 2024]

- (1) Under section 90, if a specified person pays a specified amount to a resident for any service, the person responsible for making the payment shall deduct tax at the time of making payment at the rate specified in the table below:

Table

Sl.	Description of service and amount of payment		Rate
1	Advisor or consultant	Individual Other than individual	15% 7.5%
2	Professional service	Individual Other than individual	15% 7.5%
3	Technical services, technical know-how or technical assistance fees		10%
4	(a) Catering (b) Cleaning (c) Collection and recovery agency (d) Private security (e) Manpower supply (f) Creative media (g) Public relation (h) Event management (i) Training, workshop etc. management (j) Courier service (k) Packing and shifting (l) Any other service of similar nature	On commission or fee On gross bill amount	10% 2%

Sl.	Description of service and amount of payment		Rate
5	Print and electronic media agency service	On commission or fee On gross bill amount	10% 0.65%
6	Indenting commission		7.5%
7	Meeting fees, training fees or honorarium		10%
8	Mobile network operator		12%
9	Credit rating agency		10%
10	Motor garage or workshop		8%
11	Private container port or dockyard		8%
12	Shipping agency commission		8%
13	Stevedoring/berth operator/terminal operator/ ship handling operator	On commission or fee On gross bill amount	10% 5%
14	(a) Transport service, vehicle rent, carrying service and repair & maintenance service (b) Ride sharing service, working space providing service, accommodation providing service including any kind of sharing economy platform		5%
15	Wheeling charge for electricity transmission		3%
16	Internet service		5%
17	Agent, distributor, agency or channel partner or called by whatever name of mobile financial service provider		10%
18	On gross bill with or without commission paid for freight forwarder		1.5%
19	Any other service not described in serial no. 1 to 18 which is not deductible of tax under any other section of the Act		10%

Provided that,

- If any service provided by bank, insurance, financial institution or any institution providing mobile financial service other than those are mentioned in serial no. 1 to 18 of the table, the deduction of tax under this rule shall not be applicable;
- If serial numbers 4, 5 and 13 of the table show both commission or fee and gross bill, then the amount of tax shall be paid, the higher of between 'a' and 'b', when:

'a' means the tax calculated on commission or fee by applying the relevant rate as mentioned in the table above;

'b' means the tax calculated on the total bill by applying the relevant rate as mentioned in the table above;

- Upon verifying that the payee or the payee's income, subject to tax at source under this rule, is exempted from tax or subject to a reduced tax rate in a given income year, the Board may issue a certificate allowing payments to be made to the payee without any tax deduction or with deduction at a reduced rate, as appropriate.

## Annexure-C

### Deduction or collection of tax from income of non-residents [Section 119 and rule 5 of TDS Rules, 2024]

- (1) Subject to the provision of section 119, where the specified person or any other person responsible for making payment to a non-resident of any amount which constitutes the income of such non-resident chargeable to tax under this Act shall, unless such person is himself liable to pay tax thereon as agent, the payer at the time of making such payment, deduct or collect tax at the rate specified in the table below, namely:

**Table**

Sl.	Description of payment		Rate
1	Advisor or consultant	Individual Other than individual	20% 10%
2	Pre-shipment inspection		20%
3	Professional service	Individual Other than individual	20% 10%
4	Technical services, technical know-how or technical assistance fees		20%
5	Architecture, interior design or landscape design, fashion design or process design		20%
6	Certification, rating etc.		20%
7	Satellite, airtime or rent for use of frequency or any other expense/rent for channel broadcast		20%
8	Legal service		20%
9	Management service including event management		20%
10	Commission		20%
11	Royalty, license fee or payment related to intangibles assets		20%
12	Interest		20%
13	Advertisement broadcasting		20%
14	Advertisement making or digital marketing		15%
15	Water transport or air transport except the areas mentioned in section 259 and section 260		7.5%
16	Manufacturing, process or conversion, civil work, construction, engineering or any other similar work by the contractor, sub-contractor and sub-sub-contractor		7.5%
17	Supply of goods		7.5%
18	Capital gain		15%
19	Insurance premium		10%
20	Rent of machinery, equipment etc.		15%
21	Dividend	(a) Received by the company, fund and trust (b) Received by any other person except for a company, fund and trust	20% 30%

Sl.	Description of payment	Rate
22	Artist, singer or player	30%
23	Salary or remuneration	30%
24	Exploration or drilling in petroleum operations	5.25%
25	Survey for coal, oil or gas exploration	20%
26	Fees, etc. of surveyor of general insurance company	5.25%
27	Any service for making connectivity between oil or gas field and its export point	5.25%
28	Bandwidth payment	10%
29	Courier service	15%
30	Any other payment	20%

Provided that, when any capital gain arises from the transfer of any share of a company, the person or the authority, as the case may be, responsible for effecting the transfer of shares shall not give any effect in respect of such transfer if tax on such capital gain has not been paid.

- (2) Where the Board, being satisfied on the basis of the application received with the necessary documents for this purpose, issues a certificate within 30 days of the receipt of the application to the effect that a non-resident shall not be liable to pay any tax in Bangladesh by reason of tax treaty or otherwise or to pay tax at a reduced rate, in that case, the payment referred to in sub-rule (1) shall be made without deduction of tax or with deduction of tax at a reduced rate.
- (3) Deduction of tax under this rule in respect of foreign expense or payment as described below shall not apply, namely:
  - (a) Any payment to any government authority of a foreign state;
  - (b) Payment made as subscription fees to any internationally recognized professional body;
  - (c) Expenses of liaison office or branch office;
  - (d) Tuition fees verified by the Authorized Dealer (AD) and in accordance with the Bangladesh Bank's Guidelines for Foreign Exchange Transactions;
  - (e) International marketing expenses and product development expenses;
  - (f) Security deposit of any kind;
  - (g) Arbitration fee;
  - (h) Amount remitted out for Hajj;
  - (i) Amount related to priority pass.

## Annexure-D

### Collection of tax on transfer of property [Section 125 and rule 6 of TDS Rules, 2024]

- (1) In the context of collecting tax under section 125, no registration officer authorized for the registration of deeds under clauses (b), (c) or (e) of sub-section (1) of section 17 of the Registration Act, 1908, shall register any deed document unless the property transferor submits, along with the application for registration, a copy of the pay order as evidence of payment of tax at the prescribed rates mentioned in the following table, namely:

Table-1

Sl.	Mauza	Tax rate of Class-A	Tax rate of Class-B	Tax rate of Class-C	Tax rate of Class-D	Tax rate of Class-E	Tax rate of Class-F
1	All mauzas under Gulshan, Banani, Motijheel and Tejgaon police stations of Dhaka district	5% of the deed value or BDT 900,000 per decimal, whichever is higher	5% of the deed value or BDT 350,000 per decimal, whichever is higher	5% of the deed value or BDT 900,000 per decimal, whichever is higher	5% of the deed value or BDT 350,000 per decimal, whichever is higher	5% of the deed value or BDT 500,000 per decimal, whichever is higher	5% of the deed value or BDT 300,000 per decimal, whichever is higher
2	All mauzas under Dhanmondi, Wari, Tejgaon industrial area, Shahbagh, Ramna, Paltan, Bangshal, Newmarket and Kalabagan police stations of Dhaka district	5% of the deed value or BDT 650,000 per decimal, whichever is higher	5% of the deed value or BDT 300,000 per decimal, whichever is higher	5% of the deed value or BDT 650,000 per decimal, whichever is higher	5% of the deed value or BDT 300,000 per decimal, whichever is higher	5% of the deed value or BDT 300,000 per decimal, whichever is higher	5% of the deed value or BDT 200,000 per decimal, whichever is higher
3	All mauzas under Kafrul, Mohammadpur, Sutrapur, Jatrabari, Uttara Model, Cantonment, Chawkbazar, Kotwali, Lalbagh, Khilgaon, Shyampur and Gandaria police stations of Dhaka district	5% of the deed value or BDT 400,000 per decimal, whichever is higher	5% of the deed value or BDT 175,000 per decimal, whichever is higher	5% of the deed value or BDT 400,000 per decimal, whichever is higher	5% of the deed value or BDT 175,000 per decimal, whichever is higher	5% of the deed value or BDT 175,000 per decimal, whichever is higher	5% of the deed value or BDT 85,000 per decimal, whichever is higher
4	All mauzas under Khilkhet, Airport, Uttara West, Mugda, Rupnagar, Bhashantek, Badda, Pallabi, Bhatara, Shahjahanpur, Mirpur Model, Darus Salam, Dakshinkhan, Uttarkhan, Turag, Shah Ali, Sabujbagh, Kadmatiali, Kamrangirchar, Hazaribagh, Demra and Adabar police stations of Dhaka district and Sadar police station of Narayanganj district	5% of the deed value or BDT 350,000 per decimal, whichever is higher	5% of the deed value or BDT 150,000 per decimal, whichever is higher	5% of the deed value or BDT 350,000 per decimal, whichever is higher	5% of the deed value or BDT 150,000 per decimal, whichever is higher	5% of the deed value or BDT 150,000 per decimal, whichever is higher	5% of the deed value or BDT 75,000 per decimal, whichever is higher



