



National Board of Revenue, Bangladesh

জাতীয় রাজস্ব বোর্ড, বাংলাদেশ

Revenue Mobilization: Trends and Strategies in Bangladesh

*Enhancing Tax Administration and
Compliance for Sustainable Development*

Date: 25 April 2024

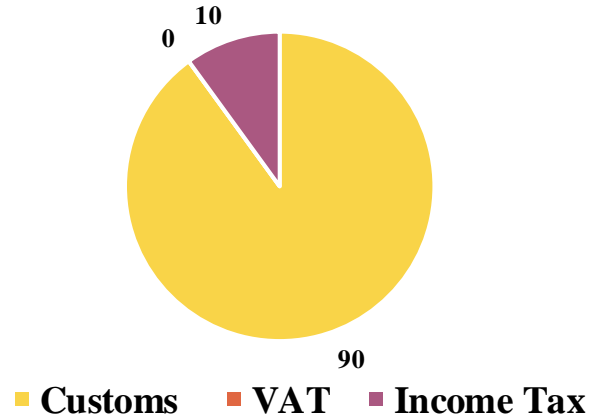
Brief overview

GDP	454 Billion dollar
Informal Economy to GDP	30-40%
Per Capita GNI	2,765 dollar
Population	171 million
Tax to GDP Ratio	9
No. of Registered Taxpayers	10 million
No. of Tax filer	4 million
No. of VAT Registered Taxpayers	.48 million
No. of VAT filer	.45 million

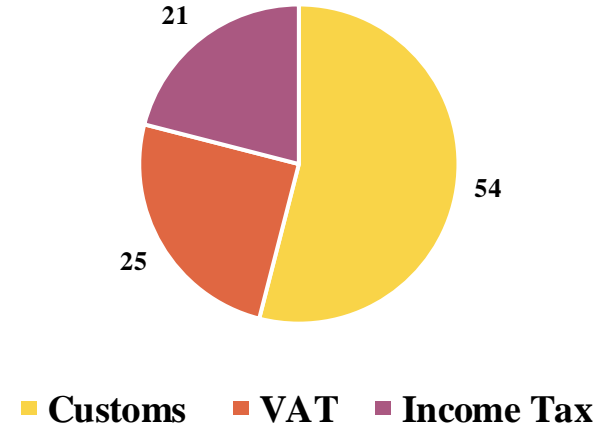
Serial No	Types of Tax Mix
1.	Customs Duty
2.	Regulatory Duty
3.	Supplementary Duty
4.	VAT
5.	Excise Duty
6.	Income Tax
7.	Gift Tax
8.	Travel Tax
9.	Wealth Surcharge

