

THE INCOME-TAX ORDINANCE, 1984

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■THE INCOME-TAX ORDINANCE, 1984

ORDINANCE NO. XXXVI OF 1984

[4th June, 1984]

An Ordinance to consolidate and amend the law relating to Income-tax.

WHEREAS it is expedient to consolidate and amend the law relating to income-tax;

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

CHAPTER I

PRELIMINARY

Short title and commencement

1. (1) This Ordinance may be called the Income -tax Ordinance, 1984.

(2) It shall come into force on the first day of July, 1984.

Definitions 2. In this Ordinance, unless there is anything repugnant in the subject or context,-

(1) ■agricultural income■ means-

(a) any income derived from any land in Bangladesh and used for agricultural purposes-

(i) by means of agriculture; or

(ii) by the performance of any process ordinarily employed by a cultivator to render marketable the produce of such land; or

(iii) by the sale of the produce of the land raised by

the cultivator in respect of which no process, other than that to render the produce marketable, has been performed; or

■ The Ordinance was declared void by the Appellate Division of Supreme Court of Bangladesh in Civil Appeal No. 48 of 2011 and subsequently the ordinance has been made effective as an Act of Parliament by 1982 mjb 24 gvP© nBtZ 1986 mvbji 11 btf^i Zvwil ch@šl mgbqi gta~ RvixK...Z KwZcq Aa~vt`k KvH© KiKiY (webkl weavb) AvBb, 2013 (2013 mjb 07bs AvBb), aviv 4| Income-tax Ordinance, 1984

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(iv) by granting a right to any person to use the land for any period; or

(b) any income derived from any building which-

(i) is occupied by the cultivator of any such land as is referred to in sub -clause (a) in which any process is carried on to render marketable any such produce as aforesaid;

(ii) is on, or in the immediate vicinity of, such land; and

(iii) is required by the cultivator as the dwelling house or store -house or other out -house by reason of his connection with such land;

(2) ■amalgamation■, in relation to companies, means the merger of one or more companies with another company, or the merger of two or more companies to form one company (the company or companies which so merged being referred to as the amalgamating company or companies and the company with which they merge or which is formed as a result of the merger as the amalgamated company) in such a manner that by virtue of, and for reasons attributable to, the merger,-

(a) all the property of the amalgamating company or companies immediately before the merger becomes the property of the amalgamated company;

(b) all the liabilities of the amalgamating company or companies immediately before the merger become the liabilities of the amalgamated company; and

1[(c) where the amalgamated company is a Bangladeshi company and the shareholders holding not less than 75% (seventy five percent) in value of the shares in the amalgamating company or companies (other than

shares already held therein immediately before the merger by, or by a nominee for, the amalgamated company or its subsidiary) become shareholders of the amalgamated company; or]

1 Sub-clause (c) was substituted by section 10(a) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022). Income-tax Ordinance, 1984

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1[(d) where the amalgamated company is a foreign company and the shareholders holding not less than 75% (seventy five percent) in value of the shares in the amalgamating foreign company or companies that directly or indirectly holds or hold shares in a Bangladeshi company or companies (other than shares already held therein immediately before the merger by, or by a nominee for, the amalgamated company or its subsidiary) become shareholders of the amalgamated company;]

(3) ■annual value■ shall be deemed to be-

(a) in relation to any property let out,-

(i) the sum for which property might reasonably be expected to let from year to year 2[***]
3[and any amount received by letting out furniture, fixture, fittings etc.; or]

(ii) where the annual rent in respect thereof is in excess of the sum referred to in paragraph (i), the amount of the annual rent;

4[* * *]

(4) ■Appellate Joint Commissioner■ means a person appointed to be an Appellate Joint Commissioner of Taxes under section 3 5[, and includes 6[an Appellate

1 Sub-clause (d) was added by section 10(b) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022).

2 The semi-colon (;) and word "; or " were omitted by section 7 of A_© AvBb, 2009 (2009 mþbi 36 bs AvBb) (with effect from 1st July, 2009).

3 The words, commas and semi-colon "and any amount received by letting out furniture, fixture, fittings etc; or " were substituted by section 7 A_© AvBb, 2009 (2009 mþbi 36 bs AvBb) (with effect from 1st July, 2009).

4 Sub-clause (b) was omitted by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)]

5 The comma and words ■, and includes a Senior Appellate Joint Commissioner of Taxes■ were added by section 10 of the Finance Ordinance, 1986 (Ordinance No.

XLV of 1986).

6 The words ■an Appellate Additional Commissioner of Taxes■ were substituted for the words ■a Senior Appellate Joint Commissioner of Taxes■ by section 7 of A_© AvBb, 1991 (1991 mþbi 21 bs AvBb)| Income-tax Ordinance, 1984

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Additional Commissioner of Taxes]] 1[and also a person appointed to hold current charge of an Appellate Joint Commissioner of Taxes];

(5) ■Appellate Tribunal■ means the Taxes Appellate Tribunal established under section 11;

2[(5A) ■approved gratuity fu nd■ means a gratuity fund which has been and continues to be approved by the Board in accordance with the provisions of Part C of the First Schedule;]

(6) ■Approved superannuation fund■ means a superannuation fund 3[or a pension fund] which has been and continues to be approved by the Board in accordance with the provisions of Part A of the First Schedule;

(7) ■Assessee■ means a person by whom any tax or other sum of money is payable under this Ordinance, and includes-

(a) every person in respect of whom any proceeding under this Ordinance has been taken for the assessment of his income or the income of any other person in respect of which he is assessable, or of the amount of refund due to him or to such other person;

4[(aa) every pe rson by whom a minimum tax is payable under this Ordinance;]

(b) every person who is required to file a return under section 75, section 89 or section 91;

(c) every person who desires to be assessed and submits his return of income under this Ordinance; and

(d) every person who is deemed to be an assessee, or an assessee in default, under any provision of this Ordinance;

1 The words ■and also a person appointed to hold current charge of an Appellate Joint Commissioner of Taxes■ were added by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|

2 Clause (5A) was inserted by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)|

3 The words ■or a pension fund■ were inserted by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|

4 Sub-clause (aa) was inserted by section 16(a) of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 1948

(8) ■assessment■ with its grammatical variations and cognate expressions, includes re -assessment and additional or further assessment;

(9) ■assessment year■ means the period of twelve months commencing on the first day of July every year; and includes any such period which is deemed, under the provisions of this Ordinance, to be assessment year in respect of any income for any period;

(10) ■Assistant Commissioner of Taxes■ means a person appointed to be an Assistant Commissioner of Taxes under section 3;

(11) ■Bangladeshi company■ means a company formed and registered under the Companies Act, 1913 (VII of 1913) 1[or þKvþúvbx AvBb, 1994 (1994 mþbi 18 bs AvBb) , and includes a body corporate] established or constituted by or under any law for the time being in force in Bangladesh having in either case its registered office in Bangladesh;

(12) ■Banking company■ has the same meaning as in 2[e˘vsk-þKvþúvbx AvBb, 1991 (1991 mþbi 14 bs AvBb)], and includes any body corporate established or constituted by or under any law for the time being in force which transacts the business of banking in Bangladesh;

3[(12A) ■bank transfer■ includes transfer of money by crossed cheque, mobile financial services or any other digital means approved by the Bangladesh Bank;]

(13) ■Board■ means the National Board of Revenue constituted under the National Board of Revenue Order, 1972 (P. O. No. 76 of 1972);

(14) ■business■ includes any trade, commerce or manufacture or any adventure or concern in the nature of trade,

1 The words, commas, figures and brackets ■or þKvþúvbx AvBb, 1994 (1994 mþbi 18 bs AvBb), and includes a body corporate■ were substituted for the comma and words ■, and includes a body corporate■ by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)|

2 The words, figures and brackets Öe˘vsk-þKvþúvbx AvBb, 1991 (1991 mþbi 14 bs AvBb) ■ were substituted for the words, figures and brackets ■the Banking Companies Ordinance,

1962 (LVII of 1962)■ by section 53 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)|

3 Clause (12A) was inserted by section 10 (c) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)
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commerce or manufacture;

(15) ■capital asset■ means property of any kind held by
an assessee, whether or not connected with his
business or profession, but does not include-

(a) any stock -in-trade (not being stocks and
shares), consumable stores or raw materials
held for the purposes of his bu siness or
profession; 1[and]

(b) personal effects, that is to say, movable property
(including wearing apparel, jewellery, furniture,
fixture, equipment and vehicles), which are held
exclusively for personal use by, and are not used
for purposes of the business or profession of the
assessee or any member of his family dependent
on him; 2[***]

3[***]

4[(16) ■charitable purpose■ means-

(a) relief of the poor, education relief, medical relief;
and

(b) the advancement o f any other object of general
public utility:

Provided that the advancement of any
other object of general public utility shall not
be considered as charitable purpose, if it is not
approved by the Board and involves-

(i) carrying out any activities i n the nature of
trade, commerce or business in whatever
form and manner; or

1 The word ■and■ was inserted by section 5(a) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb)
(with effect from 1st July, 2014).

2 The word ■and■ was omitted by section 5(b) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb)
(with effect from 1st July, 2014).

3 Sub-clause (c) was omitted by section 5(c) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb)
(with effect from 1st July, 2014).

4 Clause (16) was substituted by section 10(d) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)

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(ii) rendering any service for a consideration and the aggregate value of such consideration in any income year exceeds Taka twenty lakh;]

(17) ■chartered accountant■ means a chartered accountant as defined in the Bangladesh Chartered Accountants Order, 1973 (P.O. No. 2 of 1973);

(18) ■child■ in relation to any individual, includes a step -child and an adopted child of that individual;

1[(19) ■Commissioner■ means a person appointed to be a Commissioner of Taxes or Commissioner (Large Taxpayer Unit) under section 3, or a person appointed to hold current charge of a Commissioner of Taxes or Commissioner (Large Taxpayer Unit);]

2[(19A) ■Commissioner (Appeals)■ means a person appointed to be a 3[Commissioner of Taxes (Appeals) under section 3 and includes a person appointed to hold current charge of a Commissioner of Taxes (Appeal)];]

4[* * *]

(20) ■Company■ means a company as defined in 5[the Companies Act, 1913 (VII of 1913) or ‡Kvꞑúvbx AvBb, 1994 (1994 m‡bi 18 bs AvBb)] and includes-

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

(b) any national ised banking or other financial institution, insurance body and industrial or business enterprise;

6[* * *]

1 Clause (19) was substituted by section 15 of A_© AvBb, 2003 (2003 m‡bi 17 bs AvBb)|

2 Clause (19A) was inserted by section 8 of A_© AvBb, 1990 (1990 m‡bi 45 bs AvBb)|

3 The words, brackets, comma and figure ■Commissioner of Taxes (Appeals) under section 3 and includes a person appointed to hold current charge of a Commissioner of Taxes (Appeal)■ were substituted for the words brackets and figure ■Commissioner of Taxes (Appeals) under section 3■ by section 5 of A_© AvBb, 1997 (1997 m‡bi 15 bs AvBb)|

4 Clause (19B) was omitted by section 15 of A_© AvBb, 2003 (2003 m‡bi 17 bs AvBb)|

5 The words, commas, figures and brackets ■the Companies Act, 1913 (VII of 1913) or ‡Kvꞑúvbx AvBb, 1994 (1994 m‡bi 18 bs A vBb),■ were substituted for the words, comma,

figures and brackets ■the Companies Act, 1913 (VII of 1913)■ by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)|

6 The word ■and■ was omitted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)| Income-tax Ordinance, 1984

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1[2[(bb) an association or combination of persons, called by whatever name, if any of such persons is a company as defined in 3[the Companies Act, 1913 (VII of 1913) or þKvæúvbx AvBb, 1994 (1994 mþbi 18 bs AvBb)];

(bbb) any association or body incorporated by or under the laws of a country outside Bangladesh; and]

(c) any foreign association or body, 4[not incorporated by or under any law], which the Board may, by general or special order, declare to be a company for the purposes of this Ordinance;

(21) ■co-operative society■ means a co-operative society registered under 5[mgevq mwgwZ AvBb, 2001 (2001 mþbi 47 bs AvBb) (Co-operative Societies Act, 2001) (Act No. 47 of 2001)] or under any other law for the time being in force governing the registration of co-operative societies;

(22) ■cost and management accountant■ means a cost and management accountant as defined in the Cost and Management Accountants Ordinance, 1977 (LIII of 1977);

(23) ■Deputy Commissioner of Taxes■ means a person appointed to be a Deputy Commissioner of Taxes under

1 Clause (bb) were inserted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)|

2 Clauses (bb) and (bbb) were substituted for former clause (bb) by section 7 of A_© AvBb, 1991 (1991 mþbi 21 bs AvBb)|

3 The words, commas, figures and brackets ■the Companies Act, 1913 (VII of 1913) or þKvæúvbx AvBb, 1994 (1994 mþbi 18 bs AvBb), ■ were substituted for the words, comma, figures and brackets ■the Companies Act, 1913 (VII of 1913)■ by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)|

4 The words ■not incorporated by or under any law■ were substituted for the words ■whether incorporated or not■ by section 7 of A_© AvBb, 1991 (1991 mþbi 21 bs AvBb)|

5 The words, commas, figures and brackets ■ mgevq mwgwZ AvBb, 2001 (2001 mþbi 47 bs AvBb) (Co-operative Societies Act, 2001) (Act No. 47 of 2001)■ were substituted for the words, comma, figures and brackets ■ The Co-operative Societies Act, 1940 (Beng. Act XXI of 1940)" by section 15(b) of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012). Income-tax Ordinance, 1984

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section 3, 1[and includes a person appointed to be a Transfer Pricing Officer,] an Assistant Commissioner of Taxes, an Extra Assistant Commissioner of Taxes and a Tax Recovery Officer;

(24) ■director■ and ■manager■ in relation to a company have the meanings assigned to them in 2[the Companies Act, 1913 (VII of 1913) or þKvæúvbx AvBb, 1994 (1994 mþbi 18 bs AvBb)] ;

3[(25) ■Director-General of Inspection■ means a person appointed to be a Director -General of Inspection (Taxes) under section 3, and except for the purpose of section 117, includes a p erson appointed for the purpose of this Ordinance to be an Additional Director - General of Inspection (Taxes), a Deputy Director - General of Inspection (Taxes), or an Assistant Director - General of Inspection (Taxes);]

4[(25A) ■Director-General (Training)■ means a person appointed to be Director-General (Training);]

5[(25AA) ■Director-General, Central Intelligence Cell■ means a person appointed to be Director -General, Central Intelligence Cell 6[or 7[any Director, Central

1 The words and comma ■and includes a person appointed to be a Transfer Pricing Officer■ were substituted for the words ■and includes a person appointed to be" by section 15(c) of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012).