Sl.	Mauza	Tax rate of Class-A	Tax rate of Class-B	Tax rate of Class-C	Tax rate of Class-D	Tax rate of Class-E	Tax rate of Class-F
5	All mauzas under Khulshi, Panchlaish, Pahartali, Halishahar and Kotwali police stations of Chattogram district; Sonargaon, Fatulla, Siddirganj, Bandar police stations of Narayanganj district and Sadar, Bashan, Konabari, Gacha, Tongi East and Tongi West police stations of Gazipur district	3% of the deed value or BDT 175,000 per decimal, whichever is higher	3% of the deed value or BDT 70,000 per decimal, whichever is higher	3% of the deed value or BDT 175,000 per decimal, whichever is higher	3% of the deed value or BDT 70,000 per decimal, whichever is higher	3% of the deed value or BDT 70,000 per decimal, whichever is higher	3% of the deed value or BDT 35,000 per decimal, whichever is higher
6	All mauzas under Dohar, Nawabganj, Keraniganj, Savar and Dhamrai police stations of Dhaka district; Akbar Shah, EPZ, Karnaphuli, Chawkbazar, Chandgaon, Doublemooring, Potenga, Panchlaish, Bandar, Baklia, Bayezid Bostami and Sadarghat police stations of Chattogram district; Joydevpur and Kaliganj police stations of Gazipur district; Rupganj and Arai-hajar police stations of Narayanganj district	3% of the deed value or BDT 125,000 per decimal, whichever is higher	3% of the deed value or BDT 60,000 per decimal, whichever is higher	3% of the deed value or BDT 125,000 per decimal, whichever is higher	3% of the deed value or BDT 60,000 per decimal, whichever is higher	3% of the deed value or BDT 60,000 per decimal, whichever is higher	3% of the deed value or BDT 30,000 per decimal, whichever is higher
7	All mouzas not included under serial numbers 1 to 6, but located within all City Corporations except Dhaka South, Dhaka North, Chattogram, Narayanganj, and Gazipur City Corporations, as well as any other development authorities and all municipalities situated in district headquarters	3% of the deed value or BDT 100,000 per decimal, whichever is higher	3% of the deed value or BDT 50,000 per decimal, whichever is higher	3% of the deed value or BDT 100,000 per decimal, whichever is higher	3% of the deed value or BDT 50,000 per decimal, whichever is higher	3% of the deed value or BDT 50,000 per decimal, whichever is higher	3% of the deed value or BDT 25,000 per decimal, whichever is higher

**Table-2**

Sl.	Mauza	Rate of tax
1	All mouzas under any other municipality not included in Table-1	2% of the deed value or BDT 10,000 per decimal, whichever is higher
2	All mauzas under all Upazilas (except municipality) not included in serial no. 1 of Table-2 and Table-1	2% of the deed value or BDT 500 per decimal, whichever is higher

- (2) If there is any establishment, house, flat, apartment or floor space on the land registered under sub-rule (1), additional tax shall be applicable at the rate prescribed in the table below, namely:

**Table-3**

Sl.	Description	Rate of tax
1	In respect of establishment, house, flat, apartment or floor space situated on land mentioned in Class-A to Class-D	BDT 800 per square meter or 8% of the deed value of the said establishment, house, flat, apartment or floor space, whichever is higher
2	In the case of establishment, house, flat, apartment or floor space situated on land mentioned in Class-E and in respect of establishment, house, flat, apartment or floor space situated on the land of mauzas mentioned in serial no. 1 of Table-2	BDT 500 per square meter or 6% of the deed value of the said establishment, house, flat, apartment or floor space, whichever is higher
3	In any other cases	BDT 300 per square meter or 6% of the deed value of the said establishment, house, flat, apartment or floor space, whichever is higher

- (3) In the absence of a clear description of the nature of the land or establishment, house, flat, apartment or floor space, whether residential, commercial or industrial in the remarks column of every document, the tax under this rule shall be deemed not to have been properly collected.
- (4) Deduction of tax under this rule shall be applicable in case of registration of deed of transfer of any land or establishment, house, flat, apartment or floor space by the Government or any statutory public authority.
- (5) The collection of tax under this rule shall not be applicable in the following cases, namely:
- Registration of mortgage deed if any land or establishment, house, flat, apartment or floor space is mortgaged;
  - Registration of a deed of transfer of any land or establishment, house, flat, apartment or floor space by the United Nations or its offices or any foreign diplomat or mission;
  - Registration of no-claim deed that does not extinguish ownership;
  - Registration of deed of partition;

- (e) Registration of deed of waqf or endowment donation;
  - (f) Registration of deed without any consideration in exchange, such as: donation, will, endowment or exchange.
- (6) In areas under city corporations, municipalities and cantonment boards, registration of sale or transfer deed or bainanama or power of attorney relating to land, establishment, house, flat, apartment or floor space will not be completed without Proof of Submission of Return (PSR) by both seller and receiver.
- (7) Each pay order submitted under this rule shall be deposited into the Government treasury through separate A-Challan as per the following table, namely:

Sl.	Time of collection of pay order	Time for depositing through A-Challan
1	From the first week of July of the fiscal year to the third week of June	By the first working day of the week following the week it was collected
2	The last week of June of the fiscal year	By the next working day after the day, it was collected
3	The last working day of June of the fiscal year	By the last working day of June of the fiscal year

- (8) For the purpose of this rule:
- (a) “A-Class” means the commercial plot areas under the jurisdiction of the Rajdhani Unnayan Kartripakkha, Chattogram Unnayan Kartripakkha, Gazipur Unnayan Kartripakkha, National Housing Authority, Public Work Department and Cantonment Board;
  - (b) “B-Class” means the residential plot areas under the jurisdiction of the Rajdhani Unnayan Kartripakkha, Chattogram Unnayan Kartripakkha, Gazipur Unnayan Kartripakkha, National Housing Authority, Public Work Department and Cantonment Board;
  - (c) “C-Class” means the commercial plot areas established by developers or real estate developers, not under the jurisdiction of Rajdhani Unnayan Kartripakkha, Chattogram Unnayan Kartripakkha, Gazipur Unnayan Kartripakkha, National Housing Authority, Public Work Department and Cantonment Board;
  - (d) “D-Class” means the residential plot areas established by developers or real estate developers, not under the jurisdiction of Rajdhani Unnayan Kartripakkha, Chattogram Unnayan Kartripakkha, Gazipur Unnayan Kartripakkha, National Housing Authority, Public Work Department and Cantonment Board;
  - (e) “E-Class” means all industrial plots;
  - (f) “F-Class” means the area other than “A-Class”, “B-Class”, “C-Class”, “D-Class” and “E-Class”.

## Annexure-E

### Collection of tax from real estate or land developer [Section 126 and rule 7 of TDS Rules, 2024]

- (1) In the context of collecting tax under section 126, no registration officer authorized for the registration of deeds under the provision of the Registration Act, 1908, shall register any deed document unless the developer or real estate developer submits, along with the application for registration, a copy of the pay order as evidence of payment of tax at the prescribed rates mentioned in the following table, namely:

**Table-1**

Amount in BDT

Sl.	Mauza	Tax rate (per square meter) applicable to building or apartment of residential purpose	Tax rate (per square meter) applicable to building or apartment of commercial purpose
1	All mauzas under Gulshan, Banani, Motijheel and Tejgaon police stations of Dhaka district	1,600	6,500
2	All mauzas under Dhanmondi, Wari, Tejgaon industrial area, Shahbagh, Ramna, Paltan, Bangshal, Newmarket and Kalabagan police stations of Dhaka district	1,500	5,000
3	All mauzas under Khilkhet, Kafrul, Mohammadpur, Sutrapur, Jatrabari, Uttara Model, Cantonment, Chawkbazar, Kotwali, Lalbagh, Khilgaon, Shyampur, Gandaria police stations of Dhaka district	1,400	4,000
4	All mauzas under Airport, Uttara West, Mugda, Rupnagar, Bhashantek, Badda, Pallabi, Bhatara, Shahjahanpur, Mirpur Model, Darus Salam, Dakshinkhan, Uttarkhan, Turag, Shah Ali, Sabujbagh, Kadmatoli, Chawkbazar, Kamrangirchar, Kotwali, Lalbagh, Hazaribagh, Demra and Adabar police stations of Dhaka district; Khulshi, Panchlaish, Pahartali, Halishahar and Kotwali police stations of Chattogram district; Sadar, Basan, Konabari, Gacha, Tongi East, Tongi West, Joydevpur and Kaliganj police stations of Gazipur district and Sadar, Fatulla, Siddirganj, Bandar, Rupganj and Sonargaon police stations of Narayanganj district	1,300	3,500

Sl.	Mauza	Tax rate (per square meter) applicable to building or apartment of residential purpose	Tax rate (per square meter) applicable to building or apartment of commercial purpose
5	All mauzas under Dohar, Nawabganj, Keraniganj, Savar and Dhamrai Upazilas of Dhaka district; Akbar Shah, EPZ, Karnaphuli, Chawkbazar, Chandgaon, Doublemooring, Patenga, Panchlaish, Bandar, Baklia, Bayezid Bostami and Sadarghat police stations of Chattogram district; Araihasar police station of Narayanganj district and City Corporations other than Dhaka South, Dhaka North, Chattogram, Narayanganj and Gazipur City Corporations	700	2,000
6	All such areas not mentioned in serial no. 1, 2, 3, 4 and 5	300	1,000

- (2) Any person responsible for the registration of documents under the provision of the Registration Act, 1908 in respect of the collection of tax at source under section 126, any land belonging to a building or apartment constructed by a developer or real estate developer, shall register any transfer deed of land developed by a developer or real estate developer, unless the developer or real estate developer encloses with the application for registration a copy of the pay order as proof of payment of tax at the rates prescribed in the table below, namely:

Sl.	Name of area	Rate of tax
1	Dhaka, Gazipur, Narayanganj, Munshiganj, Manikjang, Narshingdi and Chattogram district	5% of the deed value
2	Any other district	3% of the deed value

- (3) Deduction of tax under this rule shall be applicable in case of registration of deed of transfer of any land or establishment, house, flat, apartment or floor space by the Government or any statutory public authority.
- (4) In areas under city corporations, municipalities and cantonment boards, registration of sale or transfer deed or bainanama or power of attorney relating to land, establishment, house, flat, apartment or floor space will not be completed without Proof of Submission of Return (PSR) by both seller and receiver.
- (5) Under this rule, during the period of income tax collection, tax shall be collected in accordance with sub-rule (1) of rule 6:

Provided that tax shall not be collected under sub-rule (2) of rule 6.