The Evolving Mix

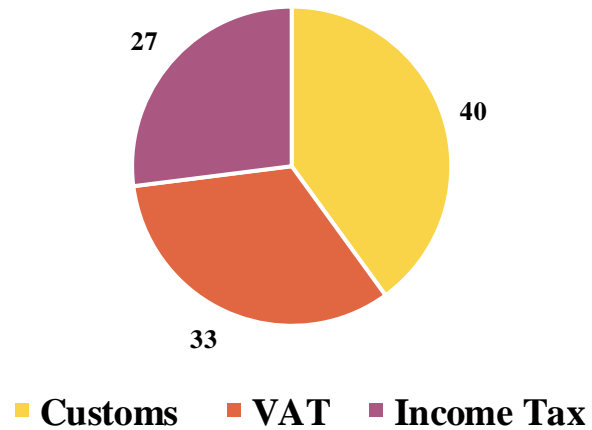
FY 1972-73



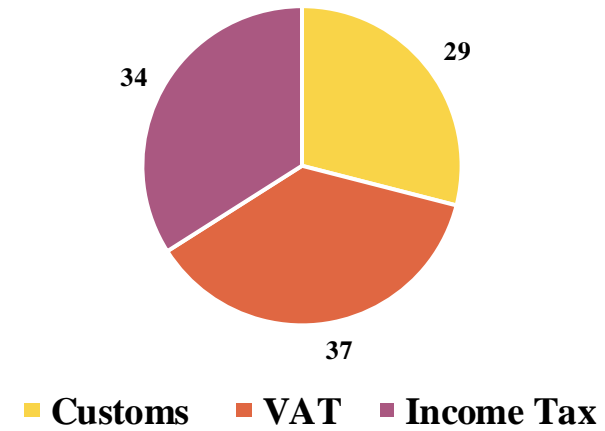
FY 1992-93