2 The words, commas, figures and brackets ■the Companies Act, 1913 (VII of 1913) or þKvæúvbx AvBb, 1994 (1994 mþbi 18 bs AvBb) ■ were substituted for the words, comma, figures and brackets ■the Companies Act, 1913 (VII of 1913)■ by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)|

3 Clause (25) was substituted by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)|

4 Clause (25A) was inserted by section 15 of A_© AvBb, 2003 (2003 mþbi 17 bs AvBb)|

5 Clause (25AA) was inserted by section 11 of A_© AvBb, 2004 (2004 mþbi 16 bs AvBb)|

6 The words and commas "or any Joint Director -General, Central Intelligence Cell or Deputy Director-General, Central Intelligence Cell authorised by him " were added by Section 8 of A_© AvBb, 2009 (2009 mþbi 9 bs AvBb) (with effect from 1st July, 2007).

7 The words and comma (,) "any Director, Central Intelligence Cell or any Joint Director, Central Intelligence Cell or Deputy Director, Central Intelligence Cell or Assistant Director, Central Intelligence Cell" were substitud for the words and comma

"any Additional Director -General, Central Intelligence Cell or any Joint Director - General, Central Intelligence Cell or Deputy Director -General, Central Intelligence Cell" by section 15(d) of A_© AvBb, 2012 (2012 mþbi 26 bs A vBb) (with effect from 1st July, 2012). Income-tax Ordinance, 1984

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Intelligence Cell or any Joint Director, Central Intelligence Cell or Deputy Director, Central Intelligence Cell or Assistant Director, Central Intelligence Cell] authorised by him];]

(26) ■dividend■ includes-

(a) any distribution by a company of accumulated profits, whether capitalised or not, if such distribution entails the release by the company to its shareholders of all or any part of its assets or reserves;

(b) any distribution by a company, to the extent to which the company possesses accumulated profits, whether capitalised or not, to its shareholders of debentures, debenture -stock or deposit certificates in any form, whether with or without interest;

(c) any distribution made to the shareholders of a company on its liquidation to the extent to which the distribution is attributable to the accumulated profits of the company immediately before its liquidation, whether capitalised or not;

(d) any distribution by a company to its shareholders on the reduction of its capital, to the extent to which the company possesses accumulated profits, whether such accumulated profits have been capitalised or not;

1[(dd) any profit remitted outside Bangladesh by a company not incorporated in Bangladesh under þKvþúvbx AvBb, 1994 (1994 mþbi 18 bs AvBb);]

2[(ddd) any distribution of profit of a mutual fund or an alternative investment fund;]

(e) any payment by a private company of any sum (whether as representing a part of the assets of the company or otherwise) by way of advance

1 Clause (dd) was inserted by section 27 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb)|

2 Sub-clause (ddd) was inserted by section 8(a) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)
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or loan to a shareholder or any payment by any such company on behalf, or for the individual benefit, of any such shareholder, to the extent to which the company, in either case, possesses accumulated profit;

but does not include-

(i) a distribution made in accordance with sub - clause (c) or sub -clause (d) in respect of any share including preference share for full cash consideration, or redemption of debentures or debenture-stock, where the holder of the share or debenture is not entitled in the event of liquidation to participate in the surplus assets;

(ii) any advance or loan made to a shareholder in the ordinary course of its business, where the lending of money is a substantial part of the business of the company;

(iii) any dividend paid by a company which is set off by the company against the whole or any part of any sum previously paid by it and treated as dividend within the meaning of sub -clause (e) to the extent to which it is so set off;

1[(iia) any bonus share issued by a company;]

2[* * *]

Explanation.- The expression ■accumulated profits■,-

(a) wherever it occurs in this clause, includes any reserve made up wholly or partly of any allowance, deduction or exemption admissible under this Ordinance or under the Income-tax Act, 1922 (XI of 1922), but does not include capital gains arising before the first day of April, 1946, or after the thirty-

first day of March, 1949, and before the eighth day of June, 1963;

(b) as used in sub-clauses (a), (b) and (d), includes all profits of the company up to the date of such distribution; and

1 Sub-clause (iiia) was inserted by section 27 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb)|

2 Sub-clause (iv) was omitted by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)| Income-tax Ordinance, 1984

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(c) as used in sub-clause (c), includes all profits of the company up to the date of its liquidation;

(27) ■employer■ includes a former employer;

(28) ■employee■, in relation to a company, includes the managing director, or any other director or other person, who, irrespective of his designation, performs any duties or functions in connection with the management of the affairs of the company;

1[(28A) ■export■ means supply of goods and services from inside to outside the geographical limits of Bangladesh and shall include supply of locally manufactured raw materials and other inputs to export oriented industry under internal back to back letter of credit;]

(29) ■Extra Assistant Commissioner of Taxes■ means a person appointed to be an Extra Assistant Commissioner of Taxes under section 3 2[and includes a person appointed to hold current charge of an Extra Assistant Commissioner of Taxes];

3[(30) "fair market value" means, in relation to capital asset 4[or a business or undertaking]-

(a) the price which such asset 5[or such business or undertaking] would ordinarily fetch on sale in the open market on the relevant day, and, where such price is not ascertainable, the price which the Deputy Commissioner of Taxes may, with the approval in writing of the Inspecting Joint Commissioner, determine;

1 The full-stop (.) was substituted for the semi colon (;) and the Explanation was added by section 9 (b) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018).

2 Clause (31A) was inserted by section 15(e) of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012).

3 Clause (34) was substituted by section 16 (b) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■ Income-tax Ordina

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any provision of this Ordinance;

(b) any amount which is subject to collection or deduction of tax at source under any provision of this Ordinance;

(c) any loss of such income, profits or gains;

(d) the profits and gains of any business of insurance carried on by a mutual insurance association computed in accordance with paragraph 8 of the Fourth Schedule;

(e) any sum deemed to be income, or any income accruing or arising or received, or deemed to accrue or arise or be received in Bangladesh under any provision of this Ordinance;

(f) any amount on which a tax is imposed;

(g) any amount which is treated as income under any provision of this Ordinance;]

1[(35) 2[■income year■ means financial year immediately preceding the assessment year and includes]

(a) the period beginning with the date of setting up of a business and ending with the thirtieth day of June following the date of setting up of such business;

(b) the period beginning with the date on which a source of income newly comes into existence and ending with the thirtieth day of June following the date on which such new source comes into existence;

(c) the period beginning with the first day of July and ending with the date of discontinuance of the business or dissolution of the unincorporated

1 Clause 35 was substituted by section 9 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2016).

2 The words and quotation marks ■■income year■ means financial year immediately

preceding the assessment year and includes■ were substituted for the words and quotation marks ■income year■ means■ by section 16(b) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■■■ ■■■■)■ Income-tax Ordinance, 1984

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body or liquidation of the company, as the case may be;

(d) the period beginning with the first day of July and ending with the date of retirement or death of a participant of the unincorporated body;

(e) the period immediately following the date of retirement, or death, of a participant of the unincorporated body and ending with the date of retirement, or death, of another participant or the thirtieth day of June following the date of the retirement, or death, as the case may be;

(f) in the case of bank, insurance or financial institution 1[or any subsidiary thereof] the period of twelve months commencing from the first day of January of the relevant year; or

(g) in any other case the period of twelve months commencing from the first day of July of the relevant year 2[:

Provided that the Deputy Commissioner of Taxes may allow a different financial year for a company which is a 3[subsidary, including a subsidiary thereof, or a holding company of a parent company incorporated outside Bangladesh or a branch or liaison office thereof] if such company requires to follow a different financial year for the purpose of consolidation of its accounts with the parent company;]

(36) ■Inspecting Joint Commissioner■ means a person appointed to be an Inspecting Joint Commissioner of Taxes under

1 The words ■or any subsidiary thereof■ were inserted after the words ■financial institution■ by section 16(c) (i) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■■■ ■■■■)■

2 The colon (:) was substituted for the semi -colon (;) and thereafter the proviso was inserted by section 16 (c) (ii) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■■■ ■■■■)■

3 The words and commas ■subsidiary, including a subsidiary thereof, or a holding company of a parent company incorporated outside Bangladesh or a branch or liaison office thereof■ were substituted for the words ■subsidiary or holding company of a parent company incorporated outside Bangladesh■ by sections 8(b) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■■■ ■■■■) (With effect from 1st July 2017). Income-tax Ordinance, 1984

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section 3 1[, and includes 2[an Inspecting Additional Commissioner of Taxes]] 3[and also a person appointed to hold current charge of an Inspecting Joint

Commissioner of Taxes];

4[(37) ■Inspector■ means an Inspector of Taxes under section 3 and also includes a person appointed to hold charge of an Inspector of Taxes;]

(38) ■Interest■ means interest payable in any manner in respect of any money borrowed or debt incurred (including a deposit, claim or other similar right or obligation) and includes any service fee or other charge in respect of the money borrowed or debt incurred or in respect of any credit facility which has not been utilised;

(39) ■legal representative■ has the same meaning as assigned to it in section 2(11) of the Code of Civil Procedure, 1908 (Act V of 1908);

(40) ■market value■, in respect of agricultural produce, means-

(a) where such produce is ordinarily sold in the market in its raw state or after application to it of any process employed by a cultivator to render it fit to be taken to the market, the value calculated according to the average price at which it has been sold during the year previous to that in which the income derived from such produce first becomes assessable; and

1 The comma and words ■, and includes a Senior Inspecting Joint Commissioner of Taxes■ were added by section 10 of the Finance Ordinance, 1986 (Ordinance No. XLV of 1986).

2 The words ■an Inspecting Additional Commissioner of Taxes■ were substituted for the words ■a Senior Inspecting Joint Commissioner of Taxes■ by section 7 of A_© AvBb, 1991 (1991 mþbi 21 bs AvBb)|

3 The words ■and also a person appointed to hold current charge of an Inspecting Joint Commissioner of Taxes■ were added by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|

4 Clause (37) was substituted by section 15(f) of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012). Income-tax Ordinance, 1984

(b) where such produce is not ordinarily sold in the market in its raw state, the aggregate of-

- (i) the expenses of cultivation;
- (ii) the land development tax or rent paid for the lands in which it was grown; and
- (iii) such amount as the Deputy Commissioner of Taxes finds, having regard to the circumstances of each case, to represent a reasonable rate of profit on the sale of the produce in question as agricultural produce;

(41) ■money borrowed■ includes, in the case of a banking company, money received by way of deposit;

(42) ■non-resident■ means a person who is not a resident;

(43) ■partner■ has the same meaning as assigned to it in the Partnership Act, 1932 (IX of 1932), and includes a person who, being a minor, has been admitted to the benefits of partnership;

(44) ■partnership■ has the same meaning as assigned to it in the Partnership Act, 1932 (IX of 1932);

1[(44A) ■permanent establishment■, in relation to income from business or profession, means a place or activity through which the business or profession of a person is wholly or partly carried on, and includes-

- (i) a place of management;
- (ii) a branch;
- (iii) an agency;
- (iv) an office;
- (v) a warehouse;
- (vi) a factory;
- (vii) a workshop;
- (viii) a mine, oil or gas well, quarry or any other place of exploration, exploitation or extraction of natural resources;

1 Clause (44A) was inserted by section 9 (c) of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■■ ■■■ ■■■■) (With effect from 1st July 2018). Income-tax Ordinance, 1984

- (ix) a farm or plantation;

(x) a building site, a construction, assembly or installation project or supervisory activities in connection therewith;

(xi) the furnishing of services, including consultancy services, by a person through employees or other personnel engaged by the person for such purpose, if activities of that nature continue (for the same or a connected project) in Bangladesh; and

(xii) any associated entity or person (hereinafter referred to as Person A) that is commercially dependent on a non-resident person where the associated entity or Person A carries out any activity in Bangladesh in connection with any sale made in Bangladesh by the non-resident person;]

1[(45) **perquisite** means-

(i) any payment made to an employee by an employer in the form of cash or in any other form excluding basic salary, festival bonus, incentive bonus 2[***], arrear salary, advance salary, leave encashment or leave fare assistance and overtime, and

(ii) any benefit, whether convertible into money or not, provided to an employee by an employer, called by whatever name, other than contribution to a recognised provident fund, approved pension fund, approved gratuity fund and approved superannuation fund;]

3[46) **person** includes an individual, a firm, an association of persons, a Hindu undivided family, a trust, a fund, a local authority, a company, an entity and every other artificial juridical person;

(46A) **person with disability** means an individual registered

1 Clause (45) was substituted by section 8 of A_© AvBb, 2006 (2006 mþbi 22 bs AvBb)|

2 The words **not exceeding ten percent of disclosed profit of relevant income year** were omitted by section 11(a) of **Income-tax Ordinance, 1984** (**Income-tax Ordinance, 1984**)

3 Clauses (46) and (46A) were substituted by section 16 (d) of **Income-tax Ordinance, 1984** (**Income-tax Ordinance, 1984**)

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as **person with disability** under section 31 of **Income-tax Ordinance, 1984** (**Income-tax Ordinance, 1984**);]

(47) **prescribed** means prescribed by rules made under this

Ordinance;

(48) ■principal officer■, used with reference to a local authority, a company, any other public body or any association of persons, includes-

(a) managing director, 1[chief executive officer,] manager, secretary, treasurer, agent or accountant (by whatever designation known), or any officer responsible for management of the affairs, or of the accounts, of the authority, company, body or association; and

(b) any person connected with the management or the administration of the local authority, company, body or association upon whom the Deputy Commissioner of Taxes has served a notice of his intention to treat him as principal officer thereof;

(49) ■profession■ includes a vocation;

(50) ■profits in lieu of salary■ includes-

(a) the amount of compensation due to, or received by, an assessee from his employer at, or in connection with, the termination of, or the modification of any terms and conditions relating to, his employment; and

(b) any payment due to, or received by, an assessee from a provident or other fund to the extent to which it does not consist of contributions by the assessee and the interest on such contributions;