- (6) Each pay order submitted under this rule shall be deposited into the Government treasury through separate A-Challan as per the following table, namely:

Sl.	Time of collection of pay order	Time for depositing through A-Challan
1	From the first week of July of the fiscal year to the third week of June	By the first working day of the week following the week it was collected
2	The last week of June of the fiscal year	By the next working day after the day, it was collected
3	The last working day of June of the fiscal year	By the last working day of June of the fiscal year

## Annexure-F

### Collection of tax from motor vehicles plying commercially [Section 138]

Amount in BDT

Sl.	Type of vehicle	Advance tax
1	Bus having seats exceeding 52	25,000
2	Bus having seats not exceeding 52	20,000
3	Air-conditioned bus	50,000
4	Double decker bus	25,000
5	Air Conditioned (AC) minibus/coaster	25,000
6	Non-AC minibus/coaster	12,500
7	Prime mover	35,000
8	Truck, lorry or tank lorry having payload capacity exceeding 05 ton	30,000
9	Truck, lorry or tank lorry having payload capacity exceeding 1.5 ton but not exceeding 05 ton	15,000
10	Truck, lorry or tank lorry having payload capacity not exceeding 1.5 ton	7,500
11	Pickup van, human hauler, maxi or auto rickshaw	7,500
12	Air-conditioned taxicab	15,000
13	Non-AC taxicab	7,500



**ACNABIN**  
Chartered Accountants

**bakertilly**  
NETWORK MEMBER

# 2

## VAT AND SUPPLEMENTARY DUTY



## 2.1 Definitions

### 2.1.1 Appeal Tribunal

Appeal Tribunal has been defined as the “Customs, Excise and VAT Appeal Tribunal” constituted under section 225 of the Customs Act, 2023.

### 2.1.2 Electronic service

- (a) The word “event” has been replaced by “program” to ensure congruence with the remaining text;
- (b) The word “sports” has been replaced by “games” to ensure congruence with the remaining text.

### 2.1.3 Tax period

A new provision has been inserted in the definition of tax period. As per the newly inserted provision, the tax period for the construction companies, procurement providers, and clearing & forwarding agents will be semi-annual, ending on 30 June and 31 December. However, this provision shall not apply if the above-mentioned VAT payers are VAT withholding entities.

### 2.1.4 Registration threshold

It has been clarified that the registration threshold will not be applicable for entities required to take VAT registration irrespective of turnover under section 4(2) of the VAT & SD Act, 2012.

### 2.1.5 Declaration of goods

A new sub-clause 60a has been inserted in section 2 of the VAT & SD Act, 2012. As per the newly inserted sub-clause, declaration of goods means the declaration of goods as defined in section 2(31) of the Customs Act, 2023.

### 2.1.6 Bill of Entry

This sub clause has been deleted as the Customs Act, 2023 has not adopted the term “Bill of Entry”. Instead of “Bill of Entry”, “declaration of goods” has been brought about in the VAT and SD Act, 2012 to ensure alignment with the provisions of the Customs Act, 2023.

### 2.1.7 Value

Similarity has been brought in using terms/words to define “value” to ensure consistency with those mentioned in section 28 of the VAT & SD Act, 2012 regarding the VAT imposable value of imported goods.

### 2.1.8 Customs Act

“Customs Act” has been defined as the Customs Act, 2023 (Act No. 57 of 2023) or any rule made or any order issued thereunder.

### 2.1.9 Joint venture for property development

This sub clause has been deleted since related provisions have also been deleted from the VAT & SD Act, 2012 earlier.



### 2.1.10 Decreasing adjustment

VAT payers have got option to claim decreasing adjustment for any VAT paid before obtaining VAT registration.

## 2.2 Collection of Advance Tax (AT) at import stage

- In the case of manufacturers, the rate of Advance Tax (AT) at import stage has been reduced from 3% to 2%;
- In the case of commercial importers, the rate of Advance Tax (AT) at import stage has been increased from 5% to 7.5%;
- Timeline to claim decreasing adjustment in VAT return for AT paid at import stage has been increased from 04 tax periods to 06 tax periods after the tax period in which the said AT is paid;
- If the amount of value addition at local stage does not exceed by 50%, commercial importers (paying AT @ 7.5%) are not required to pay VAT at the time of selling the imported goods given that the importers will issue tax invoices in prescribed manner.

## 2.3 Provisions for claiming input tax credit

- (a) Previously input tax credit was required to be claimed in the tax period of purchasing or collecting inputs by tax invoices or bill of entry and in next 04 tax periods. Now input tax credit is to be claimed in the tax period of purchasing or collecting inputs by tax invoice or declaration of goods and in next 06 tax periods;
- (b) In the case of claiming input tax credit against goods cleared from customs authority by providing bank guarantee, the timeline to count the 06 tax periods shall be the date of encashing the bank guarantee or the date of final settlement of taxes and duties, whichever is later;
- (c) In the case of supply of service, inapplicability of submission of form Mushak-4.3 (input output co-efficient) has been specifically mentioned.

## 2.4 Partial input tax credit

Provisions regarding claim of partial input tax credit have been simplified by replacement of previous provisions. An entity who supplies goods and services adopting standard rate and zero rate and also adopting specific amount of VAT or reduced rate or VAT exemption facility will initially claim full input tax credit for the VAT paid on all the inputs. After the end of the tax period, it will make increasing adjustment for the input tax paid on all of the inputs used for production of goods or services adopting reduced rate, specific amount of VAT and VAT exemption.

## 2.5 Additional scope of claiming decreasing adjustment

VAT payers have got option to claim decreasing adjustment for any VAT paid before obtaining VAT registration.

## 2.6 Non-deduction of VAT at source

The facility of inapplicability of VAT and non-deduction of VAT at source on appointment of subcontractors, agents and other service renderers for delivering a part of the whole service under a project has been restricted to the first tier of subcontractors, agents, and other service rendering persons only.

## 2.7 Timeline for claiming decreasing adjustment for VAT deducted at source

Previously decreasing adjustment could be claimed in the period of receiving payment of consideration and next 03 tax periods. Now, this period has been extended up to 06 tax periods.

## 2.8 Timeline for filing VAT return

Previously all registered entities were required to file VAT returns for a month within the 15<sup>th</sup> day of next month. From now, the last date for submission of VAT return for Government, Semi-government or autonomous bodies, banks, insurance and persons or entities filling zero return is the 20<sup>th</sup> day following the end of the relevant month.

## 2.9 Decreasing adjustment for excess VAT paid

Excess VAT paid can be adjusted in any of the next 06 VAT returns. Previously, the tenure for such adjustment was 01 month.

## 2.10 Delegation of power to Assistant Revenue Officer

With written permission from the Divisional officer, Assistant Revenue Officer would be able to inspect, collect information, examine sales of the VAT payers within the jurisdiction of their regional area and perform any other duty as may be delegated by the Divisional Officer.

## 2.11 Provisions related to penalty exposure for non-compliance

Sl.	Particulars	Previous	New	Impact
1	Non-compliance for not filing the VAT or turnover tax return within the prescribed time period	BDT 5,000	BDT 2,000	Encourage voluntary compliance
2	Irregularities for taking more input tax credit than entitlement in the return	50%-100% of the amount of input tax credit irregularly taken	30%-50% of the amount of input tax credit irregularly taken	
3	Failure to comply with the provisions of sections 51, 53, 64, and 107 regarding maintenance of VAT documents in the case of supply of exempted goods	BDT 100,000	BDT 25,000	

## 2.12 Some of the words in the VAT and SD Act, 2012 have been reworded

Sl.	Section	Previous	New
1	57(c)	Retail price	Maximum retail price
2	69(1)(c)	Commissioner	Commissioner or Director General
3	71(1)(b)	Mission	Mission or international organization
4	91(5)(d)	Bill of Entry	Declaration of goods
5	122,123 & 124	Appellate Tribunal	Appeal Tribunal
6	122	Customs, Excise and VAT Appellate Tribunal	Customs, Excise and Value Added Tax Appeal Tribunal

## 2.13 Payment of arrear tax by installments

The maximum period for payment of outstanding tax in installments has been extended from 12 months to 18 months.

## 2.14 Maintenance of VAT records and accounts

A registered person may preserve VAT documents, accounts and other records in its Enterprise Resource Planning (ERP) software or in any VAT software approved by the National Board of Revenue ensuring security of data/information.

## 2.15 Amendment in timeline for disposal of appeal by the Commissioner (Appeal)

The Government may extend the time limit for disposal of appeals by the Commissioner (Appeal) due to natural calamity, epidemic, natural disaster or war.

## 2.16 Omission of power of the Board for allowing tax exemption

Power of the National Board of Revenue for providing tax exemption benefit by issuing special order has been omitted.

## 2.17 Interest on irregularities for taking more input tax credit than entitlement

1% per month interest will be charged on the amount of irregularities for taking more input tax credit than entitlement.

## 2.18 First Schedule (Schedule of goods and services exempt from VAT)

### 2.18.1 First Schedule (Part-1)

An entry under the Heading no. 14.01 has been replaced under Part-1 of the Schedule and consequently shawl leaves, betel leaves, banyan leaves, jackfruit leaves, siali leaves, sisal leaves, sabai grass have come under the scope of exemption.