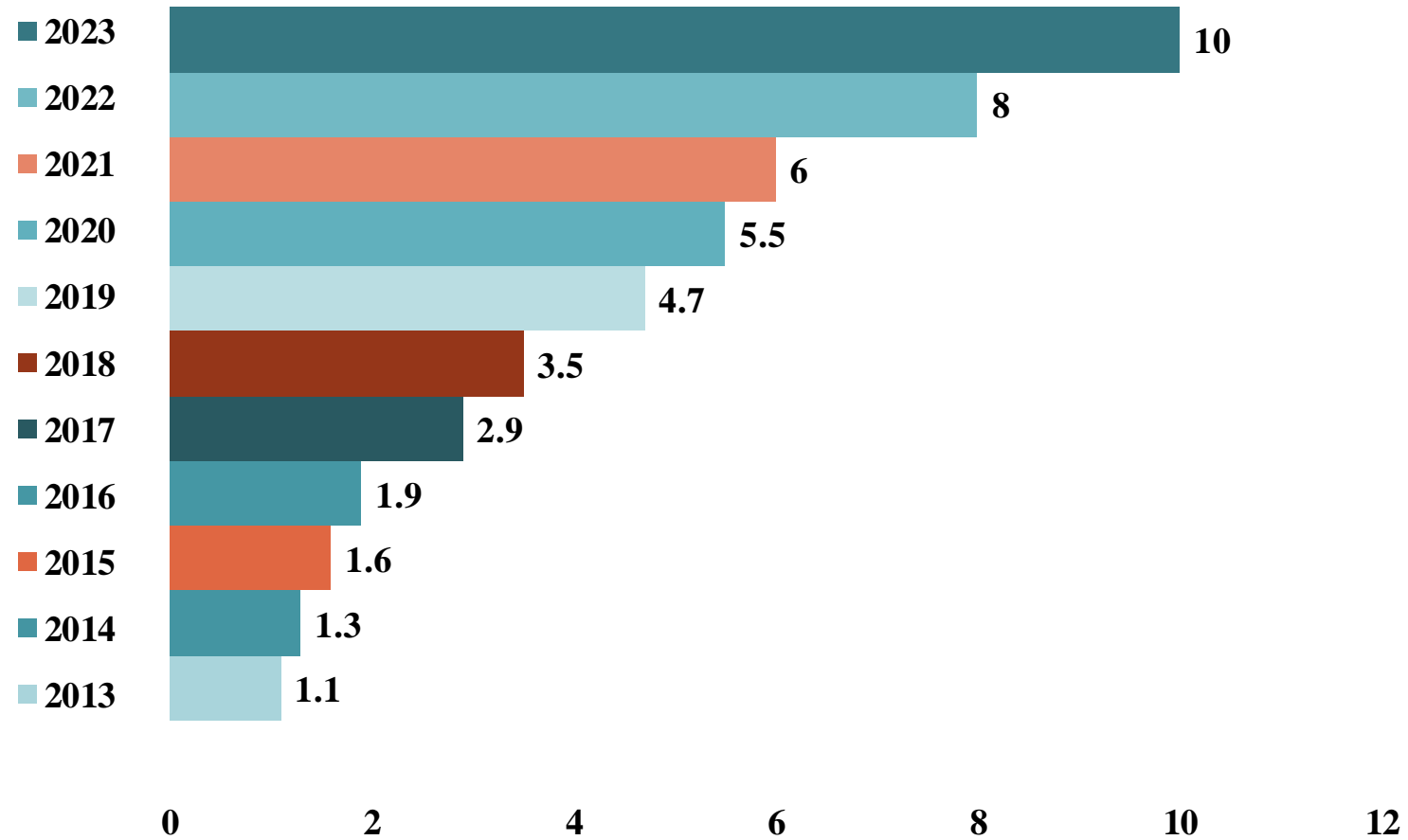
FY 2012-13



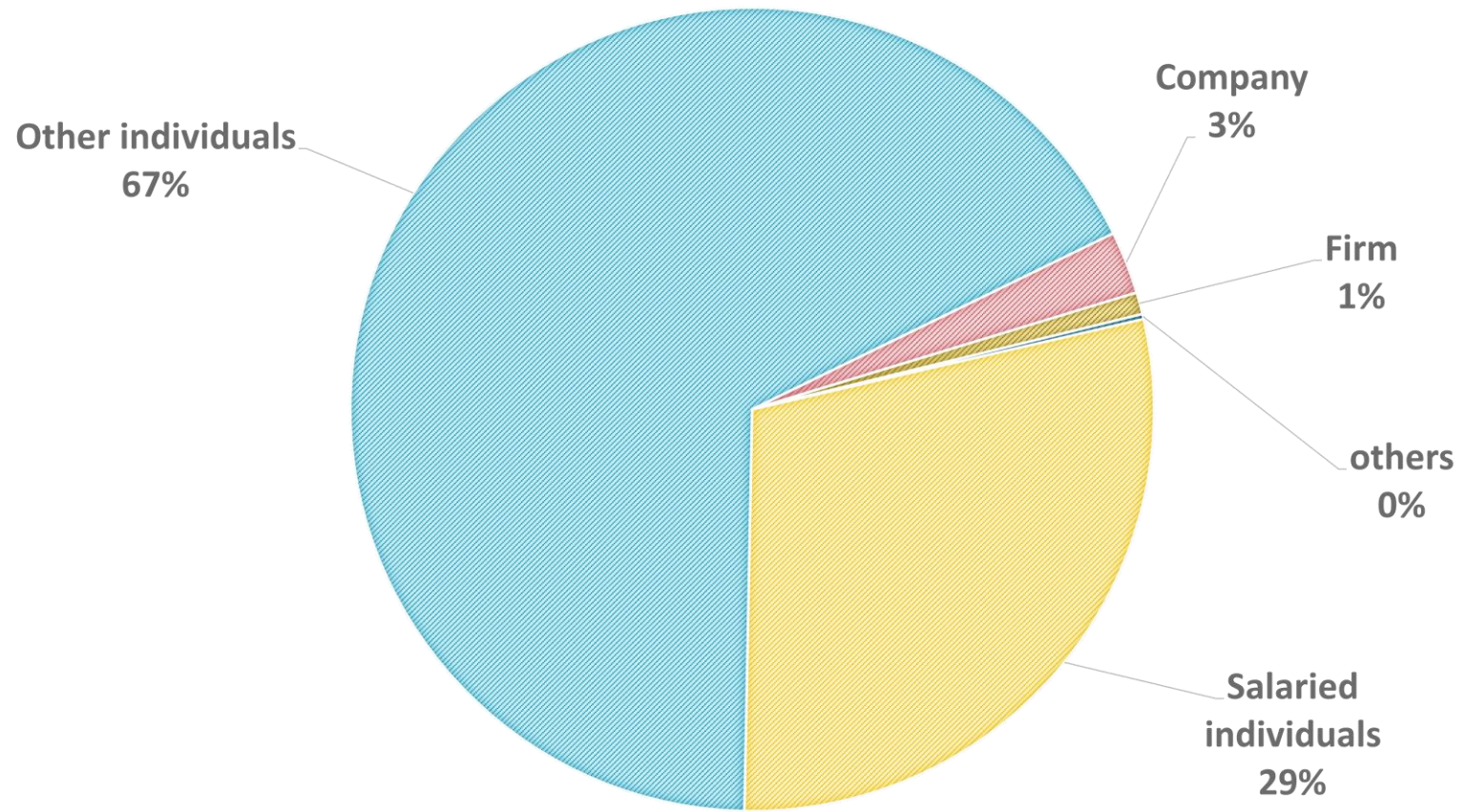
FY 22-23



No. of Registered Taxpayers (in millions)