(51) ■public servant■ has the same meaning as in section 21 of the Penal Code (Act No. XLV of 1860);

(52) ■recognised provident fund■ means a provident fund which has been, and continues to be, recognised by the

1 The words and comma ■chief executive officer,■ were inserted after the words and comma ■managing director,■ by section 16 (e) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance

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Commissioner in accordance with the provisions of Part B of the First Schedule;

1[* * *]

(54) ■relative■, in relation to an individual, means the husband, wife, brother, sister or any lineal ascendant or descendant of that individual;

2[(54A) ■research and development■ means any systematic, investigative and experimental study that involves novelty or technical risk carried out in the field of

science or technology with the object of acquiring new knowledge or using the results of the study for the production or improvement of materials, devices, products, produce, or processes, but does not include-

- (a) quality control or routine testing of materials, devices or products;
- (b) research in the field of social science including the arts and humanities;
- (c) the creation or development of financial instruments or financial products;
- (d) market research or sales promotion; routine data collection, efficiency surveys or management studies;
- (e) routine modifications or changes to materials, devices, products, processes or production methods;
- (f) cosmetic modifications or stylistic changes to materials, devices, products, processes or production methods; or
- (g) the creation or enhancement of trademarks or goodwill;■;]

(55) ■resident■, in respect of any income year, means-

- (a) an individual who has been in Bangladesh-
- (i) for a period of, or for periods amounting in all to, one hundred and eighty-two days or more

1 Clause (53) was omitted by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)|

2 Clause (54A) was inserted by section 10(f) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022). Income-tax Ordinance, 1984

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in that year; or

- (ii) for a period of, or periods amounting in all to, ninety days or more in that year having previously been in Bangladesh for a period of, or periods amounting in all to, three hundred and sixty-five days or more during four years preceding that year;

(b) a Hindu undivided family, firm or other association of persons, the control and management of whose affairs is situated wholly 1[***] or partly in Bangladesh in that year; 2 [***]

(c) a Bangladeshi company or any other company the control and management of whose affairs is situated wholly in Bangladesh in that year;

3[(d) a trust, a fund or an entity, the control and management of whose affairs is situated wholly in Bangladesh in that year; and

(e) a local authority and every other artificial juridical person;]

(56) ■royalty■ means consideration (including any lump sum consideration but excluding any consideration which is classifiable as income of the recipient under the head ■Capital gains■) for-

(a) transfer of all or any rights, including the granting of a license, in respect of a patent, invention, model, design, mark or similar property;

(b) the imparting of any information concerning the working of, or the use of, a patent, invention, model, design, secret process or formula, or trade mark or similar property;

(c) the use of any patent, invention, model, design, secret process or formula, or trade mark or similar property;

1 The words ■or partly■ were omitted by section 11(b) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■

2 The words ■and■ were omitted by section 11(b) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■

3 Sub-clause (d) and (e) were inserted by section 11(c) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 1984

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(d) the imparting of any information concerning technical, industrial, commercial, or scientific knowledge, experience or skill;

(e) the transfer of all or any rights, including granting of a license, in respect of any copyright, literary, artistic or scientific work, including films or video tapes for use in connection with television or tapes for use in connection with radio broadcasting, but not including consideration for sale, distribution or exhibition of cinematograph films; or

(f) the rendering of any services in connection with any of the aforesaid activities;

1[Explanation 1. - For the purpose of royalty in respect of any right, property or information, it is not

necessary that-

(i) the possession or control of such right, property or information is with the payer;

(ii) such right, property or information is used directly by the payer;

(iii) the location of such right, property or information is in Bangladesh.

Explanation 2. - For the removal of doubts, it is hereby clarified that the expression ■process■ includes transmission by satellite (including up -linking, amplification, conversion for down -linking of any signal), cable, optical fibre or by any other similar technology, whether or not such process is secret;]

(57) ■rules■ means rules made under this Ordinance;

(58) ■salary■ includes-

2[(a) any pay or wages;]

(b) any annuity, pension or gratuity;

1 Explanation was added by section 11(d) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■

2 Sub-Clause (a) was substituted by section 15(g) of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012). Income-tax Ordinance, 1984

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(c) any fees, commissions, allowances, perquisites o r profits in lieu of, or in addition to, salary or wages;

(d) any advance of salary;

1[(e) any leave encashment;]

(59) ■scheduled bank■ has the same meaning as in the Bangladesh Bank Order, 1972 (P. O. No. 127 of 1972);

2[* * *]

(60) ■shareholder■ includes a preference shareholder;

(61) ■speculation -business■ means business in which a contract for the purchase or sale of any commodity, including stocks

and shares, is periodically or ultimately settled otherwise than by the actual delivery or transfer of the commodity or scripts, but does not include business in which-

(a) a contract in respect of raw materials or merchandise is entered into by a person in the course of his manufacturing or mercantile business to guard against loss through future price fluctuations for the purpose of fulfilling his other contracts for the actual delivery of the goods to be manufactured or the merchandise to be sold by him;

(b) a contract in respect of stocks and shares is entered into by a dealer or investor therein to guard against loss in his holdings of stocks and shares through price fluctuations; and

(c) a contract is entered into by a member of a forward market or a stock exchange in the course of any transaction in the nature of jobbing or arbitrage to guard against loss which may arise in the ordinary course of his business as such member;

3[(61A) **■supply of goods■** means transfer of the right of goods by way of sale, exchange or otherwise including sale under hire purchase agreement or finance lease;]

1 Sub-clause (e) was added by section 6 of the A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|

2 Clause (59A) was omitted by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)|

3 Clause (61A) was inserted by section 10(g) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022). Income-tax Ordinance, 1984

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1[(62) **■tax■** means the income tax payable under this Ordinance and includes any additional tax, excess profit tax, penalty, interest, fee or other charges leviable or payable under this Ordinance;]

2[(62A) **■Tax Day■** means-

(i) in the case of an assessee other than a company, the thirtieth day of November following the end of the income year;

(ii) in the case of a company, the fifteenth day of the seventh month following the end of the income year 3[or the fifteenth day of September following the end of the income year where the said the fifteenth day falls before the fifteenth day of

September];

4[(iia) in the case of an assessee, who is an individual and has not submitted return before, the thirtieth day of June following the end of the income year;]

(iii) the next working day following the Tax Day if the day mentioned in 5[this clause] is a public holiday;]

6[(62B) **■taxed dividend■** means the dividend income on which tax has been paid by the recipient under this Ordinance;]

1 Clause (62) was substituted by section 9 of A_© AvBb, 2005 (2005 mþbi 16 bs AvBb)|

2 Clause (62A) was inserted by section 16 (f) of **■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■)■**

3 The words **■or the fifteenth day of September following the end of the income year where the said fifteenth day falls before the fifteenth day of S eptember■** were added after the words **■income year■** by section 8(c) of **■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■)** (With effect from 1st July 2017).

4 Sub-clause (iia) was inserted by section 10(h)(i) of **■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■)** (With effect from 1st July 2022).

5 The words **■this clause■** were substituted for the words, numbers and symbols **■sub - clauses (i) and (ii)■** by section 10(h) (ii) of **■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■)** (With effect from 1st July 2022).

6 Clause (62B) was inserted by section 9 (d) of **■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■)** (With effect from 1st July 2018).

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1[* * *]

(64) **■Tax Recovery Officer■** means a person appointed to be a Tax Recovery Officer under section 3;

(65) **■total income■** means the total amount of income referred to in section 17 computed in the manner laid down in this Ordinance, and includes any income which, under any provision of this Ordinance, is to be included in the total income of an assessee;

2[(65A) **■trading account■** or **■profit and loss account■** includes income statement and other similar statements of accounts prepared under International Financial Reporting Standards;]

(66) **■transfer■**, in relation to a capital asset, includes the sale, exchange or relinquishment of the asset, or the

extinguishment of any right therein, but does not include-

(a) any transfer of the capital asset under a gift, bequest, will or an irrevocable trust;

(b) any distribution of the assets of a company to its shareholders on its liquidation; and

(c) any distribution of capital assets on the dissolution of a firm or other association of persons or on the partition of a Hindu undivided family;

3[* * *]

(68) ■written down value■ means the written down value as defined in the Third Schedule;

(69) ■year■ means a financial year.

1 Clause (63) was omitted by section 8 of A_© AvBb, 1992 (1992 mþbi 21 bs AvBb)|

2 Clause (65A) was inserted by section 9 (e) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018).

3 Clause (67) was omitted by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)| Income-tax Ordinance, 1984

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CHAPTER II

ADMINISTRATION

3. There shall be the following classes of income -tax authorities for the purposes of this Ordinance, namely:-
Income-tax
authorities

(1) The National Board of Revenue,

1[* * *]

2[(1B) Chief Commissioner of Taxes,]

3[(2) Directors-General of Inspection (Taxes),]

4[(2A) Commissioner of Taxes (Appeals),]

5[(2B) Commissioner of Taxes (Large Taxpayer Unit),]

6[(2C) Director-General (Training),]

7[(2D) Director-General, Central Intelligence Cell,]

(3) Commissioners of Taxes,

8[(3A) Additional Commissioners of Taxes who may be either Appellate Additional Commissioners of Taxes or Inspecting Additional Commissioners of Taxes,]

(4) Joint Commissioner of Taxes who may be either Appellate Joint Commissioner of Taxes or Inspecting Joint Commissioner of Taxes,

1 Clause (1A), which was inserted by section 10 of the Finance Ordinance, 1986 (Ordinance No. of 1986) was omitted by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)|

2 New number no (1B) was inserted by section 11(a) of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011).

3 Clause (2) was substituted by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)|

4 Clause (2A) was inserted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)|

5 Clause (2B) was inserted by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|

6 Clause (2C) was inserted by section 16 of A_© AvBb, 2003 (2003 mþbi 17 bs AvBb)|

7 Clause (2D) was inserted by section 12 of A_© AvBb, 2004 (2004 mþbi 16 bs AvBb)|

8 Clause (3A) was substituted by section 7 of A_© AvBb, 1991 (1991 mþbi 21 bs AvBb)| Income-tax Ordinance, 1984

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(5) Deputy Commissioners of Taxes,

1[(6) Tax Recovery Officers nominated by the Commissioner of Taxes among the Deputy Commissioner of Taxes within his jurisdiction;]

(7) Assistant Commissioners of Taxes,

(8) Extra Assistant Commissioners of Taxes, and

(9) Inspectors of Taxes.

Appointment of
income-tax
authorities

4. (1) Subject to the rules and orders of the Government regulating the terms and conditions of service of persons in public services and posts, appointment of income -tax authorities shall be made in accordance with the provisions of this Ordinance.

(2) The Board may appoint 2[3[Chief Commissioner of Taxes, Director-General], Central Intelligence Cell,] 4[* * *] as many 5[Directors-General of Inspection], 6[Commissioners (Appeals),] Commissioners, Joint Commissioners of Taxes, Deputy Commissioners of Taxes, Tax Recovery Officers and Assistant Commissioners of Taxes and such other executive or ministerial officers and staff as it may think fit.

1 Serial no (6) was substituted by section 11 (b) of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011).

2 The words and commas "Director -General, Central Intelligence Cell," were inserted after the words "The Board may appoint " by section 20 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb) (with effect from 1st July, 2010).

3 The words and comma ■ Chief Commissioner of Taxes, Director-General■ were substituted for the words ■Director-General■ by section 12 of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011).

4 The words ■a Senior Commissioner of Taxes and■ were omitted by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)|

5 The words ■Directors-General of Inspection■ were substituted for the words ■Director of Inspection■ by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)|

6 The words, brackets and the comma ■Commissioners (Appeals),■ were inserted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)| Income-tax Ordinance, 1984

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1[(2A) Notwithstanding anything contained in this Ordinance, the Board may, with the approval of the Government, appoint one or more person having appropriate professional skill and experience to perform such function as may be specified by an order issued in this behalf, and the person or persons so appointed shall be deemed to be an income-tax authority for the purposes of this Ordinance.]

(3) Subject to such orders or instructions as the Board may, from time to time, issue in this behalf, any other income -tax authority may appoint any income -tax authority subordinate thereto and such other executive or ministerial officers and staff as may be necessary for assistance in the execution of its functions.

2[4A. The Board may, by notification in the official Gazette, and subject to such limitations or conditions, if any, as may be specified therein, empower by name or designation,-
Delegation of powers

(a) any Inspecting Additional Commissioner of Taxes to exercise the powers of a Commissioner of Taxes3[;]

(b) any Appellate Additional Commissioner of Taxes to exercise the powers of a Commissioner of Taxes (Appeal)] 4[; and

(c) any Additional Director -General or Joint Director - General of Central Intelligence Cell to exercise the powers of Director-General, Central Intelligence Cell.]

1 Sub-section (2A) was inserted by section 17 of A_© AvBb, 2003 (2003 mþbi 17 bs AvBb)|

2 Section 4A was inserted by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)|

3 The semi-colon (;) was substituted for the comma and word ", and " by section 21 (a) of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb) (with effect from 1st July, 2010).

4 The semi-colon and the word "; and " were substituted for the full -stop (.) at the end and thereafter clause (c) was added by section 21 (b) of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb) (with effect from 1st July, 2010).
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Subordination
and control of
income-tax
authorities

5. 1[(1) The 2[* * *] 3[Chief Commissioner of Taxes, Director-General] of Inspection, Commissioners (Appeals), and Commissioners shall be subordinate to the Board.]

(2) The 4[Additional Commissioners of Taxes, Joint Commissioners of Taxes], Deputy Commissioners of Taxes and Inspectors shall be subordinate to the Commissioners 5[or the Commissioner (Appeals), as the case may be,] within whose jurisdiction they are appointed to perform their function:

Provided that no order, direction or instruction shall be given so as to interfere with the discretion of the Appellate Joint Commissioners 6[or the Commissioners (Appeals)] in the exercise of their appellate functions.

(3) The Deputy Commissioners of Taxes and Inspectors shall be subordinate to the Insp ecting Joint Commissioner

within whose jurisdiction they perform their functions.

(4) The Inspectors shall be subordinate to the Deputy Commissioners of Taxes within whose jurisdiction they perform their functions.