### 2.18.2 First Schedule (Part-2)

(a) "Day labourer" has been included in the list of services exempt from VAT, while "Human resource supplier or management organization" has also been added to the exception under clause (a) of Paragraph 06 (i.e. personal service) and thereby this service has been clarified to be taxable;

- (b) “Service rendered by an employee to his employer” has been inserted in the list of exemptions under clause (e) of Paragraph 06 (i.e. personal service). Hence, the ambiguities on non-applicability of VAT on the services rendered by an employee to his employer have been removed;
- (c) “Land developer organization and real estate organization” remains a taxable service as earlier. However, sale or transfer of buildings and its registration by others have been included in the list of exemptions by replacing clause (f) of Paragraph 07 (i.e. other services).

## 2.19 Second Schedule (Schedule of supplementary duty rates)

Supplementary Duty (SD) rates under different heading nos. have been increased, decreased, newly introduced and withdrawn. Some important items of the same are described as below and details of the changes have been provided in **Annexure-G** to this summary.

- SD on other fresh fruits (all H.S. Codes under heading no. 08.10) has been increased from 20% to 30%;
- SD on water including mineral waters and aerated waters containing added sugar of other sweetening matter or flavoured under H.S. Code 2202.10.00 has been decreased from 150% to 100%;
- SD on unmanufactured tobacco, tobacco refuse (all H.S. Codes under heading no. 24.01) has been increased from 60% to 100%;
- SD on imported cigarette paper whether or not cut to size or in the form of booklets or tubes (all H.S. Codes under heading no. 48.13) has been increased from 150% to 300%;
- SD on all types of Ice cream (all H.S. Codes under heading no. 21.05) has been decreased from 10% to 5%;
- SD on OTT platform under Service Code S082.00 has been newly introduced @10% at service stage under Table-3 of the Schedule.

Changes in the Second Schedule of the VAT and SD Act, 2012 will be effective immediately.

## 2.20 Third Schedule (Schedule of reduced VAT rate and specific amount of VAT)

Reduced VAT rate/specific amount of VAT under different Heading numbers have been increased, inserted and withdrawn. Some important items of the same are described as below and detailed of the changes have been provided in **Annexure-H**.

In addition, the rates of VAT on some services have been increased under different tables and paragraphs of the Third Schedule as mentioned below:

- (a) Service Code S099.60 (Sale of goods online) has been withdrawn from Paragraph-B of Table-1 resulting in imposition of standard VAT rate of 15% on “Sale of goods online” instead of previous reduced rate of 5%;
- (b) Service Code S004.00 (Construction contractor) has also been withdrawn from Paragraph-B of Table-2 and subsequently inserted in paragraph-B of Table-3. As a result, the rate of VAT on construction contractor has been increased from 7.5% to 10%. However, the rate would remain as 7.5% for construction contracts signed before 30 June 2025.

## 2.21 VAT and SD Rules, 2016 (SRO no. 158 of 2025 and further amended by SRO no.271 of 2025)

Sl.	Change in	Particulars
1	Rule 12	Previously, every registered entity was required to report any change in its economic activities to the VAT authority immediately. Now, the entities are required to report the same to VAT authority within 15 days.
2	Rule 20	The limit for providing sample of taxable supply of goods/ services has been increased from BDT 20,000 to BDT 50,000.
3	Rule 24	Rule 24(c)(2) has been deleted. Now, VAT and SD (fair market value determination) Rules, 2019 is not applicable for the disposal of wastage or byproducts.
4	Rule 27	Rules regarding allowance of input tax credit in proportion of different types of revenue have been abolished since the related provisions have also been deleted from VAT and SD Act, 2012.
5	Rule 40	VAT registered persons can preserve purchase register (i.e. form Mushak-6.1), sales register (i.e. form Mushak-6.2) and purchase and sales register (i.e. form Mushak-6.2.1) in their Enterprise Resource Planning (ERP) software system or in NBR approved VAT software.
6	Rule 40(f)(ii)	Previously, as per Rule 40(f)(ii), a registered person had to deposit the amount of VAT Deducted at Source (VDS) to the government exchequer separately. Now, a registered person must make an increasing adjustment to the VAT liability in the VAT return for the VDS amount. In addition, 03 copies of VDS certificates have to be issued by the withholding entity. One copy needs to be submitted to the VAT authority within next 03 working days of submission of the VAT return, one copy has to be provided to the service provider and the other copy needs to be preserved in the office premise of the VAT payers for 05 years.
7	Rule 45	Rule 45 of the VAT and SD Rules, 2016 has been replaced. As per changes in Rule 45, exporters are no longer required to apply in form Mushak-7.1 to the VAT Commissioner to make decreasing adjustments of supplementary duty. Rather, exporters have to make decreasing adjustment for Supplementary Duty (SD) in VAT return within 06 months from the date the goods are exported or loaded onto a ship, aircraft or other carrier for export, subject to submission of some documents to VAT authority as mentioned in Rule 45. However, if decreasing adjustment cannot be made within first 06 months, exporters may still apply for decreasing adjustment to the relevant Divisional Officer in next 06 months following the same process.
8	Rule 109(2)	Application fee for appearing in VAT consultant exam has been reduced from BDT 5,000 to BDT 1,000.

Sl.	Change in	Particulars
9	Rule 109(6)	Written exam for enlisting VAT consultant is to be taken within 120 days from the date of expiry of the timeline for submission of application.
10	Form Mushak-4.3 (Input-output Co-efficient)	In the case of imported inputs, purchase price of input has been clarified as the VAT imposable value under section 28 of VAT and SD Act, 2012.
11	Form Mushak-9.1 (VAT Return)	Specific note (18a) has been inserted in the form of VAT return for import of goods and service based on specific amount of VAT. In addition, the sub-form for providing information of export and import has been updated. Explanation has been provided/ updated on mode of providing information in note (18a) and note 93 of the form Mushak-9.1 (VAT return).
12	Effective date	The changes in VAT and SD Rules, 2016 will be applicable from 01 July 2025.

## 2.22 Guidelines for VAT deduction and collection at source

VAT Deduction and Collection at Source Guidelines, 2025 has been introduced by SRO no. 182 of 2025 which have replaced previous VAT Deduction and Collection at Source Guidelines, 2021.

### 2.22.1 Inclusion of new service in mandatory VDS list

Sl.	Service Code	Description	Rate
1	S017.00	Community Center	15%

### 2.22.2 Rate of deduction has been increased for the following services

Sl.	Service Code	Description	Previous rate	New rate
1	S004.00	Construction Contractor	7.5%	10%
2	S099.50	Credit Rating Agency	7.5%	15%

## 2.23 VAT deduction and collection at source

- VAT does not need to be deducted at source if invoices are issued from Public Key Infrastructure (PKI) and Point of Sales (POS) mentioning the BIN number and name of the purchaser. Besides, VAT is not also required to be deducted at source for purchase of locally manufactured medicines from traders;
- Certificate of VAT deducted or collected at source i.e. form Mushak-6.6 is required to be issued within 03 working days of filing VAT return which was previously required to be issued within 03 working days of depositing VAT to govt. exchequer;
- VAT registered recipients of supply are required to make increasing adjustment in the VAT return for payment of VAT deducted or collected at source instead of separately depositing the same to govt. exchequer;

- (d) Detailed guidelines have been provided on the procedure for depositing VAT Deducted at Source (VDS) by non-registered withholding entities;
- (e) Previously decreasing adjustment could be claimed in the period of receiving payment of consideration and next 03 tax periods. Now this period has been extended up to 06 tax periods;
- (f) All the changes regarding VAT deduction or collection at source will be applicable from 01 July 2025.

## 2.24 Inclusion/exclusion from VAT exemption at various stages (SRO no. 137 of 2024 has been replaced by SRO no. 160 of 2025 and further amended by SRO no. 272 of 2025)

Exemption from VAT at different stages have been allowed on additional goods and services and some goods and services have also been deleted from the list of exemption at different stages. A detailed description of the changes has been provided in **Annexure-I**.

## 2.25 Additional exemption/reduction in rate of previous exemption in VAT/SD/AT

Additional exemptions have been allowed and reductions in rate of exemption from VAT/SD/AT have been done by contemporarily issued Statutory Regulatory Orders. Some important items of the same are described as below and details of the changes have been provided in **Annexure-J** to this summary.

- The period of exemption from VAT on production of Active Pharmaceutical Ingredients (API) and reagents and exemption from VAT and advance VAT (if any) on import and local procurement of raw materials has been extended till 30 June 2030;
- The VAT rates on manufacturing of mobile phones or cellular phones, depending on different levels of value addition, have been restructured from 2%, 5% and 7.5% to 4%, 7.5% and 10% respectively;
- In addition to motor cars and motor vehicles, production of some other vehicles like motor cars up to 2500 CC, hybrid vehicles, general and ICU ambulances, four-wheelers from 70 to 300 KW have been allowed the exemption benefit;
- VAT on locally manufactured e-bikes will be exempt from VAT in excess of 5%.

## 2.26 Scope of different services

Sl.	SRO no.	Changes in	Particulars
1	177 and 278 of 2025	Amendment of SRO no. 186 of 2019	<p>(a) The scope of services under service code S030.00 (Beauty Parlor) has been expanded. Skin tests, skin tag and spot removal services will also now fall under Beauty Parlor Service;</p> <p>(b) The definitions of the following services have been simplified by removing the names of individual withholding entites. Instead, supply of related services to any withholding entity would attract following definitions:</p> <ul style="list-style-type: none"> <li>(i) Procurement provider (S037.00);</li> <li>(ii) Transport contractor (S048.00);</li> <li>(iii) Rent-a-Vehicle (S049.00);</li> <li>(iv) Buyer of auctioned goods (S060.00);</li> <li>(v) Human resource supplier or management organization (S072.00);</li> <li>(vi) Cleaning and maintenance agencies of building, floor and premises (S065).</li> </ul> <p>(c) The scope of services under service code S061.00 has been expanded. Now, debit card providing entity will also fall under service code S061.00;</p> <p>(d) A new service code i.e. S081.00 (Tower sharing service provider) has been introduced.</p>
2	185 of 2025	Amendments of VAT and SD (fair market value determination) Rules, 2019	Previously, a transaction between associated enterprises was considered to be made at fair market value if the difference in price of the goods did not exceed 10% from that charged to an independent enterprise. Now, the flexibility has been reduced from 10% to 7.5%.