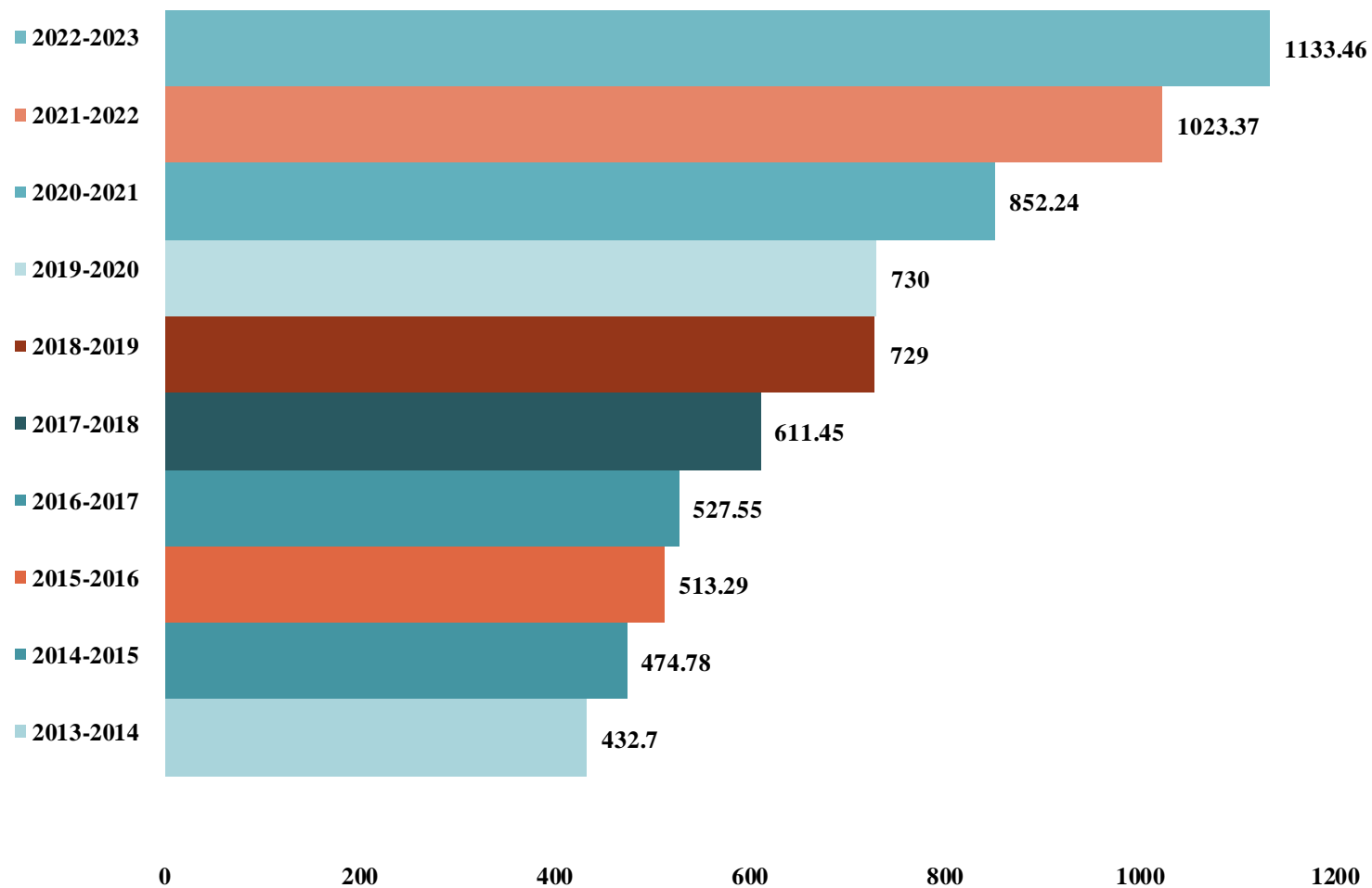


Types of Taxpayers