Jurisdiction of
income-tax
authorities

6. (1) Subject to the provisions of this Ordinance, -

7[* * *]

1 Sub-section (1) was substituted by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)|

2 The words and comma ■Senior Commissioner,■ were omitted by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)|

3 The words and comma ■Chief Commissioner of Taxes, Director-General■ were substituted for the words ■Director-General■ by section 13 of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb)|

4 The words and comma ■Additional Commissioners of Taxes, Joint Commissioners of Taxes■ were substituted for the words ■Joint Commissioners of Taxes ■ by section 7 of A_© AvBb, 1991 (1991 mþbi 21 bs AvBb)|

5 The words, brackets and commas ■or the Commissioners (Appeals), as the case may be,■ were inserted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)|

6 The words and brackets ■or the Commissioners (Appeals)■ were inserted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)|

7 Clause (a) was omitted by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)| Income-tax Ordinance, 1984

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1[(aa) the Directors -General of Inspection shall perform the following functions, namely:-

(i) carry out inspection of income tax cases;

(ii) investigate or cause investigation to be carried out in respect of cases involving leakage of revenue or evasion of taxes;

(iii) carry out audit of cases or offices involving income tax revenues only;

(iv) furnish annual report about the working of income tax offices dealing with revenue matters to the Board by the thirty first day of December following the end of the financial year to which it relates; and`

(v) such other functions as may be assigned to them by the Board;]

2[(aaa) the Director -General of Central Intelligence Cell shall perform the following functions, namely:-

(i) carry out intelligence works to gather information about taxpayers;

(ii) analyse information gathered through intelligence work vis-a-vis concerned income tax records;

(iii) detect tax evasions, concealments of income and offences as described in chapter XXI of Income Tax Ordinance, 1984;

(iv) carry out investigations to prove tax evasion or concealment or any other irregularities relating to taxes and to collect evidences in support of tax offences or tax frauds for recovery of tax with penalty and to suggest prosecutions in fit cases;

(v) to carry out functions as authorised by any other law.]

1 Clause (aa) was substituted by section 5 of A_© AvBb, 1997 (1997 mþbi 15 bs AvBb)|

2 Clause (aaa) was added by section 9 of A_© AvBb, 2009 (2009 mþbi 9 bs AvBb) (with effect from 1st July, 2007). Income-tax Ordinance, 1984

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(b) the Commissioners 1[, the Commissioners (Appeals)] and the Appellate Joint Commissioners shall perform their functions in respect of such areas, or such persons or classes of persons, or such cases or classes of cases, or such incomes or classes of incomes, as the Board may assign to them;

2[(bb) the Commissioner (Large Taxpayer Unit) shall perform his functions in respect of such areas, or such persons or classes of persons, or such cases or classes of cases or such incomes or classes of incomes, as the Board may assign to him;]

(c) the Inspecting Joint Commissioners and the Deputy Commissioners of Taxes shall perform their functions in respect of such areas, or such persons or classes of persons, or such cases or classes of cases, or such incomes or classes of incomes as the Commissioner to whom they are subordinate may assign to them; and

(d) other income -tax authorities shall perform such functions as may be assigned to them by the income - tax authority to whom they are subordinate.

(2) (a) Any area or other jurisdiction or function assigned to an income -tax authority under sub -section (1) may

be modified or varied, or may be transferred to any other income -tax authority with respect to areas, persons or classes of persons, or cases or classes of cases, or proceeding or classes of proceedings;

(b) any such transfer as is referred to in clause (a) may be made at any stage of the proceedings and further proceedings may be commenced from the stage at which such transfer takes place.

(3) Where more income -tax authorities than one have been assigned the same functions in respect of any area, or persons

1 The comma, words and brackets ■, the Commissioners (Appeals)■ were inserted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)|

2 Clause (bb) was inserted by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)| Income-tax Ordinance, 1984

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or classes of persons, or cases or classes of cases, or incomes or classes of incomes, they shall perform those functions in accordance with such allocation or distribution of work as the authority assigning the functions may make.

(4) The powers of the Board, Commissioners and Deputy Commissioners of Taxes, to assign any case to any authority, or to transfer any case from one authority to another, or to perform any function or functions under this section, shall include the power in respect of all or any proceedings relating to such case; and except as provided in sub -section (5), no such assignment, transfer or performance of functions shall be called in question by or before any court or other authority.

(5) Any person aggrieved by any order passed under this section may, within thirty days of such order, make a representation-

(a) to the Inspecting Joint Commissioner if the order was passed by a Deputy Commissioner of Taxes;

(b) to the Commissioner the Commissioners (Appeals) if the order was passed by an Inspecting Joint Commissioner; and

(c) to the Board if the order was passed by a Commissioner; and any order passed on such representation shall be final.

7. Where, in respect of any proceeding under this Ordinance, an income -tax authority is succeeded by another,

the income -tax authority so succeeding may continue the proceeding from the stage at which it was left by his predecessor.

Exercise of
jurisdiction by
successor

8. All officers and other persons engaged in the performance of any functions under this Ordinance shall, in the matter of discharging those functions, observe and follow such orders, directions or instructions as the Board may issue from time to time:

Officers, etc. to
follow
instructions of
the Board

Provided that no order, direction or instruction shall be given so as to interfere with the discretion of the Appellate Joint

Income-tax Ordinance, 1984

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Commissioners 1[or the Commissioners (Appellants)] in the exercise of their appellate functions.

Guidance to the
Deputy
Commissioner
of Taxes, etc.

9. In the course of any proceedings under this Ordinance, the Deputy Commissioner of Taxes may be assisted, guided or instructed by any income -tax authority to whom he is subordinate or any other person authorised in this behalf by the Board.

Exercise of
assessment
functions by the
Inspecting Joint
Commissioners
2[and the
Inspecting
Additional
Commissioners]

10. The Commissioner may, with prior approval of the Board, by general or a special order in writing, direct that in respect of all or any proceedings relating to specified cases or classes of cases or specified persons or classes of persons within his jurisdiction, the powers and functions of the Deputy Commissioner of Taxes, 3[Inspecting Joint Commissioner, the Inspecting Additional Commissioner] and the Commissioner under this Ordinance shall be exercised by 4[Inspecting Joint Commissioner, the Inspecting Additional Commissioner], the Commissioner and the Board, respectively and for the purpose of any proceedings in respect of such cases or persons reference in this Ordinance or the rules made thereunder to the Deputy

Commissioner of Taxes, 5[Inspecting Joint Commissioner, the Inspecting Additional Commissioner] or the Commissioner shall be deemed to be references to 6[Inspecting Joint

1 The words and brackets ■ or the Commissioners (Appeals)■ were inserted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)|

2 The words ■and the Inspecting Additional Commissioners■ were inserted by section 7 of A_© AvBb, 1991 (1991 mþbi 21 bs AvBb)|

3 The words and comma ■Inspecting Joint Commissioner, the Inspecting Additional Commissioner■ were substituted for the words ■Inspecting Joint Commissioner■ by section 7 of A_© AvBb, 1991 (1991 mþbi 21 bs AvBb)|

4 The words and comma ■Inspecting Joint Commissioner, the Inspecting Additional Commissioner■ were substituted for the words ■Inspecting Joint Commissioner■ by section 7 of A_© AvBb, 1991 (1991 mþbi 21 bs AvBb)|

5 The words and comma ■Inspecting Joint Commissioner, the Inspecting Additional Commissioner■ were substituted for the words ■Inspecting Joint Commissioner■ by section 7 of A_© AvBb, 1991 (1991 mþbi 21 bs AvBb)|

6 The words and comma ■Inspecting Joint Commissioner, the Inspecting Additional Commissioner■ were substituted for the words ■Inspecting Joint Commissioner■ by section 7 of A_© AvBb, 1991 (1991 mþbi 21 bs AvBb)| Income-tax Ordinance, 1984

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Commissioner, the Inspecting Additional Commissioner], the Commissioner and the Board, respectively.

CHAPTER III TAXES APPELLATE TRIBUNAL

11. (1) For the purpose of exercising the functions of the Appellate Tribunal under this ordinance, the Government shall establish a Taxes Appellate Tribunal consisting of a President and such other 1[* *] members as the Government may, from time to time, appoint.

Establishment
of Appellate
Tribunal

(2) [Omitted by section 28 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb).]

2[(3) A person shall not be appointed as a member of the Taxes Appellate Tribunal unless-

3[(i) he was or is a member of the Board or holds the current charge of a member of the Board ; or]

(ii) he was a Commissioner of Taxes; or

(iii) he is a Commissioner of Taxes 4[having at least one year experience as a Commissioner]; or

(iv) he is a chartered accountant and practised professionally for a period not less than eight years; or

(v) he is a cost and management accountant and practised professionally for a period not less than eight years; or

(vi) he is an income tax practitioner within the meaning of section 174(2)(f) and practised professionally for not less than twenty years; or

1 The words "judicial and accountant" were omitted by section 28 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb)|

2 Sub-section (3) was substituted by section 28 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb)|

3 Clause (i) was substituted by section 8 of A_© AvBb, 2009 (2009 mþbi 36 bs AvBb) (with effect from 1st July, 2009).

4 The words "having at least one year experience as a Commissioner" were inserted after the words "a Commissioner of Taxes" by section 17 of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■) ■ Income-tax Ordinance, 1984

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(vii) he is a professional legislative expert having not less than eight years' experience in the process of drafting and making financial and tax laws; or

(viii) he is an Advocate and practised professionally for not less than ten years in any income tax office 1[; or

2[(ix) he is, was or has been a District Judge.]]

3[(4) The Government shall appoint one of the members of the Appellate Tribunal to be the President thereof 4[, who is a member of the Board or holds the current charge of a member of the Board].

Explanation.- For the purpose of this section, period of practice as chartered accountant shall include any period of practice as chartered accountant within the meaning of the Chartered Accountants Ordinance, 1961 (X of 1961) 5[or Bangladesh Chartered Accountants Order, 1973 (P. O. No. 2 of 1973)] or as registered accountant enrolled on the register of accountants under the Auditor's Certificate Rules, 1950.]

Exercise of
power of the
Tribunal by
Benches

12. (1) Unless the President in any particular case or class of cases otherwise directs, the powers and functions of the Appellate Tribunal shall be exercised by Benches of the Appellate Tribunal, hereinafter referred to as Bench, to be constituted by the President.

(2) A Bench shall be so constituted that it has not less than two members 6[* * *] 7[.

1 The semi-colon and word "; or " were substituted for the full-stop (.) and thereafter the clause (ix) was added by section 22(a) of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb)■

2 Clause (ix) was substituted by section 14 of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011).

3 Sub-section (4) was substituted by section 4 of A_© AvBb, 1996 (1996 mþbi 18 bs AvBb)|

4 The comma (,) and words ■who is a member of the Board or holds the current charge of a member of the Board■ were inserted after the words ■President there of■ by section 22 (b) of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb) ■

5 The words, comma, figures and brackets ■or Bangladesh Chartered Accountants Order, 1973 (P.O. No. 2 of 1973)■ were inserted by section 47 of A_© AvBb, 2001 (2001 mþbi 30 bs AvBb)|

6 The words ■and that there is equality in number of judicial members and accountant members■ were omitted by section 29 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb)|

7 The full stop (.) was substituted for the colon (:) and thereafter the proviso was omitted by section 48 of A_© AvBb, 2001 (2001 mþbi 30 bs AvBb)| Income-tax Ordinance, 1984

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* * *]

13. (1) Subject to the provisions of sub-sections (2) and (3), the decision of bench in any case or on any point shall be given in accordance with the opinion of the majority of its members.

Decision of
Bench

(2) Any point on which the members of a Bench are equally divided shall be stated in writing and shall be referred by the President to one or more other members of the Appellate Tribunal for hearing and the Point shall be decided according to the majority of the members of the Appellate Tribunal who have heard it including those who first heard it.

(3) Where there are only two members of the Appellate Tribunal and they differ in any case, the Government may appoint an additional member of the Appellate Tribunal for the purpose of hearing the case; and the decision of the case shall be given in accordance with the opinion of the majority of the members of the Appellate Tribunal as constituted with such additional member.

14. Notwithstanding anything contained in section 12, the Government may direct that the powers and functions of the Appellate Tribunal shall be exercised by any one of its members, or by two or more members jointly or severally.

Exercise of
power by one
member

15. Subject to the provisions of this Ordinance, the

Appellate Tribunal shall regulate its own procedure and the procedure of its Benches in matters arising out of the discharge of its functions including the places at which a Bench shall hold its sittings.

Regulation of
procedure

CHAPTER IV

CHARGE OF INCOME TAX

16. (1) Where an Act of Parliament provides that income - tax shall be charged for any assessment year at any rate or rates, income-tax at that rate or those rates shall, subject to the provisions of that Act, be charged, levied, paid and collected in accordance with the provisions of this Ordinance in respect of the total income of the income year or income years, as the case may be, of every person:

Charge of
income-tax

Income-tax Ordinance, 1984

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Provided that where under the provisions of this Ordinance income-tax is to be charged in respect of the income of a period other than the income year, income-tax shall be charged, levied, paid and collected accordingly.

(2) Where under the provisions of this Ordinance income - tax is to be deducted at source, or paid or collected in advance, it shall be deducted, paid and collected accordingly.

1[(3) Notwithstanding anything contained in sub -section (1), income tax shall be charged at the rates specified in Chapter VII and the Second Schedule in respect of-

(i) any income classifiable under the head ■Capital gains■;

(ii) any income by way of ■dividend■ referred to in clause (26) of section 2; and

(iii) any income by way of ■winnings■ referred to in section 19(13).]

Charge of

surcharge 2[16A. (1) Where any Act of Parliament enacts that a surcharge on income shall be charged for any assessment year at any rate or rates, such surcharge at that rate or those rates shall be charged for that year in respect of the total income of the income year or the income years, as the case may be, of every person.

(2) All the provisions of this Ordinance relating to charge, assessment, deduction at source, payment in advance, collection, recovery and refund of income tax shall, so far as may be, apply to the charge, assessment, deduction at source,

payment in advance, collection, recovery and refund of the surcharge.]

Charge of
additional tax

3[4[16B. Charge of additional tax. -Notwithstanding anything contained in any other provision of this Ordinance,

1 Sub-section (3) was substituted by section 11 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022).

2 Section 16A was inserted by section 8 of A_© AvBb, 1988 (1988 m†bi 33 bs AvBb)|

3 Sections 16B and 16C were inserted by section 30 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

4 Sections 16B, 16BB and 16BBB were substituted by section 18 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 1984

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where any person employs or allows, without prior approval of the 1[appropriate authority of the Government], any individual not being a Bangladeshi citizen to work at his business or profession at any time during the income year, such person shall be charged additional tax at the rate of fifty percent (50%) of the tax payable on his income or taka five lakh, whichever is higher in addition to tax payable under this Ordinance.