## Annexure-G

### Second Schedule (Schedule of rates of supplementary duty)

Supplementary Duty (SD) rates under different heading nos. have been increased, decreased, inserted and withdrawn

Heading	H.S. Code	Description of goods	Type	Stage	FY 2024-2025	FY 2025-2026	Insertion/increase/decrease/withdrawal
V A T & S D	02.06	All H.S code (Except 0206.30.10 0206.30.90 0206.41.10 0206.41.90 0206.49.10 0206.49.90)	Goods	Import	20%	10%	Decrease
	02.07	All H.S code (Except 0207.11.10 0207.11.90 0207.12.10 0207.12.90 0207.13.10 0207.13.90 0207.14.90)	Goods	Import	20%	10%	Decrease
	03.02	0302.13.10	Goods	Import	20%	10%	Decrease
		0302.13.90					
		0302.14.10	Goods	Import	20%	10%	Decrease
		0302.14.90					
		0302.19.90	Goods	Import	20%	10%	Decrease
		0302.31.10	Goods	Import	20%	10%	Decrease
		0302.31.90					
		0302.32.10	Goods	Import	20%	10%	Decrease
		0302.32.90					
		0302.34.10	Goods	Import	20%	10%	Decrease
		0302.34.90					
		0302.35.10	Goods	Import	20%	10%	Decrease
		0302.35.90					
		0302.36.10	Goods	Import	20%	10%	Decrease
		0302.36.90					
		0302.39.10	Goods	Import	20%	10%	Decrease
		0302.39.90					

Heading	H.S. Code	Description of goods	Type	Stage	FY 2024-2025	FY 2025-2026	Insertion/increase/decrease/withdrawal
08.08	All H.S code(except 0808.40.10 0808.40.90)	Fresh Apples, pears and quinces	Goods	Import	20%	30%	Increase
08.09	All H.S code (Except 0809.40.11 0809.40.19 0809.40.91)	Apricots, cherries, peaches (including nectarines), plums and sloes, fresh	Goods	Import	20%	30%	Increase
08.10	All H.S. Code	Other fruit, fresh	Goods	Import	20%	30%	Increase
20.09	All H.S. Code	Fruit juices (including grape must) and vegetable juices, unfermented not containing added spirit, whether or not containing added sugar or other sweetening matter	Goods	Import	20%	30%	Increase
22.02	2202.10.00	Waters, including mineral waters and aerated waters containing added sugar of other sweetening matter or flavored	Goods	Import	150%	100%	Decrease
	2202.91.00	Non-alcoholic beer	Goods	Import	150%	100%	Decrease
	2202.99.00	Other	Goods	Import	150%	100%	Decrease
24.01	All H.S. Code	Unmanufactured Tobacco, Tobacco refuse	Goods	Import	60%	100%	Increase
25.15	2515.11.00	Marble and travertine (apparent specific of 2.5% or more), crude or roughly cut	Goods	Import	20%	45%	Increase
	2515.12.00	Merely cut, by sawing or otherwise, into blocks or slabs of a rectangular (including square) shape	Goods	Import	20%	45%	Increase



Heading	H.S. Code	Description of goods	Type	Stage	FY 2024-2025	FY 2025-2026	Insertion/increase/decrease/withdrawal
25.15	2515.20.00	Ecsussine and other calcareous monumental or building stone; alabaster	Goods	Import	20%	45%	Increase
25.16	2516.11.00	Granite (crude or roughly cutl)	Goods	Import	20%	45%	Increase
	2516.12.00	Granite, merely cut, by sawing or otherwise, into blocks or slabs of a rectangular or square shape	Goods	Import	20%	45%	Increase
27.10	2710.12.39	Other light oil and preparations: others	Goods	Import	20%	-	Withdrawal
	2710.12.50	Other medium oils and preparations	Goods	Import	20%	-	Withdrawal
	2710.12.69	Gas oil: others	Goods	Import	20%	-	Withdrawal
	2710.19.19	Fuel oil: others	Goods	Import	20%	-	Withdrawal
	2710.19.22	Recycled lube base oil	Goods	Import	20%	-	Withdrawal
	2710.19.32	Recycled lubricating oil	Goods	Import	20%	-	Withdrawal
	2710.19.93	Partly refined petroleum including topped crudes	Goods	Import	20%	-	Withdrawal
	2710.19.99	Other natural gas	Goods	Import	20%	-	Withdrawal
27.11	2711.21.00	Natural gas and in gaseous state	Goods	Import	100%	-	Withdrawal
32.08	3208.10.90	Polyester based other paints, varnishes (including enamel lacquers)	Goods	Import	20%	30%	Increase
	3208.20.99	Other paints based on acrylic or vinyl polymers, in a non-aqueous medium	Goods	Import	20%	30%	Increase

Heading	H.S. Code	Description of goods	Type	Stage	FY 2024-2025	FY 2025-2026	Insertion/increase/decrease/withdrawal
32.08	3208.90.90	Other paints, Varnishes and lacquers	Goods	Import	20%	30%	Increase
39.24	3924.10.00	Tableware and kitchenware of plastics	Goods	Import	45%	40%	Decrease
	3924.90.90	Other	Goods	Import	45%	40%	Decrease
39.25	3925.20.00	Doors, windows and their frames and thresholds for doors of plastics	Goods	Import	45%	40%	Decrease
48.13	4813.10.00 4813.20.00 4813.90.00	Imported Cigarette paper, whether or not cut to size or in the form of booklets or tubes	Goods	Import	150%	300%	Increase
48.18	All H.S. Codes	Toilet paper, tissues paper, towels or Napkin paper or similar articles, of a kind used for household or sanitary purposes	Goods	Import	30%	20%	Decrease
50.07	All H.S. Codes	Woven fabrics of silk or of silk waste	Goods	Import	45%	40%	Decrease
52.08 to 52.12	All H.S. Codes	Woven fabrics	Goods	Import	20%	10%	Decrease
61.10	6110.90.00	Jerseys, pullovers, cardigans, waistcoats and similar articles, knitted or crocheted of other textile materials	Goods	Import	45%	40%	Decrease
61.15	6115.99.00	Stockings, socks, and other hosiery made from other textile materials	Goods	Import	45%	40%	Decrease

Heading	H.S. Code	Description of goods	Type	Stage	FY 2024-2025	FY 2025-2026	Insertion/increase/decrease/withdrawal
62.08	6208.99.00	Women's or girl's singlets and other vests, briefs, panties, negliges, bathrobes, dressing gowns and similar articles of other textile materials	Goods	Import	45%	40%	Decrease
62.09	6209.90.00	Baby's garments and clothing accessories of other textile materials	Goods	Import	45%	40%	Decrease
62.14	6214.30.00	Shawls, scarves, mufflers, mantillas, veils and the like: of synthetic fibers	Goods	Import	45%	40%	Decrease
	6214.90.00	Shawls, scarves, mufflers, mantillas, veils and the like: Of other textile materials	Goods	Import	45%	40%	Decrease
64.02	All codes under the heading	Other footwear with outer soles and uppers of rubber or plastics	Goods	Import	45%	40%	Decrease
64.03	All codes under the heading	Footwear with outer soles of rubber, plastics, leather or composition leather and uppers of leather	Goods	Import	45%	40%	Decrease
64.04	All codes under the heading	Footwear with outer soles of rubber, plastics, leather or composition leather and uppers of textile materials	Goods	Import	45%	40%	Decrease
64.06	6406.10.00 6406.20.00	Upper and outer soles and heels	Goods	Import	20%	10%	Decrease
69.04	All codes under the heading	Ceramic building bricks, flooring blocks, support or filler tiles and the like	Goods	Import	20%	10%	Decrease

Heading	H.S. Code	Description of goods	Type	Stage	FY 2024-2025	FY 2025-2026	Insertion/increase/decrease/withdrawal
69.06	6906.00.00	Ceramic pipes, conduits, guttering and pipe fittings	Goods	Import	20%	10%	Decrease
74.15	7415.33.10 7415.33.90	Screws; bolts and nuts of copper	Goods	Import	-	20%	Insertion
76.07	7607.20.92	Co-polymer coated aluminum tape	Goods	Import	-	20%	Insertion
76.16	7616.10.00	Nails, tacks, staples (other than those of heading 83.05) screws, bolts, nuts, screw hooks, rivets, cotters, cotter-pins, washers and similar articles of aluminums	Goods	Import	-	20%	Insertion
85.07	8507.90.10	Separator	Goods	Import	-	20%	Insertion
87.02	8702.90.40	Motor vehicles built-up, having a seating capacity not exceeding 15, including the driver	Goods	Import	20%	10%	Decrease
21.05	All H.S code	All types of ice cream	Goods	Service	10%	5%	Decrease
33.04	All H.S code	Beauty or cosmetics products and skin care products (other than substances used in medicine and dermatological products used on the advice of a doctor) sunscreen or sun-tan products; hand, nail, or foot care products	Goods	Service	-	-	Description has been changed
S082	S082.00	OTT platform	Service	Service	-	10%	Insertion