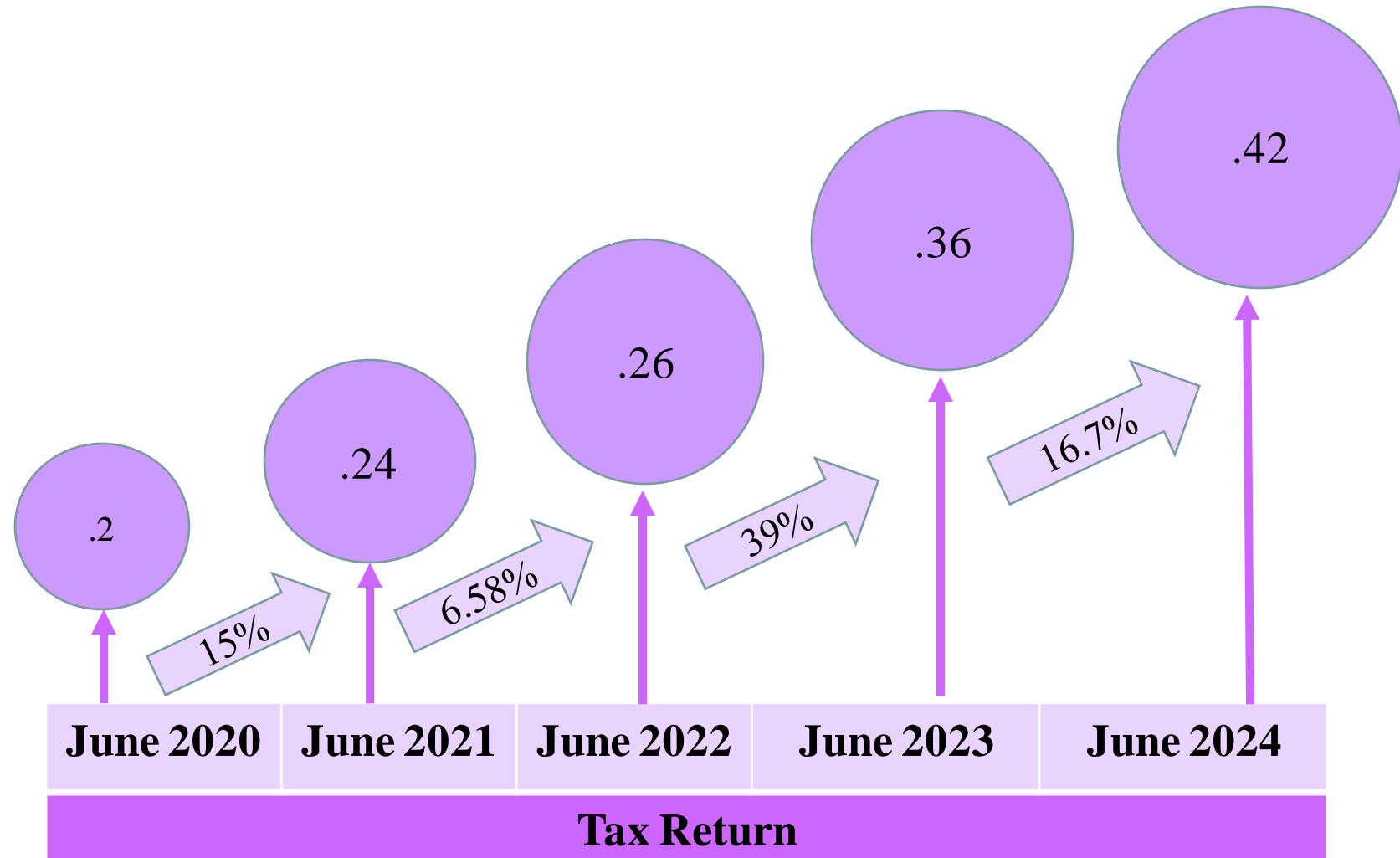


Types of Taxpayers (%)