16BB. Where under the provisions of this Ordinance any interest, amount or any other sum, by whatever name called, is to be charged in addition to tax, it shall be charged, levied, paid and collected accordingly.

Charge of
additional
amount, etc

16BBB. Where under the provisions of this Ordinance any minimum tax i s to be charged, it shall be charged, levied, paid and collected accordingly.]

Charge of
minimum tax

2[***]

3[***]

4[***]

16D. [Charge of dividend distribution tax - Omitted by section 10 of A_© AvBb, 2005 (2005 m†bi 16 bs AvBb), which was inserted by section 18 of A_© AvBb, 2003 (2003 m†bi 17 bs AvBb)]

5[***]

1 The words "appropriate authority of the Government" were substituted for the words "Board of Investment or any competent authority of the Government, as the case may be" by section 10 of the Income-tax Ordinance, 1984 (Act No. 1 of 1984) (With effect from 1st July 2018).

2 Section 16C was omitted by section 19 of the Income-tax Ordinance, 1984 (Act No. 1 of 1984).

3 Section 16CC was omitted by section 12 of A_© AvBb, 2009 (20 09 mþbi 10 bs AvBb) (with effect from 1st July, 2008).

4 Section 16CCC was omitted by section 20 of the Income-tax Ordinance, 1984 (Act No. 1 of 1984).

5 Section 16E was omitted by section 9 of A_© AvBb, 2013 (2013 mþbi 25 bs AvBb) (with effect from 1st July, 2013).

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Charge of tax
on stock
dividend

1[16F. Notwithstanding anything contained in this Ordinance or any other law for the time being in force, if in an income year, the amount of stock dividend declared or distributed exceeds the amount of cash dividend declared or distributed or without declaration or distribution of any cash dividend by a company registered under the Companies Act, 1947 (Act No. 1 of 1947) and listed to any stock exchange, tax shall be payable at the rate of ten per cent on the whole amount of stock dividend declared or distributed in that income year.

Charge of tax
on retained
earnings,
reserves,
surplus etc

16G. Notwithstanding anything contained in this ordinance or any other law for the time being in force, if in an income year, the total amount transferred to retained earnings or any fund, reserve or surplus, called by whatever name, by a company registered under the Companies Act, 1947 (Act No. 1 of 1947) and listed to any stock exchange exceeds seventy per cent of the net income after tax, tax shall be payable at the rate of ten per cent on the total amount so transferred in that income year.]

Charge of tax
on the
difference of
investment,
import and
export

2[16H. Where, in any income year, the assessee has, in the statements submitted by him,

(a) claimed to have carried on any import or export, and the amount paid or received for such import or export respectively, as shown in the statement, is found to be different from the actual transaction value, or

(b) claimed to have made any investment and the actual of investment is found to be lower than the amount of investment disclosed in the statement, tax, without prejudice to any other provisions of this Ordinance, shall be payable at the rate of fifty percent (50%) on the amount of the difference as mentioned in clause (a) or on the difference between the disclosed and the actual amount of investment as mentioned in clause (b), as the case maybe.]

1 Section 16F and Section 16G were added by section 12 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■

2 Section 16H was inserted by section 17 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■ ■■ ■■■■)■ Income-tax Ordinance, 19

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17. (1) Subject to the provisions of this Ordinance the total income of any income year of any person includes-
Scope of the
total income

(a) in relation to a person who is a resident, all income, from whatever source derived, which-

(i) is received or deemed to be received in Bangladesh by or on behalf of such person in such year; or

(ii) accrues or arises, or is deemed to accrue or arise to him in Bangladesh during that year; or

(iii) accrues or arises to him outside Bangladesh during that year; and

(b) in relation to a person who is a non -resident, all income from whatever source derived, which-

(i) is received or deemed to be received in Bangladesh by or on behalf of such person in such year; or

(ii) accrues or arises, or is deemed to accrue or arise, to him in Bangladesh during that year.

(2) Notwithstanding anything contained in sub -section (1), where any amount consisting of either the whole or a part of

any income of a person has been included in his total income on the basis that it has accrued or arisen, or is deemed to have accrued or arisen, to him in any year, it shall not be included again in his total income on the ground that it is received or deemed to be received by him in Bangladesh in another year.

18. The following income shall be deemed to accrue or arise in Bangladesh, namely:-

Income deemed
to accrue or
arise in
Bangladesh

(1) any income which falls under the head ■Salaries■, wherever paid if-

(a) it is earned in Bangladesh; or

(b) it is paid by the Government or a local authority in Bangladesh to a citizen of Bangladesh in the service of such Government or authority.

Income-tax Ordinance, 1984

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1[(2) any income accruing or arising, whether directly or indirectly, through or from-

(a) any permanent establishment in Bangladesh; or

(b) any property, asset, right or other source of income, including intangible property, in Bangladesh; or

(c) the transfer of any assets situated in Bangladesh; or

(d) the sale of any goods or services by any electronic means to purchasers in Bangladesh; or

(e) any intangible property used in Bangladesh.

Explanation.- For the purpose of clause (2)-

(a) the shares of any company which is a resident in Bangladesh shall be deemed to be property in Bangladesh;

(b) intangible property shall be deemed to be property in Bangladesh if it is-

(i) registered in Bangladesh; or

(ii) owned by a person that is not a resident of Bangladesh but has a permanent establishment in Bangladesh to which the intangible property is attributed;

(c) the transfer of any share in a company that is not a resident of Bangladesh shall be deemed to be the transfer of an asset situated in Bangladesh to the extent that the value of the share transferred is directly or indirectly attributable to the value of any assets in Bangladesh;]

1 Clause (2) was substituted by section 11 of ■■■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018). Income-tax Ordinance, 1984

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(3) any dividend paid outside Bangladesh by a Bangladeshi company;

(4) any income by way of interest payable-

(a) by the Government; or

(b) by a person who is a resident, except where the interest is payable in respect of any debt incurred, or moneys borrowed and used, for the purposes of a business or profession carried on by such person outside Bangladesh or for the purpose of making or earning any income from any source outside Bangladesh; or

(c) by a person who is a non-resident where the interest is in respect of any debt incurred, or moneys borrowed and used for the purposes of a business or profession carried on by such person in Bangladesh or for the purposes of making or earning any income from any source in Bangladesh;

(5) any income by way of fees for technical services payable-

(a) by the Government; or

(b) by a person who is a resident, except where such fees are payable in respect of services utilised in a business or profession carried on by any such person outside Bangladesh or for the purposes of making or earning any income from any source outside Bangladesh; or

(c) by a person who is a non-resident where such fees are

payable in respect of services utilised in a business or profession carried on by such person in Bangladesh or for the purposes of making or earning any income from any source in Bangladesh;

(6) any income by way of royalty payable-

(a) by the Government; or

(b) by a person who is a resident, except where the royalty is payable in respect of any right, property or information used or services utilised for the purposes

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of a business or profession carried on by such person outside Bangladesh or for the purposes of making or earning any income from any source outside Bangladesh; or

(c) by a person who is a non-resident where the royalty is payable in respect of any right, property or information used or services utilised for the purposes of a business or profession carried on by such person in Bangladesh or for the purposes of making or earning any income from any source in Bangladesh.

Un-explained
investments,
etc., deemed to
be income

19. (1) Where any sum is found credited in the books of an assessee maintained for any income year and the assessee offers no explanation about the nature and source thereof, or the explanation offered is not, in the opinion of the Deputy Commissioner of Taxes, satisfactory, the sum so credited shall be deemed to be his income for that income year classifiable under the head ■Income from other sources■.

(2) Where, in any income year, the assessee has made investments or is found to be the owner of any bullion, jewellery or other valuable article and the Deputy Commissioner of Taxes finds that the amount expended on making such investments or in acquiring such bullion, jewellery or other valuable article exceeds the amount recorded in this behalf in the books of account maintained by the assessee for any source of income and the assessee offers no explanation about the excess amount or the explanation offered is not, in the opinion of the Deputy Commissioner of Taxes, satisfactory, the excess amount shall be deemed to be the income of the assessee for such income year classifiable under the head ■Income from other sources■.

(3) Where, in any income year, the assessee has incurred any expenditure and he offers no explanation about the nature and source of the money for such expenditure, or the explanation offered is not in the opinion of the Deputy

Commissioner of Taxes, satisfactory, the amount of the expenditure shall be deemed to be the income of the assessee for such income year classifiable under the head ■Income from other sources■.

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(4) Where, in the financial year immediately preceding the assessment year, the assessee has made investments which are not recorded in the books of account, if any, maintained by him for any source of income, and the assessee offers no explanation about the nature and source of fund for the investments, or the explanation offered is not, in the opinion of the Deputy Commissioner of Taxes, satisfactory, the value of the investments shall be deemed to be the income of the assessee for such financial year classifiable under the head ■Income from other sources■.

(5) Where, in the financial year immediately preceding the assessment year, the assessee is found to be the owner of any money, bullion, jewellery or other valuable article which is not recorded in the books of account, if any, maintained by him for any source of income, and the assessee offers no explanation about the nature and source of fund for the acquisition of the money, bullion, jewellery or other valuable article, or the explanation offered is not, in the opinion of the Deputy Commissioner of Taxes, satisfactory, the money or the value of the bullion, jewellery or other valuable article, shall be deemed to be the income of the assessee for such financial year classifiable under the head ■Income from other sources■.

(6) Any income derived by an assessee in any income year (hereinafter in this sub-section referred to as the said income year) from any business or profession, which has been or was, discontinued at any time before the commencement, or during the course, of the said income year shall, if such income would have been chargeable to tax if it had been received in the income year in which it accrued or arose, be deemed to be income chargeable to tax from such business or profession which shall, for the purposes of this Ordinance, be deemed to have been carried on before the commencement, or during the course, of the said income year.

(7) Any dividend declared or distributed by a company shall be deemed to be the income of the 1[income year in which

1 The words "income year in which it is received " were substituted for the words "income year in which it is declared " by Section 11 of A_© AvBb, 2009 (2009 mþbi 9 bs AvBb) (with effect from 1st July, 2007).

it is received] and shall be included in the total income of the assessee of that year.

(8) Where any assets, not being stock-in-trade 1[***], are purchased by an assessee from any company and the Deputy Commissioner of Taxes has reason to believe that the price paid by the assessee is less than the fair market value thereof, the difference between the price so paid and the fair market value thereof, the difference between the price so paid and the fair market value shall be deemed to be income of the assessee classifiable under the head ■Income from other sources■.

(9) Where any lump sum amount is received or receivable by an assessee during any income year on account of salami or premia receipts by virtue of any lease, such amount shall be deemed to be income of the assessee of the income year in which it is received and classifiable under the head ■Income from other sources■:

Provided that at the option of the assessee such amount may be allocated for the purpose of assessment proportionately to the years covered by the entire lease period, but such allocation shall in no case exceed five years.

(10) Where any amount is received by an assessee during any income year by way of goodwill money or receipt in the nature of compensation or damages for cancellation or termination of contracts and licenses by the Government or any person, such amount shall be deemed to be the income of such assessee for that income year classifiable under the head ■Income from other sources■.

(11) Where any benefit or advantage, whether convertible into money or not, is derived by an assessee during any income year on account of cancellation of indebtedness 2[* * *], the

1 The words and comma ■or stocks, and shares■ were omitted by section 13(a) of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■)■

2 The words ■which makes any debtor taxable■ were omitted by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb) | Income-tax Ordinance, 1984

money value of such advantage or benefit shall be deemed to be his income for that income year classifiable under the head ■Income from other sources■ 1[:

2[Provided that the provisions of this sub-section shall not apply in case of a loan or interest waived in respect of an assessee 3[being individual] by a commercial bank

including Bangladesh Krishi Bank, Rajshahi Krishi Unnayan Bank, 4[Bangladesh Development Bank Ltd.], or a leasing company or a financial institution registered under Avw_©K cÖwZôvb AvBb, 1993 (1993 mþbi 27 bs AvBb) 5[:

Provided further that the provisions of this sub -section shall not apply in case of a benefit or advantage, of an ass essee being an individual, not exceeding taka ten lakh resulting from the waiver of margin loan or interest thereof by a holder of Trading Right Entitlement Certificate (TREC) as defined under ■■■■■■■■■■ ■■■■■■■■■■ ■■■■ , ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) in respect of the assessee's investment in shares, debentures, mutual funds or securities transacted in the stock exchange.]

(12) Any managing agency commission including compensation received during any income year by an assessee for termination of agencies or any modification of the terms and conditions relating thereto shall be deemed to be his income for that income year classifiable under the head ■Income from other sources■.

1 The colon (:) was substituted for the full -stop (.) and thereafter the proviso was added by section 31 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb)|

2 The proviso was substituted by section 19 of A_© AvBb, 2003 (2003 mþbi 17 bs AvBb)|

3 The words ■being individual■ were inserted after the word ■assessee■ by section 12(a) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022).

4 The words ■ Bangladesh Development Bank Ltd.■ were substituted for the words ■Bangladesh Shilpa Bank or Bangladesh Shilpa Rin Sangstha ■ by section 7(a) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

5 The colon (:) was substituted for the semi -colon (;) and thereafter the proviso was added by section 21 (a) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 1984

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(13) Any amount received by an assessee during any income year by way of winnings from lotteries, crossword puzzles, card games and other games of any sort or from gambling or betting in any form or of any nature whatsoever shall be deemed to be his income for that income year classifiable under the head ■Income from other sources■.

(14) Any profits and gains derived in any income year from any business of insurance carried on by a mutual insurance association computed in accordance with the provisions of paragraph 8 of the Fourth Schedule shall be deemed to be the

income of such association for that income year.