## Annexure-H

### Third Schedule (Schedule of reduced VAT rate and specific amount of VAT)

Heading	H.S Code	Description of goods	Table/ paragraph	FY 2024- 2025	FY 2025- 2026	Insertion/ withdrawal/ increase
73.17	Concerned H.S. Code	Nails Top nails	Table-1, Paragraph-A	5%	7.5%	Withdrawn and inserted in Table-2, Paragraph-A
73.18 74.15 76.16	All H.S. Codes	(a) Various size and types of screw galvanized/non galvanize/zinc cutting/ nickel cutting/other metal cutting/except cutting  (b) Joint (connector), nut, bolt, various size and types of galvanized/ non galvanized/zinc cutting/nickel cutting/ other metal cutting/ except cutting  (c) Electric line hardware and poll fittings, which is made by MS and steel (except nut bolt)	Table-1, Paragraph-A  Table-1, Paragraph-A	5%  5%	7.5%  7.5%	Withdrawn and inserted in Table-2, Paragraph-A  Withdrawn and inserted in Table-2, Paragraph-A
82.12	Concerned H.S. Code	Blades made from stainless steel, Blade made from carbon steel strips	Table-1, Paragraph-A	5%	7.5%	Withdrawn and inserted in Table-2, Paragraph-A
87.07	Concerned H.S. Code	(a) Bus body (b) Truck body	Table-1, Paragraph-A	-	5%	Inserted
39.24	Concerned H.S. Code	All types of tableware kitchenware, household items, hygienic and toilet items and any similar product made of plastic (except tiffin boxes and water bottles)	Table-2, Paragraph-A	7.5%	-	Reduced rate has been withdrawn

Heading	H.S Code	Description of goods	Table/ paragraph	FY 2024- 2025	FY 2025- 2026	Insertion/ withdrawal/ increase
39.24	Concerned H.S. Code	All types of tableware kitchenware, household items, hygienic and toilet items and any similar product made of plastic (except tiffin boxes and water bottles)	Table-2, Paragraph-A	7.5%	-	Reduced rate has been withdrawn
48.09	Concerned H.S. Code	Self-copy paper	Table-2, Paragraph-A	7.5%	-	Reduced rate has been withdrawn
48.10	Concerned H.S. Code	Duplex Board/ Coated paper	Table-2, Paragraph-A	7.5%	-	Reduced rate has been withdrawn
From 54.02 to 54.10 and from 55.12 to 55.16	All H.S. Codes	Yarn made from a combination of man-made fibers and other fibbers	Table-4, Paragraph-A	BDT 3 per KG	BDT 5 per KG	Increased
72.04	All H.S. Codes	Scrap/Ship scrap	Table-4, Paragraph-A	BDT 1,000	BDT 1,200	Increased
72.13 to 72.16	All H.S. Codes	(a) M.S goods which is produced by imported/locally collected re-rollable scrap	Table-4, Paragraph-A	BDT 1,400 (per metric Ton)	BDT 1,700 (per metric Ton)	Increased
		(b) All types of Ballet and Ingot which is produced by imported/ locally collected meltable scrap		BDT 1,200 (per metric Ton)	BDT 1,500 (per metric Ton)	Increased
		(c) M.S goods which is produced from Ballet and Ingot		BDT 1,200 (per metric Ton)	BDT 1,600 (per metric Ton)	Increased
		(d) M.S goods which is produced from Ballet and Ingot and dirt/ mutable Scrap		BDT 2,200 (per metric Ton)	BDT 2,700 (per metric Ton)	Increased



## Annexure-I

**Inclusion/exclusion from VAT exemption at various stages (SRO no. 137 of 2024 has been replaced by SRO no. 160 of 2025 and further amended by SRO no. 272 of 2025)**

Heading number	H.S. code/ Service code	Description of goods/service	Stage	Exclude/ included/ updated
27.11	2711.11.00	Liquefied Natural Gas (LNG)	Import stage	Included
30.06	Related H. S. code	Sterile surgical catgut, surgical suture	Import stage	Excluded
85.28	85.28.52.10	Computer monitor size not exceeding 30 inch	Import stage	Updated
96.08	96.08.99.10	Ball point for ball point pen	Import stage	Included
52.02	5202.91.00	Garnetted stock	Production stage	Included
	5202.99.10	Cotton waste		
46.01	Related H. S. code	Plate, bowl any other utensils made from any type of leaf, flower and bark	Production stage	Included
69.12	Related H. S. code	Hand made utensils of soil	Production stage	Included
64.02	6402.20.00	Flip-flops made of plastic and rubber and plastic footwear up to a price limit of BDT 150 (one hundred and fifty) per pair (on the condition of being printed/engraved indelibly in ink) Hard rock (in case of extraction from Madhyapara Hard Rock Project)	Production stage	Excluded
S004	S004.00	VAT in excess of 7.5% for construction contractors who entered into any contract before 30 June 2025	Service stage	Included
S074	S074.00	Definitions of women entrepreneur and showroom have been provided for allowing exemption from VAT	Service stage	Included
S099	S099.20	Lease rent of passenger air craft	Service stage	Included
S027	S027.00	Insurance premium paid by Private Sector Power Generator Company	Service stage	Excluded
4.01	Related H. S. code	Liquid milk	Trading stage	Included
7.13	Related H. S. code	Dried leguminous vegetables produced in the country, whether or not peeled or split (commonly known as pulses or lentil-like food grains)	Trading stage	Included

Heading number	H.S. code/ Service code	Description of goods/service	Stage	Exclude/ included/ updated
9.04	Related H. S. code	All types of chill peppers, coriander, ginger, turmeric or a mixture of all spices produced in the country	Trading stage	Included
72.01	7201.10.00	Non-alloy pig iron containing by weight 0.5% or less of phosphorus	Import stage	Excluded
	7201.20.00	Non-alloy pig iron containing by weight more than 0.5% of phosphorus		
72.04	Related H. S. code	Re-roleable and meltable scrap	Import stage	Excluded
84.28	8428.10.00	Lift and skip hoists		
85.28	8528.71.10	Set-top-Box		
88.02	8802.11.00	All products		
	8802.12.00			
89.08	Related H. S. code	Ship for scrap	Import stage	Excluded
96.08	9608.99.10	Ball points for ball point pen		

## Annexure-J

**Inclusion/exclusion from VAT exemption at various stages (SRO no. 137 of 2024 has been replaced by SRO no. 160 of 2025)**

Sl.	SRO no.	Status	Particulars
1	161 of 2025	Amendment of SRO no. 178 of 2019	The period of exemption from VAT on production of Active Pharmaceutical Ingredients (API) and reagents and exemption from VAT and advance VAT (if any) on import and local procurement of raw materials has been extended till 30 June 2030.
2	162 of 2025	Amendment of SRO no. 229 of 2019	The VAT rates on manufacturing of mobile phones or cellular phones, depending on different levels of value addition, have been restructured from 2%, 5% and 7.5% to 4%, 7.5% and 10% respectively. The availability of the new rates are subject to compliance with any condition mentioned in the SRO. This SRO will be effective from 01 July 2025.
3	164 of 2025	Repeal of SRO no. 320 of 2019	Exemption from VAT has been allowed in excess of the amount mentioned in the SRO for certain goods at import, manufacturing and trading stages. VAT exemption in excess of 7.5% for credit rating agencies has been cancelled.

Sl.	SRO no.	Status	Particulars
4	166 of 2025	Amendment of SRO no. 259 of 2020	The VAT exemption benefit on local manufacturing of containers for compressed or liquefied gas of iron or steel (LPG cylinder) has been reduced. Previously, VAT in excess of 7.5% was exempt from VAT. Now VAT in excess of 10% is exempt from VAT. This SRO will be valid until 30 June 2027.
5	167 and 273 of 2025	Amendment of SRO no. 148 of 2021	The VAT exemption benefit on production of washing machine, microwave oven and electric oven has been extended up to 30 June 2030. VAT exemption has been allowed in excess of 5% up to 30 June 2027, in excess of 7.5% up to 30 June 2029 and in excess of 10% up to 30 June 2030.
6	168 of 2025	Amendment of SRO no. 149 of 2021	Production of blender, juicer, grinder, electric kettle, iron, rice cooker, multi cooker and pressure cooker and procurement of any raw materials and spare parts required for production, either imported or locally purchased enjoys VAT exemption subject to the conditions mentioned in the SRO. The VAT exemption benefit on production of the above-mentioned electronic items has been reduced and VAT @ 5% up to 30 June 2027, @ 7.5% from 01 July 2027 to 30 June 2029 and @ 10% from 01 July 2029 to 30 June 2030 has been imposed at local manufacturing stage. This SRO will be valid till 30 June 2030.
7	170 and 275 of 2025	Amendment of SRO no. 165 of 2022	In addition to motor cars and motor vehicles, production of some other vehicles like motor cars up to 2500 CC, hybrid vehicles, general and ICU ambulances, four-wheelers from 70 to 300 KW have been allowed VAT exemption benefit.
8	171 of 2025	Amendment of SRO no. 180 of 2022	Previously, VAT on locally manufactured three-wheelers was exempt from VAT in excess of 5%. Now, VAT on locally manufactured three-wheelers would be exempt in excess of 7.5% for the period from 01 July 2025 to 30 June 2028 and it would be further exempt in excess of 10% for the period from 01 July 2028 to 30 June 2030. The SRO is effective from 01 July 2025 and shall remain valid till 30 June 2030.
9	172 of 2025	Amendment of SRO no. 229 of 2022	Currently, VAT on locally manufactured LABSA and SLES is exempt from VAT in excess of 5% which will continue till 30 June 2027. After that VAT will be exempt in excess of 7.5% for the period from 01 July 2027 to 30 June 2029 and it will be exempt in excess of 10% for the period from 01 July 2029 to 30 June 2030.