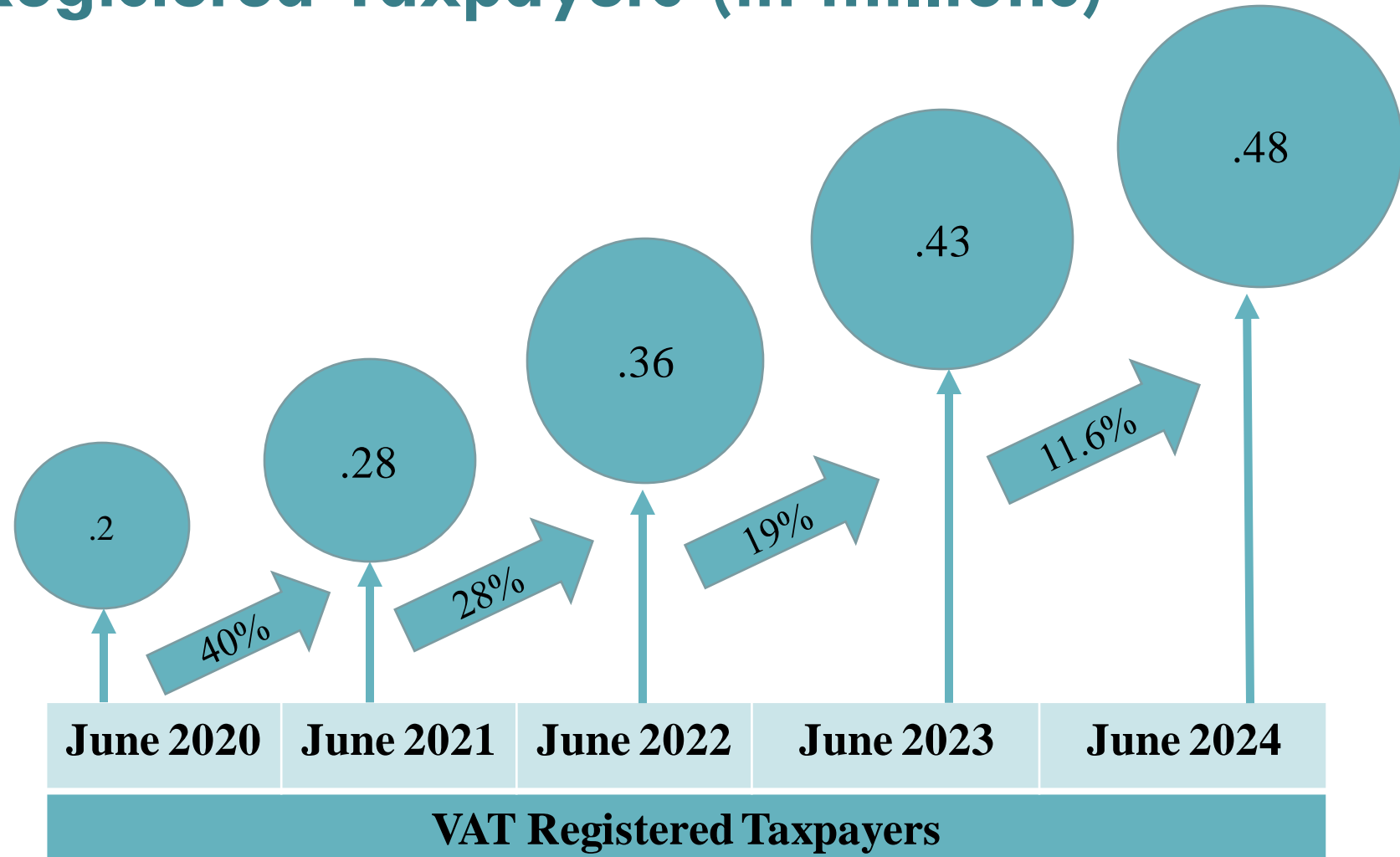
Collection from Direct Taxes (in billion taka)