(15) Where, for the purpose of computation of income of an assessee under section 28, any deduction has been made for any year in respect of any loss, bad debt, expenditure or trading liability incurred by the assessee, and-

(a) subsequently, during any income year, the assessee has received 1[except as provided in clause (aa)], whether in cash or in any other manner whatsoever, any amount in respect of such loss, bad debt, or expenditure, the amount so received shall be deemed to be his income from business or profession during that income year;

2[(aa) such amount on account of any interest which was to have been paid to any commercial bank or the 3[Bangladesh Development Bank Ltd.] or on account of any share of profit which was to have been paid to any bank run on Islamic principles and which was allowed as a deduction in respect of such expenditure though such interest or share of profit was not paid by reason of the assessee having maintained his accounts on mercantile basis, within 4[three years] after expiry of the income year in

1 The words, brackets and letters ■except as provided in clause (aa)■ were inserted by section 7 of A_© AvBb, 1991 (1991 mþbi 21 bs AvBb)|

2 Clause (aa) was inserted by section 7 of A_© AvBb, 1991 (1991 mþbi 21 bs AvBb)|

3 The words ■Bangladesh Development Bank Ltd.■ were substituted for the words ■Bangladesh Shilpa Bank or the Bangladesh Shilpa Rin Sangstha ■ by section 7(b) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

4 The words ■three years■ were substituted for the words ■two years■ by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)| Income-tax Ordinance, 1984

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which it was allowed, shall, to such extent as it remains unpaid, be deemed to be income of the assessee from business or profession during the income year immediately following the expiry of the said 1[three years;]

(b) the assessee has derived, during any income year, some benefit in respect of such trading liability, the value of such benefit, if it has not already been treated as income under clauses (c), shall be deemed to be his income from business or profession during that income year;

(c) such trading liability or portion thereof as has not been paid within three years of the expiration of the income year in which deduction was made in respect of the liability, such liability or portion, as the case may be, shall be deemed to be the income of the assessee from

business or profession during the income year
immediately following the expiry of the said three years;

and the business or profession in respect of which such allowance or deduction was made shall, for the purposes of section 28, be deemed to be carried on by the assessee in that year:

2[Provided that where any interest or share of profit referred to in clause (aa) or a trading liability referred to in clause (c) is paid in a subsequent year, the amount so paid shall be deducted in computing the income in respect of that year.]

(16) Where any building, machinery or plant having been used by an assessee for purpose of any business or profession carried on by him is disposed of during any income year and the sale proceeds thereof exceeds the written down value, so much of the excess as does not exceed the difference between the original cost and the written down value shall be deemed to be the income of the assessee for that income year classifiable under the head ■Income from business or profession■.

1 The words ■three years■ were substituted for the words ■two years■ by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|

2 The proviso was substituted by section 19 of A_© AvBb, 2003 (2003 mþbi 17 bs AvBb)| Income-tax Ordinance, 1984

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(17) Where any machinery or plant exclusively used by an assessee for agricultural purposes has been disposed of in any income year and the sale proceeds thereof exceeds the written down value, so much of the excess as does not exceed the difference between the original cost and the written down value shall be deemed to be the income of the original cost and the written down value shall be deemed to be the income of the assessee for that income year classifiable under the head ■Agricultural income■.

(18) Where any insurance, salvage or compensation moneys are received in any income year in respect of any building, machinery or plant which having been used by the assessee for the purpose of business or profession is discarded, demolished or destroyed and the amount of such moneys exceed the written down value of such building, machinery or plant, so much of the excess as does not exceed the difference between the original cost and the written down value less the scrap value shall be deemed to be the income of the assessee for that income year classifiable under the head ■Income from business or profession■.

(19) Where any insurance, salvage or compensation moneys are received in any income year in respect of any machinery or plant which having been used by the assessee exclusively for agricultural purpose is discarded, demolished or destroyed and the amount of such moneys exceed the written down value of such machinery or plant, so much of the excess as does not exceed the difference between the original cost and the written down value less the scrap value shall be deemed to be the income of the assessee for that income year classifiable under the head ■Agricultural income■.

(20) Where an asset representing expenditure of a capital nature on scientific research within the meaning of section 29 (1) (xx) is disposed of during any income year, so much of the sale proceeds as does not exceed the amount of the expenditure allowed under the said clause shall be deemed to be the income of the assessee for that income year classifiable under the head ■Income from business or profession■.

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Explanation 1.- For the purposes of this sub-section and sub-sections (16) and (17), ■sale proceeds■ shall have the same meaning as in the Third Schedule.

Explanation 2.- For the purposes of this sub-section and sub-sections (16) and (18), the business or profession in which the building, machinery, plant or assets, as the case may be, was used before its disposal, shall be deemed to be carried on by the assessee during the income year in which such disposal takes place.

1[2[(21) Where any sum is claimed or shown to have been received as loan 3[, advance or deposit of any kind called by whatever name,] or gift by an Assessee otherwise than by a bank transfer, the amount so received shall be deemed to be the income of such Assessee for the income year in which such loan 4[, advance or deposit of any kind called by whatever name,] or gift was received, and shall be classifiable under the head ■Income from other sources■:

Provided that-

(a) where a loan or part thereof, which was deemed as the income under this sub-section and included in the total income of the Assessee, is repaid 5[or converted into consideration for any goods or services] in a subsequent income year,

1 Sub-sections (21), (22) and (23) were added by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)|

2 Sub-section (21) was substituted by section 12 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018).

3 The commas and words ■, advance or deposit of any kind called by whatever name,■ were inserted after the word ■loan■ by section 13(b)(i) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) ■■■■)■

4 The commas and words ■, advance or deposit of any kind called by whatever name,■ were inserted after the word ■loan■ by section 13(b)(i) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) ■■■■)■

5 The words ■or converted into consideration for any goods or services ■ were inserted after the word ■repaid■ by section 13(b) (ii) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 19

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the amount so repaid 1[or converted into consideration for any goods or services] shall be deducted in computing the income of the Assessee for that income year;

(b) a loan shall not be deemed to be an income under this sub-section if the loan is taken from a banking company or a financial institution;

2[(bb) deposits received by a Bank or a financial institution or an organization registered with Micro Credit Regulatory Authority or NGO Affairs Bureau shall not be deemed to be a n income under this sub-section;]

(c) a loan or a gift received by an Assessee, being an individual, shall not be deemed to be the income under this sub-section, if-

(i) the aggregate amount of such loan or gift received in an income year does not exceed five lakh taka; or

(ii) the loan or the gift is received from spouse or parents 3[or sons or daughters] of the Assessee, and a banking channel or a formal channel is involved in the process of such loan or gift.

4[***]

5[***]

6[***]

- 1 The words "or converted into consideration for any goods or services" were inserted after the word "repaid" by section 13(b) (ii) of [REDACTED] [REDACTED], [REDACTED] ([REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED])
 - 2 Proviso (bb) was inserted by section 12(b) (i) of [REDACTED] [REDACTED], [REDACTED] ([REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]) (With effect from 1st July 2022).
 - 3 The words "or sons or daughters" were inserted after the word "parents" by section 12(b) (ii) of [REDACTED] [REDACTED], [REDACTED] ([REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]) (With effect from 1st July 2022).
 - 4 Explanation was omitted by section 12(b) (iii) of [REDACTED] [REDACTED], [REDACTED] ([REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]) (With effect from 1st July 2022).
 - 5 Sub-section (21A) was omitted by section 12 (b) of [REDACTED] [REDACTED], [REDACTED] ([REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]) (With effect from 1st July 2018).
 - 6 Sub-section (21B) was omitted by section 12 (b) of [REDACTED] [REDACTED], [REDACTED] ([REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]) (With effect from 1st July 2018).
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(22) Where an assessee, being the owner of a house property, receives from any person to whom such house property or any part thereof is let out any amount which is not adjustable against the rent payable, the amount so received shall be deemed to be income of the assessee for the income year in which it is received and be classifiable under the head "income from house property":

Provided that at the option of the assessee such amount may be allocated, for the purpose of assessment in equal proportion to the year in which such amount is received and the four years next following:

Provided further that where such amount or part thereof is refunded by the assessee in a subsequent income year the amount so refunded shall be deducted in computing the income of the assessee in respect of that income year.

1[(22A) Where an assessee, being the owner of a house property, received, from any person to whom such house property or any part thereof is let out, any amount exceeding taka 2 lakh other than bank transfer which is adjustable against the rent receivable, the amount shall be deemed to be the "Income from house property" of the assessee for the income year in which it is received:

Provided that where such amount is received through bank transfer, the amount shall be adjusted within five years after the year of receipt or the period of agreement whichever is lower, if after the expiry of the aforesaid period such amount or any part thereof remains unadjusted, the amount remained so unadjusted shall be deemed to be the "Income from house property" of the assessee in the income year in which such amount remains unadjusted.]

Explanation.- In this sub -section, ■bank transfer■ means transfer from the account of the giver to the account o f the receiver, and such accounts are maintained in a bank or financial institution legally authorised to operate accounts.]]

(23) Where during any income year an assessee, being an exporter of garments, transfers to any person, the export quota or any part thereof allotted to him by the Government, such

1 Sub-section 22A was inserted by section 13(c) of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinanc

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portion of the export value of the garments exportable against the quota so transferred as may be prescribed for this purpose shall be deemed to be income of the assessee for that income year, classifiable under the head ■Income from business or profession■.]

1[2[(24) Where a company, not listed with any stock exchange, receives paid up capital from any shareholder during any income year in any other mode excepting by crossed cheque o r bank transfer, the amount so received as paid up capital shall be deemed to be the income of such company for that income year and be classifiable under the head "Income from other sources.]

3[***]]

4[5[***]

(27) Where an assessee, bein g a company, purchases directly or on hire one or more motor car or jeep and value of any motor car or jeep exceeds ten percent of its 6[paid up capital together with reserve and accumulated profit], then fifty percent of the amount that exceeds such ten percent of the 7[paid up capital together with reserve and accumulated profit] shall be deemed to be the income of such assessee for that income year classifiable under the head "Income from other sources".]]

1 Sub-sections (24) and (25) were added by section 10 of A_© AvBb, 2006 (2006 mþbi 22 bs AvBb)|

2 Sub-section (24) was substituted by section 16(c) of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012).

3 Sub-section (25) was omitted by section 11(b) of A_© AvBb, 2009 (2009 mþbi 9 bs AvBb) (with effect from 1st July, 2007).

4 Sub-sections (26) and (27) were added by section 16(b) of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011).

5 Sub-section (26) was omitted by section 12 (b) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018).

6 The words ■paid up capital together with reserve and accumulated profit■ were substituted for the words ■paid up capital■ by section 12 (b) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

7 The words ■paid up capital together with reserve and accumulated profit■ were substituted for the words ■paid up capital■ by section 12 (b) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■
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1[***]

2[(29) Where an assessee, not being an assessee engaged in real estate business during any income year, purchases on credit any material for the purpose of construction of building or house property or its unit and fails to pay the sum or any part thereof representing the liability in respect of such purchase, the sum or any part thereof, 3[which has not been paid within two years from the end of the income year in which the purchase was made, shall be deemed to be the income of the assessee for the income year immediately following the expiry of the said two years and be classifiable under the head "Income from other sources■].

(30) Where an assessee, in the course of any proceedings under this Ordinance, is found to have any sum or part thereof allowed or deducted but not spent in accordance with the provision of clause (h) of sub-section (1) of section 25 of this Ordinance, such unspent sum or part thereof shall be deemed to be the income of such assessee for that income year classifiable under the head ■Income from house property■.

4[(31) Where an assessee files a revised return or an amended return under sections 78, 82BB or 93 and shows in such revised return or amended return any income that is

1 Sub-section (28) was omitted by section 12 (b) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018).

2 Sub-sections (29), (30) and (31) were added by section 12(c) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

3 The words, comma and symbol ■which has not been paid within two years from the end of the income year in which the purchase was made, shall be deemed to be the income of the assessee for the income year immediately following the expiry of the said two years and be classifiable under the head "Income from other sources■ were substituted for the words, comma and symbol ■which has not been paid in the following year in which such purchase was made, shall be deemed to be the income of the assessee for that income year classifiable under the head "Income from other sources■ by section 21 (b) of ■■■■■ ■■■■, ■■■■■

(■■■■■ ■■■■■ ■■ ■■ ■■■■)■

4 Sub-section (31) was substituted by section 9 (b) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)
(With effect from 1st July 2017).
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subject to tax exemption or a reduced tax rate 1[or any
income derived from the sources mentioned in paragraph 33
of Part A of THE SIXTH SCHEDULE], so much of such
income as exceeds the amount shown in the original return
shall be deemed to be income of the assessee for that income
year classifiable under the head "Income from other
sources.]]

2[Explanation.- For the purpose of this sub -section
income that is subject to tax exemption or a reduced tax rate
does not include the exclusions from total income as mentioned
in PART A of the THE SIXTH SCHEDULE]

3[(32) Where any payment made for acquiring any asset or
constitutes any asset and tax has not been deducted therefrom
in accordance with Chapter VII, such payment shall be deemed
to be the income of the person responsible for making the
payment under this Ordinance and classifiable under the head
■Income from other source■ in the income year in which the
payment was made.]]

4[***]

5[***]

6[***]

7[***]

1 The words ■or any income derived from the sources mentioned in paragraph 33 of Part
A of THE SIXTH SCHEDULE■ were inserted after the words ■reduced tax rate■ by
section 13(d) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

2 Explanation was added by section 13(d) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

3 Sub-section (32) was inserted by section 13 (e) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

4 Section 19A was omitted by section 25 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb) (with
effect from 1st July, 2010).

5 Section 19AA was omitted by section 26 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb) (with
effect from 1st July, 2010).

6 Section 19AAA was omitted by section 27 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb)
(with effect from 1st July, 2010).

7 Section 19AAAA was omitted by section 13 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)
(With effect from 1st July 2022).
Income-tax Ordinance, 1984

1[***]

2[19AAAAAA. 1. Notwithstanding anything contained in this Ordinance or any other law for the time being in force, no question as to the source of any sum, if invested in between first day of July, 2021 and thirtieth day of June, 2022 (both days inclusive), in new industrial undertaking shall be raised by any authority if an individual pays on or before the thirtieth day of June, 2022, tax at the rate of ten percent (10%) on the sum so invested.