Sl.	SRO no.	Status	Particulars
10	173 of 2025	SRO regarding VAT exemption on medical bed manufacturing	VAT on locally manufactured medical beds, as well as VAT on import and local procurement of inputs and spare parts to be used in manufacturing the same will be exempt till 30 June 2030 subject to certain conditions specified in the SRO. The SRO is effective immediately i.e. from 27 May 2025 and shall remain valid till 30 June 2030.
11	174 of 2025	SRO regarding VAT exemption on battery manufacturing	VAT on locally manufactured lithium and graphene batteries will be exempt from 01 July 2025 to 30 June 2027. Afterwards, VAT in excess of 5% will be exempt for the period from 01 July 2027 to 30 June 2030. Additionally, VAT including advance tax and supplementary duty, if any, on import and local procurement of inputs to be used in manufacturing the same will be exempt for the aforementioned period. The facilities are subject to certain conditions specified in the SRO. The SRO is effective from 01 July 2025 and shall remain valid till 30 June 2030.
12	175 of 2025	SRO regarding VAT exemption on E-bike	Locally manufactured e-bikes will be exempt from VAT in excess of 5%. VAT including advance tax and supplementary duty, if any, on import and local procurement of inputs to be used in manufacturing of e-bike will also be exempt. The facilities are subject to certain conditions specified in the SRO. This SRO shall remain valid till 30 June 2030.
13	176 and 274 of 2025	SRO regarding SD exemption of refrigerator, freezer and air conditioner industries	Import of certain inputs and spare parts, as specified in the SRO to be used for local manufacturing of refrigerator, freezer, and air conditioner would be exempt from supplementary duty. The SRO is effective from 01 July 2025 and shall remain valid till 30 June 2028.
14	180 of 2025	Amendment of SRO no. 188 of 2019	Amendment of SRO regarding exemption from VAT on procurement of different goods and services for 100% exporters, 100% deemed exporters and exporters located in EPZ. The scope of VAT exemption benefit is extended by replacing the phrase of “manufacturing stage of exported goods” with “organizations involved in export”. The phrase of “Customs Act, 1969” is also replaced by the words “Customs Act, 2023”.

Sl.	SRO no.	Status	Particulars
15	181 and 276 of 2025	Repeal of SRO no. 151 of 2021	Extending exemption from Advance Tax (AT) benefit to additional organizations and import of certain additional goods by repealing previous SRO and issuing the new SRO.
16	183 of 2025	Amendment of SRO no. 200 of 2019 (Advance VAT collection (special) Rules, 2019)	Rate of advance tax payment at the time of customs clearance of imported and locally purchased ship-borne goods (such as furnace oil, diesel, furniture, refrigerator, television, etc.) has been increased from 5% to 7.5% on fair value.
17	277 of 2025	Exemption from advance tax payable at import stage	Exemption from payment of advance tax at import stage in excess of 2% has been allowed to Bangladesh Petroleum Corporation and the organizations under its jurisdiction for import of certain goods under heading no. 27.10 of the Bangladesh customs tariff.



**ACNABIN**  
Chartered Accountants

**bakertilly**  
NETWORK MEMBER



# 3 EXCISE DUTY

### 3.1 Changes in excise duty

The slab of excise duty has been amended by SRO no. 159 of 2025:

Amount in BDT

Description of service	FY 2024-2025		FY 2025-2026	
	Balance	Rate of duty	Balance	Rate of duty
In cases where the balance, whether credit or debit, at any time during a year	Up to 100,000	-	Up to 300,000	-
	Above 100,001 but up to 500,000	150	Above 300,001 but up to 500,000	150
	Above 500,001 but up to 1,000,000	500	Above 500,001 but up to 1,000,000	500
	Above 1,000,001 but up to 5,000,000	3,000	Above 1,000,001 but up to 5,000,000	3,000
	Above 5,000,001 but up to 10,000,000	5,000	Above 5,000,001 but up to 10,000,000	5,000
	Above 10,000,001 but up to 20,000,000	10,000	Above 10,000,001 but up to 20,000,000	10,000
	Above 20,000,001 but up to 50,000,000	20,000	Above 20,000,001 but up to 50,000,000	20,000
	Above 50,000,000	50,000	Above 50,000,000	50,000





**ACNABIN**  
Chartered Accountants

**bakertilly**  
NETWORK MEMBER



# 4 CUSTOMS DUTY



#### 4.1 List of H.S. codes for which tariff values have been withdrawn

Sl.	H.S. Code	Description	Previous Tariff Value USD/Unit	New Tariff Value USD/Unit*
1	2709.00.00	Petroleum oils and oils obtained from bituminous minerals, crude	40 per Barrel	Nil
2	2710.12.11	Motor spirit of H.B.O.C type	0.40 per Litre	Nil
3	2710.12.19	Other motor spirits, including aviation spirits	0.40 per Litre	Nil
4	2710.12.20	Spirit type jet fuel	0.40 per Litre	Nil
5	2710.12.31	White spirit	0.40 per Litre	Nil
6	2710.12.32	Naphtha	0.40 per Litre	Nil
7	2710.12.41	J.P.1 kerosene type jet fuels	0.40 per Litre	Nil
8	2710.12.42	J.P.4 kerosene type jet fuels	0.40 per Litre	Nil
9	2710.12.43	Other kerosene type jet fuels	0.40 per Litre	Nil
10	2710.12.49	Other kerosene	0.40 per Litre	Nil
11	2710.12.61	Light diesel oils	0.40 per Litre	Nil
12	2710.12.62	High speed diesel oils	0.40 per Litre	Nil

#### 4.2 List of H.S. codes for which minimum values have been withdrawn

Sl.	Heading	H.S. Code	Description	Previous Minimum Value USD/Unit	New Minimum Value USD/Unit*
1	02.01	All HS Code	Meat of Bovine animals, fresh or chilled	5.00 per kg	Nil
	02.02		Meat of Bovine animals, frozen		
	02.06		Edible offal of bovine animals, swine, sheep, goats, horses, asses, mules or hinnies, fresh, chilled or frozen		
2	20.08	All HS Code	Fruit, nuts and other edible parts of plants, otherwise prepared or preserved, whether or not containing added sugar or other sweetening matter or spirit, not else for which specified or included	3.50 per kg	Nil

Sl.	Heading	H.S. Code	Description	Previous Minimum Value USD/ Unit	New Minimum Value USD/ Unit*
3	27.10	2710.19.21	Base oil imported in bulk by VAT registered petroleum products processing or blending industries	1,200 per MT	Nil
		2710.19.31	Lubricating oils that is oil such as is not ordinarily used for any other purpose than lubrication, excluding, any mineral oil which has its flashing point below 220°F by Abel's close test	3,000 per MT	Nil
		2710.19.39	Other lubricating oil	2,000 per MT	Nil
		2710.19.91	Mineral oil which has its flashing point at or above 200°F and is ordinarily used for the batching at jute or other fibre, imported only by VAT registered manufacturing industries	920 per MT	Nil
4	72.06	All HS Code	Iron and non-alloy steel in ingots or other primary forms (excluding iron of heading 72.03)	380 per MT	Nil
5	72.07	All HS Code	Semi-finished products of iron and non-alloy steel	380 per MT	Nil
6	72.13	All HS Code	Bars and rods, hot-rolled, in irregularly wound coils, of iron or non-alloy steel	400 per MT	Nil
7	72.14	All HS Code	Other bars and rods of iron or non-alloy steel, not further worked than forged, hot-rolled, hot-drawn or hot-extruded, but including those twisted after rolling	400 per MT	Nil
8	72.15	All HS Code	Other bars and rods of iron or non-alloy steel	400 per MT	Nil
9	72.18	All HS Code	Stainless steel in ingots or other primary forms	380 per MT	Nil

### 4.3 List of H.S. codes for which minimum values have been increased

Sl.	Heading	H.S. Code	Description	Previous Minimum Value USD/ Unit	New Minimum Value USD/ Unit*
1	18.06	-	Chocolate and other food preparations containing cocoa: Other, in blocks, slabs or bars:		
		1806.31	Filled	4 per kg	10 per kg
		1806.32	Not Filled	4 per kg	10 per kg
		1806.90	Other	4 per kg	10 per kg
2	33.04	3304.10	Lip make-up preparation:		
			Lipstick	20 per kg	40 per kg
			Lip liner, lip gloss, lip gel and like products	0 per kg	20 per kg
		3304.20	Eye make-up preparation (eye shadow, eye liner, eye brow pencil, mascara & like products)	7 per kg	10 per kg
		3304.30	Manicure or pedicure preparations	5 per kg	10 per kg
		3304.91	Powders, whether or not compressed	5 per kg	10 per kg
		-	Other Cosmetics:		
		3304.99.1	Face and/or skin cream	8 per kg	20 per kg
		3304.99.2	Moisture lotion	8 per kg	10 per kg
		3304.99.9	Make-up kit, foundation & like products	6 per kg	12 per kg
			Mehendi Cone	0 per kg	2 per kg
			Facewash	0 per kg	10 per kg
		3401.19	Facewash	6.50 per kg	10 per kg
		3401.20			
		3401.30			
4	83.01	All HS Code excluding 8301.10, 8301.30 & Door locks of HS Code 8301.40.9	Locks for motor vehicles, other locks clasps and frames with clasps, incorporating locks and parts, key presented separately	2.50 per kg	3 per kg
		8301.10	Padlocks	2.50 per kg	3 per kg
		8301.30	Locks for furniture	3 per kg	3 per kg
		8301.40.9	Door locks	4 per kg	5 per kg

Sl.	Heading	H.S. Code	Description	Previous Minimum Value USD/ Unit	New Minimum Value USD/ Unit*
5	85.16	8516.60	Other ovens; cookers (except rice cooker), cooking plates, boiling, rings, grillers and rosters	6.00	12.00
6	95.03	9503.00.9	Other toys (inflatable toys, toy balloon, toy laser light, glass marble, toy mask, puffer toy etc.)	3.50	4.00