No. of Return filers (in millions)



No. of VAT Registered Taxpayers (in millions)

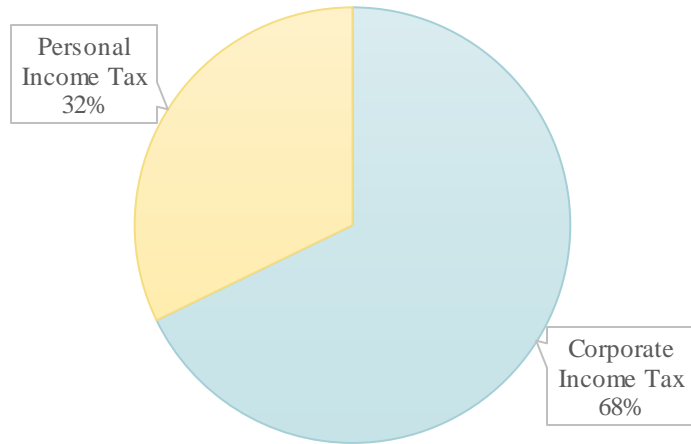


In the FY 20-21

Collection from direct tax: 1023.37 billion taka

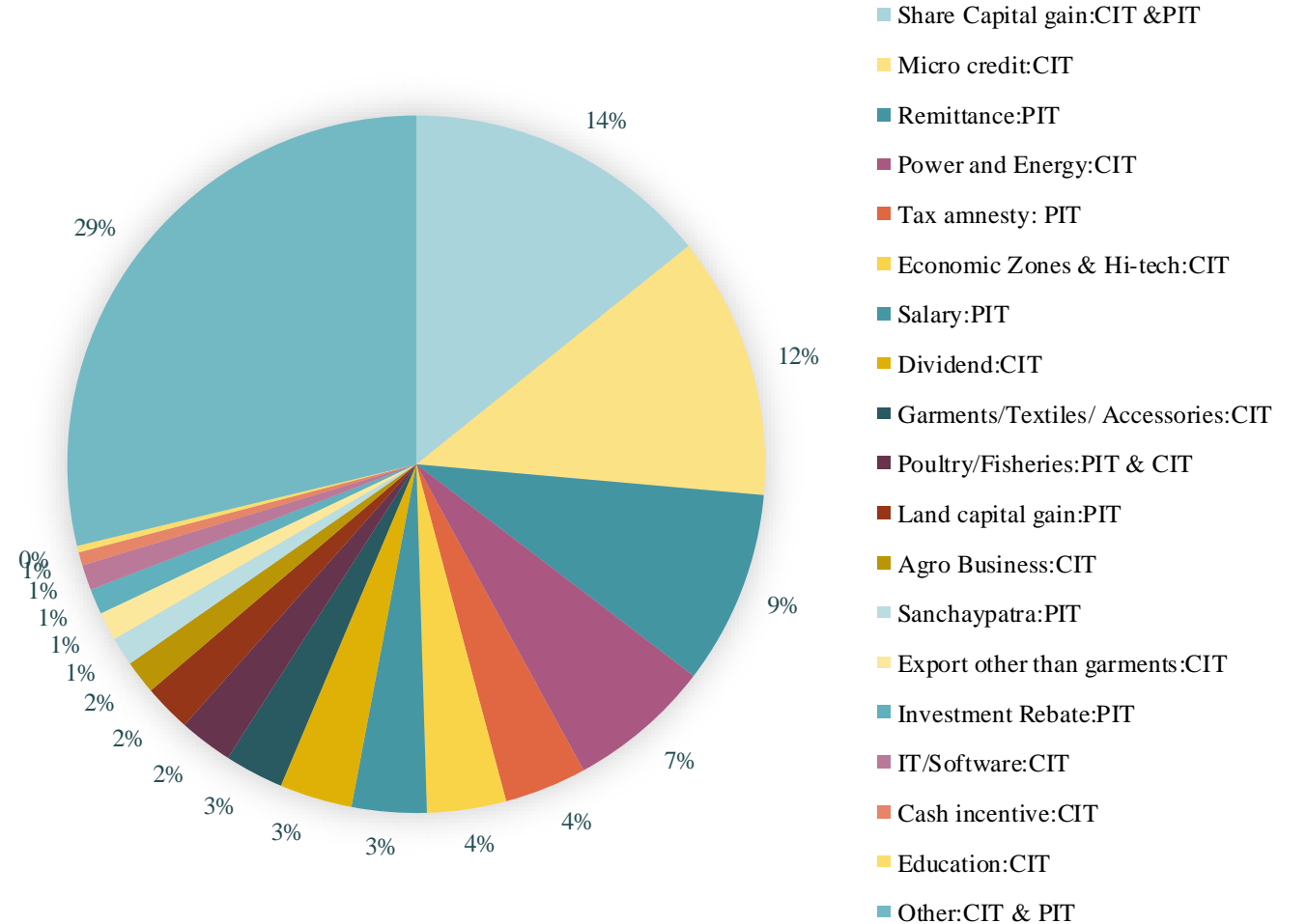
Direct tax expenditure estimation: 1258.14 billion taka