2. Tax under this section shall only be payable by pay order or by automated challan, as the case may be.]

Special Tax
Treatment in
respect of
investment in
new industrial
undertaking

3[***]

4[***]

5[***]

6[***]

7[19BBBBB. (1) Notwithstanding anything contained in this Ordinance, source of any sum invested by any person, in the construction or purchase of any 8[building] or apartment shall be deemed to have been explained if the assessee pays, before the Special tax

treatment in
respect of
investment in
9[***]

1 Section 19AAAAA was omitted by section 14 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022).

2 Section 19AAAAA was inserted after the section 19AAAAA by section 9 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■

3 Section 19B was omitted by section 12 of A_© AvBb, 2009 (2009 mþbi 9 bs AvBb) (with effect from 1st July, 2007).

4 Section 19BB was omitted by section 12 of A_© AvBb, 2009 (2009 mþbi 9 bs AvBb) (with effect from 1st July, 2007).

5 Section 19BBB was omitted by section 12 of A_© AvBb, 2009 (2009 mþbi 9 bs AvBb) (with effect from 1st July, 2007).

6 Section 19BBBB was omitted by section 28 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb)

(with effect from 1st July, 2010).

7 Section 19BBBBB was substituted by section 14 of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

8 The word ■building■ was substituted for the words ■residential building■ by section 19(b) of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

9 The word ■residential■ was omitted by section 19(a) of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 1984

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building,
apartmen
assessment for the relevant assessment year in which the
investment is completed, tax at the following rate –

(a) for building or apartment situated in the area of Gulshan
Model Town, Banani, Baridhara, Motijheel Commercial
Area and Dilkusha Commercial Area of Dhaka-

(i) taka four thousand per square meter in the case o f a
building or an apartment the plinth area of which
does not exceed two hundred square meter;

(ii) taka five thousand per square meter in the case of a
building or an apartment the plinth area of which
exceeds two hundred square meter;

(b) for buildin g or apartment situated in the area of
Dhanmandi Residential Area, Defence Officers Housing
Society (DOHS), Mahakhali, Lalmatia Housing Society,
Uttara Model Town, Bashundhara Residential Area,
Dhaka Cantonment, Kawran Bazar, Bijaynagar,
Segunbagicha, Niku nja of Dhaka, and Panchlaish,
Khulshi, Agrabad and Nasirabad Area of Chattogram-

(i) taka three thousand per square meter in the case of a
building or an apartment the plinth area of which
does not exceed two hundred square meter;

(ii) taka three tho usand and five hundred per square
meter in the case of a building or an apartment the
plinth area of which exceeds two hundred square
meter;

(c) for building or apartment situated in the area of any City
Corporation other than areas mentioned in clause s (a) or
(b)-

(i) taka eight hundred per square meter in the case of a
building or an apartment the plinth area of
which does not exceed one hundred and twenty
square meter;

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(ii) taka one thousand per square meter in the case of a building or an apartment the plinth area of which exceeds one hundred and twenty square meter but does not exceed two hundred square meter;

(iii) taka one thousand and five hundred per square meter in the case of a building or an apartment the plinth area of which exceeds two hundred square meter;

(d) for building or apartment situated in the area of a Paurasabha of any district headquarters-

(i) taka three hundred per square meter in the case of a building or an apartment the plinth area of which does not exceed one hundred and twenty square meter;

(ii) taka five hundred per square meter in the case of a building or an apartment the plinth area of which exceeds one hundred and twenty square meter but does not exceed two hundred square meter;

(iii) taka seven hundred per square meter in the case of a building or an apartment the plinth area of which exceeds two hundred square meter;

(e) for building or apartment situated in the area other than the areas mentioned in clauses (a) to (d)-

(i) taka two hundred per square meter in the case of a building or an apartment the plinth area of which does not exceed one hundred and twenty square meter;

(ii) taka three hundred per square meter in the case of a building or an apartment the plinth area of which exceeds one hundred and twenty square meter but does not exceed two hundred square meter;

(iii) taka five hundred per square meter in the case of a building or an apartment the plinth area of which exceeds two hundred square meter;

(2) The rate of tax mentioned in sub-section (1) shall be

twenty per cent higher in case where the assessee already owns a building or an apartment in any City Corporation

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before such investment is completed; or the assessee makes such investment in two or more buildings or apartments.

(3) The rate of tax mentioned in sub-section (1) shall be one hundred per cent higher in case, where-

(a) a notice under section 93 has been issued before submission of such return of income for the reason that any income, asset or expenditure has been concealed or any income or a part thereof has escaped assessment;

(b) a notice under clause (f) of section 113 has been issued before submission of such return of income;

(c) any proceeding under sections 164, 165 or 166 has been initiated before submission of such return of income.

(4) The provision of this section shall not apply where the source of such investment, made by the assessee for the construction or purchase of such 1[building] or apartment, is-

(a) derived from any criminal activities under any other law for the time being in force; or

(b) not derived from any legitimate source.]

Special tax
treatment in
respect of
investment in
the purchase of
bond under
Bangladesh
Infrastructure
Finance Fund

2[19C. Notwithstanding anything contained in any other provision of this Ordinance, no question as to the source of any sum invested by any person in the purchase of bond issued or caused to be issued under Bangladesh Infrastructure Finance Fund during the period between the first day of July, 2010 and thirtieth day of June, 2012 (both days inclusive), shall be raised if the assessee pays, before the filing of return of income for the relevant income year, tax at the rate of ten per cent on such sum invested.]

1 The word ■building■ was substituted for the words ■residential building■ by section 19 (b) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■ ■■■ ■■■■)■

2 Section 19C was inserted by section 29 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb) (with effect from 1st July, 2010). Income-tax Ordinance, 1984

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1[***]

2[19DD. Notwithstanding anything contained in this Ordinance or any other law for the time being in force, no question shall be raised as to the source of any sum invested in any economic zone declared under s ection 5 of ■■■■■■■■■■ ■■■■■■■■■■ ■■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■■ ■■■ ■■■■) or in any hi -tech park declared under section 22 of ■■■■■■■■■■ ■■■■-■■■■ ■■■■ ■■■■■■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■■■ ■■■■) for setting up industrial undertaking engaged in producing goods or services therein within the period from the first day of July, 2019 and the thirtieth day of June, 2024 (both days inclusive) by a company, if tax at the rate of ten per cent is paid on the sum so invested before filing of the return for the concerned income year.]

Special tax
treatment in
respect of
investment in
Economic
Zones or Hi-
Tech Parks

3[19E. (1) Notwithstanding anything contained in this Ordinance, any person-
Voluntary
disclosure of
income

(a) who has not been assessed to tax for previous assessment year or years and he has not submitted return of income for those year or years may disclose such income in the respective heads of income in the return of income along with the income for current assessment year; or

(b) who has been assesse d to tax for Previous assessment year or years and any income has escaped assessment in those assessments or the amount of income assessed is less than the actual income, may disclose that income for respective heads of income in the return of income along with the income for the current assessment year.

(2) Return of income mentioned in sub -section (1) shall be treated as valid, if-

1 Section 19D was omitted by section 7a of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

2 Section 19DD was inserted by section 15 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

3 Section 19E was added by section 1 7 of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012). Income-tax Ordinance, 1984

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(a) the assessee pays before the submission of return-

(i) tax payable at applicable rate on total income including such income under respective heads of income; and

(ii) penalty at the rate of ten percent of tax proportionate to such income under respective heads of income;

(b) the return of income is submitted within the time specified in 1[sub-section (5)] of section 75; and

(c) a declaration is enclosed with the return of income in respect of the following:

(i) name of the person declaring;

(ii) head of the declared income and amount thereof; and

(iii) amount of tax and penalty paid thereof.

(3) The provision of this section shall not apply, where-

2[(a) a notice under section 93 has been issued before submission of such return of income for the reason that any income, assets or expenditure has been concealed or any income or a part thereof has escaped assessment;]

(b) a notice on a banking company under clause (f) of section 113 has been issued before submission of such return of income;

(c) any proceeding under sections 164, 165 or 166 has been initiated before submission of such return of income; 3[***]

1 The word, figure and brackets ■sub -section (5)■ were substituted for the word, figure and brackets ■sub-section (2)■ by section 10 (a) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017).

2 Clause (a) was substituted by section 10 (b) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017).

3 The words ■or■ was omitted by section 14(a) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015). Income-tax Ordinance, 1984

(d) any income declared under this section is-

(i) not derived from any legitimate source of income; or

(ii) derived from any criminal activities under any other law for the time being in force 1[;or

(e) any income declared under this section which is –

(i) exempted from tax in the concerned income year; or

(ii) chargeable to tax at a reduced rate in accordance with section 44 of this Ordinance.]

(4) The income shown under this section may be invested in any income generating activities or any sector including the following:

(a) industrial undertaking including its expansion;

(b) balancing, modernization, renovation and extension of an existing industry;

(c) building or apartment or land;

(d) securities listed with a Stock Exchange in Bangladesh; or

(e) any trade, commercial, or industrial venture engaged in production of goods or services.]

2[19F. (1) Notwithstanding anything contained in this Ordinance or any other law for the time being in force, no question as to the source of the undisclosed asset located outside of Bangladesh shall be raised by any authority if an assessee pays, before the submission of return of income applicable for the assessment year 2022-2023, tax at the rate specified in the following table:

Special Tax
Treatment in
respect of
undisclosed
offshore assets

1 The semi-colon (;) and ■or■ was substituted for the full stop (.) at the end of clause (d) and thereafter new clause (e) was inserted by section 14(b) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■■■

■■■ ■■■■) (with effect from 1st July 2015).

2 Sections 19F and 19G were added by section 15 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)
(With effect from 1st July 2022). Income-tax Ordinance, 1984

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Table

Description of the Asset Rate of tax

Any cash or cash
equivalents, bank deposits,
bank notes, bank accounts,
convertible securities and
financial instruments if
repatriated to Bangladesh
through banking channel

7%

(2) Where an assessee repatriates any sum from abroad under the scheme of this section, the bank responsible for crediting to the account of the assessee shall deduct tax in accordance with sub-section (1) before crediting and give a certificate of such deduction to the assessee.

(3) Subject to sub-section (2), tax under this section shall only be paid by automated challan.

(4) The provisions of this section shall not apply to cases where any proceeding has been drawn on account of tax evasion or criminal activities under any provision of this Ordinance or any other law by thirtieth June, 2022.

(5) For the purpose of this section, ■return■ shall include amended return under section 82BB or revised return under section 78 and be submitted by thirtieth day of June, 2023.

Penalty for any
offshore asset
not disclosed in
the return

19G. (1) Without prejudice to any other liability which may incur under any other provision of this Ordinance and any other law for the time being in force, where any person being a resident Bangladeshi is found to be the owner of any offshore

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asset not disclosed in the return and the assessee offers no

explanation about the nature and source thereof or the explanation offered is not satisfactory, the Deputy Commissioner of Taxes shall, after ensuring a reasonable opportunity of being heard, proceed to recover from such person the amount of penalty equal to the fair value of such offshore asset.

(2) The Deputy commissioner of Taxes shall have the authority to recover the penalty under this section by confiscating or selling any asset held by or on behalf of the assessee.

(3) The Deputy of Commissioner of Taxes shall have the power to conduct an offshore investigation, where he has reason to believe that an assessee has offshore assets not disclosed in the return.

(4) To prevent holding undisclosed offshore asset and to recover such undisclosed asset, the Board shall have the power to-

(a) take necessary action as it deems fit; or

(b) allow, conduct, permit, arrange an inquiry or investigation by any income tax authority not being below the rank of Deputy Commissioner of Taxes.]

CHAPTER V

COMPUTATION OF INCOME

20. Save as otherwise provided in this Ordinance, all incomes shall, for the purpose of charge of income-tax and computation of total income, be classified and computed under the following heads of income, namely:-

Heads of
income

(a) Salaries.

(b) Interest on securities.

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(c) Income from house property.

(d) Agricultural income.

(e) Income from business or profession.

(f) Capital gains.

(g) Income from other sources.

Salaries 21. (1) The following income of an assessee shall be classified and computed under the head ■Salaries■, namely:-

(a) any salary due from an employer to the assessee in the income year, whether paid or not;

(b) any salary paid or allowed to him in the income year, by or on behalf of an employer though not due or before it became due to him; and

(c) any arrears of salary paid or allowed to him in the income year by or on behalf of an employer, if not charged to income-tax for any earlier income year.

(2) Where any amount of salary of an assessee is once included in his total income of an income year on the basis that it had become due or that it had been paid in advance in that year, that amount shall not again be included in his income of any other year.

Interest on securities

22. The following income of an assessee shall be classified and computed under the head ■Interest on securities■, namely:-

(a) interest receivable by the assessee on any security of 1[the Government or any security approved by Government]; and

(b) interest receivable by him on debentures or other securities of money issued by or on behalf of a local authority or a company.

1 The words ■the Government or any security approved by Government■ were substituted for the words ■the Government■ by section 15 of A_© AvBb, 2004 (2004 m±bi 16 bs AvBb)| Income-tax Ordinance, 1984

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23. (1) In computing the income under the head ■Interest on securities■, the following allowances and deduction shall be made, namely:-

Deductions from interest on securities

(a) any sum deducted from interest by way of commission or charges by a bank realising the interest on behalf of the assessee;

(b) any interest payable on money borrowed for the purpose of investment in the securities by the assessee 1[:

Provided that no allowance or deduction on account of any interest or commission paid under clause (a) or (b), as the case may be, in respect of, or allocable to the securities of Government which have been issued with the condition that interest thereon shall not be liable to tax, shall be made in computing the income under section 22.]

2[* * *]

(2) Notwithstanding anything contained in sub -section (1), no deduction shall be allowed under this section in respect of any interest payable outside Bangladesh on which tax has not been paid or deducted in accordance with the provisions of Chapter VII.

24. (1) The tax shall be payable by an assessee under the head ■Income from house property■ in respect of the annual value of any property 3[, whether used for commercial or residential purposes,] consisting of any building 4[,furniture, fixture, fittings etc.] and lands appurtenant thereto of which he Income from house property

1 The colon (:) was substituted for the semi -colon (;) and thereafter the proviso was added by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)|

2 Clause (c) was omitted by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)|

3 The commas and words ■, whether used for commercial or residential purposes,■ were inserted by section 35 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb)|

4 The commas and words ", furniture, fixture, fittings etc." were added after the word "building" by section 14 of A_© AvBb, 2009 (2009 mþbi 36 bs AvBb) (with effect from 1st July, 2009). Income-tax Ordinance, 1984

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is the owner, other than such portions of the property as he may occupy for the purposes of any business or profession carried on by him, the income from which is assessabl e to tax under this Ordinance.