#### 4.4 List of H.S. codes for which customs duty rates have been rationalized/reduced/increased

Sl.	H.S. Code	Description	Previous rate	New rate*
1	2709.00.00	Petroleum oils and oils obtained from bituminous minerals, crude	5%	1%
2	2710.12.11	Motor spirit of H.B.O.C type	10%	3%
3	2710.12.19	Other motor spirits, including aviation spirits	10%	3%
4	2710.12.20	Spirit type jet fuel	10%	3%
5	2710.12.31	White spirit	10%	3%
6	2710.12.32	Naphtha	10%	3%
7	2710.12.41	J.P.1 kerosene type jet fuels	10%	3%
8	2710.12.42	J.P.4 kerosene type jet fuels	10%	3%
9	2710.12.43	Other kerosene type jet fuels	10%	3%
10	2710.12.49	Other kerosene	10%	3%
11	2710.12.61	Light diesel oils	10%	3%
12	2710.12.62	High speed diesel oils	10%	3%
13	2507.00.90	Kaolin clay	15%	10%
14	6813.81.00	Brake linings and pads	10%	15%
15	4801.00.00	Newsprint paper	5%	3%
16	3208.90.90	Sandpaper coating material	25%	15%
17	3909.40.90	Phenolic resin	10%	5%
18	2833.29.20	Chromium sulphate	5%	1%
19	3201..20.0	Wattle extract	5%	1%
20	3201.90.00	Tanning extracts of vegetable origin	5%	1%
21	3202.10.00	Synthetic Organic Tanning Substances	5%	1%
22	3202.90.00	Acid Dyes and Preparation	5%	1%

Sl.	H.S. Code	Description	Previous rate	New rate*
23	3403.91.00	Lub Preparations for Nes Treatment of Tex, leather	5%	1%
24	3824.89.00	Chlorinated paraffin wax	10%	15%
25	8507.20.10	Sealed Maintenance Free (SMF)	15%	25%
26	5503.20.00	Polyster Staple Fibre	0%	1%
27	8507.90.10	Separator	10%	25%
28	8431.31.00	Parts of lift	1%	15%
29	8539.90.10 8539.90.20 8539.90.30 8539.90.90	Parts of LED light	10%	25%
30	1 701.99.00	Refined Sugar	BDT 4,500 per MT	BDT 4,000 per MT

#### 4.5 List of H.S. codes for which supplementary duty has been reduced/increased

Sl.	H.S. Code	Description	Previous rate	New rate*
1	2517.10.90	Limestone	10%	0%
2	6808.00.00	Panels, boards, tiles, blocks and similar articles of vegetable fibre, of straw or of shavings, chips particles, sawdust or other waste, of wood, agglomerated with cement, plaster or other mineral binders	10%	20%
3	6809.11.00	Faced or reinforced with paper or paperboard only	10%	20%

#### 4.6 Reduction of import duty on fruit bags

Sl.	H.S. Code	Description	Previous rate	New rate*
1	4819.40.00	Fruit bag	25%	5%

#### 4.7 To develop effective public transport system, import duties have been reduced in case of importation of the following vehicles

Sl.	H.S. Code	Description	Previous rate	New rate*
1	8 702.90.40	Vehicle having seating capacity exceeding 10 but not exceeding 15	SD-20%	SD-10%
2	8702.10.30, 8702.20.30, 8702.30.30, 8702.90.21	Vehicle having seating capacity exceeding 15 but not exceeding 40	CD-10%	CD-5%

#### 4.8 Goods on which Regulatory Duty (RD) has been reduced

Sl.	H.S. Code	Description	Previous rate	New rate*
1	0405.10.00	Butter	3%	0%

#### 4.9 Goods on which VAT has been imposed at the import stage

Amount in BDT (Per MT)

Sl.	H.S. Code	Description	Previous rate	New rate*
1	2505.10.00	Silica sand and quartz sands	0%	15%
2	7201.10.00	Non-alloy pig iron containing by weight 0.5% or less of phosphorus	0%	1,200
3	7201.20.00	Non-alloy pig iron containing by weight more than 0.5% of phosphorus	0%	1,200
4	7201.50.00	Alloy pig iron; spiegeleisen	0%	1,200
5	7203.10.00	Ferrous products obtained by direct reduction of iron ore	0%	1,000
6	7203.90.00	Other	0%	1,000
7	7204.10.00	Waste and scrap of cast iron	0%	1,800
8	7204.21.00	Of stainless steel	0%	600
9	7204.29.00	Other	0%	1,800
10	7204.30.00	Waste and scrap of tinned iron or steel	0%	1,800
11	7204.41.00	Turning, shavings, chips, milling waste, sawdust, filings, trimmings and stampings, whether or not in bundles	0%	1,800
12	7204.49.00	Other	0%	1,800
13	7204.50.00	Remelting scrap ingots	0%	1,800
14	8802.11.00	Of an unladen weight not exceeding 2,000 kg	0%	15%
15	8802.12.00	Of an unladen weight exceeding 2,000 kg	0%	15%
16	8908.00.00	Vessels and other floating structures for breaking up	0%	1,800

#### 4.10 Products on which Advance Tax (AT) has been imposed at the import stage

Sl.	H.S. Code	Description	Previous rate	New rate*
1	2505.10.00	Silica sand and quartz sands	0%	5%

#### 4.11 List of H.S. codes for which Advance Income Tax (AIT) has been rationalized/ reduced/increased

Amount in BDT (per MT)

Sl.	H.S. Code	Description	Previous rate	New rate*
1	7203.10.00	Ferrous products obtained by direct reduction of iron ore	500	600
2	7203.90.00	Other	500	600
3	7204.10.00	Waste and scrap of cast iron	500	600
4	7204.21.00	Of stainless steel	500	600
5	7204.29.00	Other	500	600
6	7204.30.00	Waste and scrap of tinned iron or steel	500	600
7	7204.41.00	Turning, shavings, chips, milling waste, sawdust, filings, trimmings and stampings, whether or not in bundles	500	600
8	7204.49.00	Other	500	600
9	7204.50.00	Remelting scrap ingots	500	600
10	8908.00.00	Vessels and other floating structures for breaking up	500	600

#### 4.12 Important changes for specific duty Ad valorem

Amount in BDT

Sl.	H.S. Code	Description	Previous rate	New rate*
1	2523.10.00	Cement clinkers	700 & 950	25%
2	7201.10.00	Non-alloy pig iron containing by weight 0.5% or less of phosphorus	1,000	0%
3	7201.20.00	Non-alloy pig iron containing by weight more than 0.5% of phosphorus	1,000	0%
4	7201.50.00	Alloy pig iron; spiegeleisen	1,000	0%
5	7203.10.00	Ferrous products obtained by direct reduction of iron ore	800	0%
6	7203.90.00	Other	800	0%
7	7204.10.00	Waste and scrap of cast iron	1,500	0%
8	7204.21.00	Of stainless steel	500	0%
9	7204.29.00	Other	1,500	0%
10	7204.30.00	Waste and scrap of tinned iron or steel	1,500	0%

Sl.	H.S. Code	Description	Previous rate	New rate*
11	7204.41.00	Turning, shavings, chips, milling waste, sawdust, filings, trimmings and stampings, whether or not in bundles	1,500	0%
12	7204.49.00	Other	1,500	0%
13	7204.50.00	Remelting scrap ingots	1,500	0%
14	8908.00.00	Vessels and other floating structures for breaking up	1,500	0%

\* Changes for this Customs portion have been made based on the information available from NBR's website during the Budget session on 02 June 2025.

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Our Taxation Division is working with the vision to serve our taxation clients in helping them ensure effective planning and management of Income Tax, VAT and other taxes. We are committed to assisting them in providing the best advice on all Income Tax, VAT and other tax issues to ensure maximum tax benefits to them fulfilling the requirements of Income Tax, VAT and other tax laws of the country.

**For further information, you may contact:**



**ACNABIN**  
Chartered Accountants



NETWORK MEMBER

**Corporate Office:**

BDBL Bhaban (Level- 13 & 15), 12 Kawran Bazar Commercial Area, Dhaka-1215, Bangladesh.  
Telephone: (+88-02) 410 20030 to 35 (Level-13), (+88-02) 410 10382 to 84 (Level-15)  
Facsimile: (+88-02) 410 20036, E-mail: [acnabin@bangla.net](mailto:acnabin@bangla.net)  
Web: [www.acnabin.com](http://www.acnabin.com)



Google Maps: <https://maps.app.goo.gl/mkVR1DaxjXcR36ys7>

**Branch Office:**

Jahan Building No. 7 (1<sup>st</sup> Floor, North Side), 59 Agrabad Commercial Area,  
Chattogram-4100, Bangladesh.  
Telephone: (+88-031) 333 317352, Facsimile: (+88-031) 333 317353,  
E-mail: [acnabin.ctg@acnabin-bd.com](mailto:acnabin.ctg@acnabin-bd.com)  
Web: [www.acnabin.com](http://www.acnabin.com)



**ACNABIN**  
*Chartered Accountants*



**Corporate Office:**

BDBL Bhaban (Level- 13 & 15), 12 Kawran Bazar Commercial Area, Dhaka-1215, Bangladesh.  
Telephone: (+88-02) 410 20030 to 35 (Level-13), (+88-02) 410 10382 to 84 (Level-15)  
Facsimile: (+88-02) 410 20036, E-mail: [acnabin@bangla.net](mailto:acnabin@bangla.net), Web: [www.acnabin.com](http://www.acnabin.com)

**Branch Office:**

Jahan Building No. 7 (1<sup>st</sup> Floor, North Side), 59 Agrabad Commercial Area,  
Chattogram-4100, Bangladesh.  
Telephone: (+88-031) 333 317352, Facsimile: (+88-031) 333 317353,  
E-mail: [acnabin.ctg@acnabin-bd.com](mailto:acnabin.ctg@acnabin-bd.com), Web: [www.acnabin.com](http://www.acnabin.com)