Estimated Tax Expenditure:
Personal and Corporate Income Tax share



Corporate Income Tax Personal Income Tax

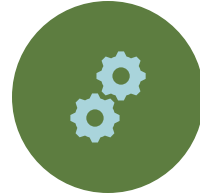
Sectoral Share in the Estimated Total Tax Expenditure



Key Challenges in Bangladesh



Large informal Sector



Absence of Tax Culture



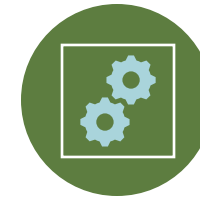
Narrow Tax Base



Slow Digital Transformation



Inefficient Tax Systems and Administration



Wide Spectrum of Tax Expenditure



Tax Gap

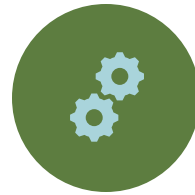


Slow growth of direct tax

Short-term Priorities of income tax



Enhancing Taxpayer Registration



Improving Tax Compliance



Strengthening Enforcement



Introducing Digital Solutions

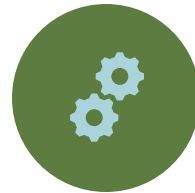


Training and Capacity Building

Medium-term Priorities of income tax



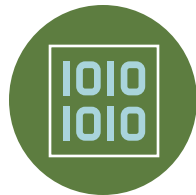
**Expanding the Tax
Base**



**Improving
Taxpayer Services**



**Addressing Tax
Leakage**



**Modernizing
Infrastructure**



**Enhancing Inter-
Agency
Cooperation**

Things that are working well

- Design and upgrade **e-Tax systems** to the tune of digital transformation
 - ✓ Online return filing (eReturn & Corporate Return), Source tax management (eTDS)
 - ✓ Tax information management system
- Requiring Proof of Submission of Return (PSR) has been made mandatory to avail 44 Services including taking supply of goods and services
- Enact and Implement new Income Tax Act (**Income Tax Act, 2023**)
 - ✓ Enactment completed, Implementation started

Way Forward

1. Administrative and organizational reform;
2. Invest on capacity building of Human Resources of NBR
3. Baseline studies on tax related issues i.e. tax expenditure analysis, tax-gap analysis, revenue forecasting and risk management;
4. Action Plan for all wings of NBR and the implementation of plans and strategies;
5. Strengthening Digital transformation capabilities of NBR;
6. Interconnectivity among all the NBR systems.



Thank You



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