(2) Where any such property as is referred to in sub -section (1) is owned by two or more persons and their respective shares are definite and ascertainable, such persons shall not constitute and shall not be deemed to be , an association of persons; and for the purpose of computation of the income of an assessee in respect of that property, only such part of such income as is proportionate to the share of the assessee shall be reckoned as

his income from that property.

Deductions
from income
from house
property

25. (1) In computing the income under the head ■Income from house property■ the following allowances and deductions shall be made, namely:-

(a) any sum payable to Government as land development tax or rent on account of the land comprised in the property;

(b) the amount of any premium paid to insure the property against risk of damage or destruction;

1[* * *]

(d) where the property is subject to mortgage or other capital charge for the purpose of extension or reconstruction or improvement, the amount of any interest payable on such mortgage or charge;

(e) where the property is subject to an annual charge not being a capital charge, the amount of such charge;

Explanation.- The expression ■annual charge■, as used in this clause, includes any tax leviable, in respect of property or income from property, by local authority or Government but does not include the tax leviable under this Ordinance;

(f) where the property is subject to a ground rent, the amount of such rent;

1 Clause (c) was omitted by section 8 of A_© AvBb, 1992 (1992 mþbi 21 bs AvBb)| Income-tax Ordinance, 1984

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(g) where the property has been acquired, constructed, repaired, renewed or reconstructed with borrowed capital 1[from bank or financial institution], the amount of any interest payable on such capital 2[;

* * *]

3[(gg) Where the property has been constructed with borrowed capital 4[from bank or financial institution] and no income under section 24 was earned from that property during the period of such construction, the interest payable during that period on such capital, in three equal proportionate instalments for subsequent first three years

for which income is assessable from that property;]

5[(h) in respect of expenditure for repairs, collection of rent, water and sewerage, electricity and salary of darwan, security guard, pump-man, lift-man and caretaker and all other expenditure related to maintenance and provision of basic services:

(i) an amount equal to one-fourth of the annual value of the property where the property is used for residential purpose;

(ii) an amount equal to thirty per cent of the annual value of the property where the property is used for commercial purpose.]

1 The words ■ from bank or financial institution ■ were inserted after the words ■ with borrowed capital■ by section 8(a) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

2 The semi-colon (;) was substituted for the colon (:) and thereafter the proviso was omitted by section 18 of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012).

3 Clause (gg) was inserted by section 36 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb)|

4 The words ■ from bank or financial institution ■ were inserted after the words ■ with borrowed capital■ by section 8(b) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

5 Clause (h) was substituted by section 16 of A_© AvBb, 2004 (2004 mþbi 16 bs AvBb)| Income-tax Ordinance, 1984

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1[* **]

(j) where, the whole of the property is let out and it was vacant during a part of the year, a sum equal to such portion of the annual value of the property as is proportionate to the period of the vacancy; and

(k) where, the property is let out in parts, a sum equal to such portion of the annual value appropriate to the vacant part as is proportionate to the period of the vacancy of such part.

(2) Notwithstanding anything contained in sub-section (1), no deduction shall be allowed under this section in respect of

any interest or annual charge payable outside Bangladesh on which tax has not been paid or deducted in accordance with the provisions of Chapter VII.

(3) [Omitted by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)]

Agricultural income

26. (1) The following income of an assessee shall be classified and computed under the head ■Agricultural income■, namely:-

(a) any income derived by the assessee which comes within the meaning of ■agricultural income■ as defined in section 2(1);

(b) the excess amount referred to in section 19(17);

(c) the excess amount referred to in section 19(19).

(2) Agricultural income derived from the sale of tea grown and manufactured by the assessee shall be computed in the prescribed manner.

(3) Where the Board, by notification in the official Gazette, so directs, agricultural income from the sale of rubber, tobacco, sugar or any other produce grown and manufactured by the assessee may be computed in the manner prescribed for the purpose.

Deductions from agricultural income

27. (1) In computing the income under the head ■Agricultural income■, the following allowances and deductions shall be made, namely:-

1 Clause (i) was omitted by section 8 of A_© AvBb, 1992 (1992 mþbi 21 bs AvBb)| Income-tax Ordinance, 1984

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(a) any land development tax or rent paid in respect of the land used for agricultural purposes;

(b) any tax, local rate or cess paid in respect of the land used for agricultural purposes, if such tax, rate or cess is not levied on the income arising or accruing, or deemed to accrue or arise, from agricultural operations or is not assessed at a proportion or on the basis of such income;

(c) (i) subject to sub-clauses (ii) and (iii), the cost of production, that is to say, the expenditure incurred

for the following purposes, namely:-

(a) for cultivating the land or raising livestock thereon;

(b) for performing any process ordinarily employed by a cultivator to render marketable the produce of the land;

(c) for transporting the produce of the land or the livestock raised thereon to the market; and

(d) for maintaining agricultural implements and machinery in good repair and for providing upkeep of cattle for the purpose of cultivation, processing or transportation as aforesaid;

(ii) where books of accounts in respect of agricultural income derived from the land are not maintained, the cost of production to be deducted shall, instead of the expenditure mentioned in sub-clause (i), be sixty per cent of the market value of the produce of the land;

(iii) no deduction on account of cost of production shall be admissible under this clause if the agricultural income is derived by the owner of the land from the share of the produce raised through any system of sharing of crop generally known as adhi, barga or bhag;

(d) any sum paid as premium in order to effect any insurance against loss of, or damage to, the land or any crop to be raised from, or cattle to be reared on, the land;

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(e) any sum paid in respect of the maintenance of any irrigation or protective work or other capital assets; and such maintenance includes current repairs and, in the case of protective dykes and embankments, all such work as may be necessary from year to year for repairing any damage or destruction caused by flood or other natural causes;

(f) a sum calculated at the rate as provided in the Third Schedule on account of depreciation in respect of irrigation or protective work or other capital assets constructed or acquired for the benefit of the land from which agricultural income is derived or for the purpose of deriving agricultural

income from the land, if the required particulars are furnished by the assessee;

(g) where the land is subject to a mortgage or other capital charge for purposes of reclamation or improvement, the amount of any interest paid in respect of such mortgage or charge;

(h) where the land has been acquired, reclaimed or improved by the use of borrowed capital, the amount of any interest paid in respect of such capital;

(i) where any machinery or plant which has been used by the assessee exclusively for agricultural purposes has been discarded, demolished or destroyed in the income year, the amount actually written off on that account in the books of accounts of the assessee,-

(i) subject to the maximum of the amount by which the written down value of the machinery or plant exceeds the scrap value thereof if no insurance, salvage or compensation money has been received in respect of such machinery or plant; and

(ii) subject to the maximum of the amount by which the difference between the written down value and the scrap value exceeds the amount of insurance, salvage or compensation money received in respect of such machinery or plant;

(j) where any machinery or plant which has been used by the assessee exclusively for agricultural purposes has been sold or transferred by way of exchange in the income year, the amount actually written off on that account in the books of accounts of the assessee, subject to the maximum of the

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amount by which the written down value of the machinery or plant exceeds the amount for which it has been actually sold or transferred; and

(k) any other expenditure, not being in the nature of capital expenditure or personal expenditure, laid out wholly and exclusively for the purpose of deriving agricultural income from the land.

(2) Notwithstanding anything contained in sub-section (1), no deduction shall be allowed under this section in respect of any interest on which tax has not been paid or deducted in accordance with the provisions of Chapter VII.

28. (1) The following income of an assessee shall be classified and computed under the head ■Income from business or profession■, namely:-
Income from
business or
profession

(a) profits and gains of any business or profession carried on, or deemed to be carried on, by the assessee at any time during the income year;

(b) income derived from any trade or professional association or other association of like nature on account of specific services performed for its members;

(c) value of any benefit or perquisite, whether convertible into money or not, arising from business or the exercise of a profession;

(d) the amount, the value of the benefit and the trading liability referred to in section 19(15);

(e) the excess amount referred to in section 19(16);

(f) the excess amount referred to in section 19(18);

(g) the sale proceeds referred to in section 19(20) 1[;

(h) the amount of income under section 19 (23) 2[;]

1 The semi -colon (;) was substituted for the full -stop (.) and thereafter clause (h) was inserted by section 6 of A_© AvBb, 1994 (1994 mþbi 11 bs AvBb)|

2 The semi-colon (;) was substituted for the full -stop (.) by section 20 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■ ■■ ■■■■)■ Income-tax Ordinance, 1984

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1[(i) the shortfall of capital referred to in sub -section (12) of section 82BB.]

Explanation.- Where speculative transactions carried on by an assessee are of such a nature as to constitute a business,the business (hereinafter referred to as ■speculation business■) shall be deemed to be distinct and separate from any other business.

(2) Notwithstanding anything contained in this Ordinance,-

(a) the profits and gains of any business of insurance and the

Deductions
from income
from business
or profession

(i) the amount of any rent paid for the premises in which the business or profession is carried on:

Provided that if a substantial part of the premises is used by the assessee as a dwelling-house, the amount shall be a proportionate part of the rent having regard to the proportionate annual value of the part so used;

(ii) the amount paid for the repair of the hired premises in which the business or profession is carried on if the assessee has undertaken to bear the cost of such repair:

Provided that if a substantial part of the premises is used by the assessee as a dwelling-house, the amount shall be a proportionate part of the sum paid for such repair having regard to the proportionate annual value of the part so used;

(iii) the amount of any interest paid or any profit shared with a bank run on Islamic principles in respect of capital borrowed for the purposes of the business or profession:

Provided that if any part of such capital relates to replenishing the cash or to any other asset transferred to 1[any other entity, when lending of money is not the business of transferor], the amount

1 The words and comma ■any other entity, when lending of money is not the business of transferor■ were substituted for the words ■a newly set up industrial undertaking or to an extension of an existing industrial undertaking whose income is exempted from payment of tax■ by section 14 (a) of A_© AvBb, 2009 (2009 mþbi 9 bs AvBb) (with effect from 1st July, 2007).

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shall be proportionate part of the interest so paid or the profit so shared having regard to the proportion of such capital so used;

(iv) any sum paid or credited to any person maintaining a profit and loss sharing account or deposit with a bank run on Islamic principles by way of distribution of profits by the said bank in respect of the said account of deposit;

1[***]

(vi) the amount paid on account of current repairs to

buildings, machinery, plant or furniture used for the purposes of the business or profession;

(vii) the whole or the proportionate part of the amount of any premium paid for insurance, against risk of damage, destruction or loss of buildings, machinery, plant or furniture, stocks or stores according as the whole or part thereof is used for the purposes of the business or profession;

(viii) in respect of depreciation of building, machinery, plant or furniture, being the property of the assessee 2[or bridge or road or fly over owned by a physical infrastructure undertaking] and used for the purposes of business or profession, the allowances as admissible under the Third Schedule;

3[(viiiia) in respect of amortization of license fees as admissible under the Third Schedule;]

1 Clause (v) was omitted by section 16(a) of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022).

2 The words ■or bridge or road or fly over owned by a physical infrastructure undertaking■ were inserted after the words ■property of the assessee■ by section 30 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb) (with effect from 1st July, 2010).

3 Clause (viiiia) was inserted by section 11 of A_© AvBb, 2013 (2013 mþbi 25 bs AvBb) (with effect from 1st July, 2013). Income-tax Ordinance, 1984

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(ix) in the case of a ship, being a passenger vessel plying ordinarily on inland waters, or a fishing trawler, which is entitled to a special depreciation allowance under paragraph 8 of the Third Schedule, an investment allowance of an amount equivalent to twenty per cent of the original cost to the assessee for the year in which the ship or the trawler is first put to use for public utility;

1[* * *]

2[* * *]

(xi) where any building, machinery 3[, plant or any other fixed asset not being imported software] which, after having been used by the assessee for the purpose of his business, has been discarded, demolished or destroyed in any income year or any such asset has been sold, transferred by way of exchange or compulsorily

acquired by a legally competent authority or exported outside Bangladesh in any income year, an obsolescence allowance to the extent and computed in the manner specified in paragraph 10 of the Third Schedule;

(xii) in the case of any animal which has been used by the assessee for the purpose of business or profession otherwise than as stock -in-trade, has died or become permanently useless for such purpose, an amount equivalent to the difference between the original cost of the animal to the assessee and the sum, if any, realised by sale or other disposition of the carcass, as the case may be, of the animal;

(xiii) any sum paid on account of land development tax or rent, local rates or municipal taxes in respect of such premises or part thereof as is used by the assessee for the purpose of business or profession;

1 Clause (x) was omitted by section 12 of A_© AvBb, 2005 (2005 mþbi 16 bs AvBb)|

2 Clause (xa) was omitted by section 17 of A_© AvBb, 2004 (2004 mþbi 16 bs AvBb)|

3 The words ■, plant or any other fixed asset not being imported software■ were substituted for the words ■or plant■ by section 16 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015). Income-tax Ordinance, 1984

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(xiv) any sum paid in the income year to an employee as bonus or commission for services rendered where such sum would not have been payable to him as profits or dividend if it had not been paid as bonus or commission and is reasonable with reference, except in the case of payment of festival bonus, to-

(a) the general practice in similar business or profession,

(b) the profits of the business or profession in that year, and

(c) the pay and other conditions of service of the employee.

1[* * *]

(xv) the amount of any debt or part thereof which is established to have become irrecoverable and has actually been written off as such in the books of accounts of the assessee for the income year if the debt or part thereof has been taken into account in

computing the income of the assessee of that income year or an earlier income year and, in the case of the business of banking or money-lending carried on by the assessee, represents money lent in the ordinary course of business;

(xvi) where any amount of debt or part thereof which has actually been written off as irrecoverable in the books of accounts of the assessee in any income year but has not been allowed on the ground that it has not then become irrecoverable, so much of such debt or part thereof as has been established to have become irrecoverable in any subsequent income year shall be allowed as a deduction in that income year;

(xvii) where any such debt or part thereof is written off as irrecoverable in the books of accounts of the

1 The proviso was omitted by section 37 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb)| Income-tax Ordinance, 1984

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assessee for an income year and the Deputy Commissioner of Taxes is satisfied that such debt or part thereof became irrecoverable in an earlier income year not falling beyond a period of four years immediately preceding the income year in which it was written off, the Deputy Commissioner of Taxes may, notwithstanding anything contained in this Ordinance, allow such debt or part thereof as a deduction for such earlier income year if the assessee accepts such finding of the Deputy Commissioner of Taxes and re-compute the total income of the assessee for such earlier income year and make the necessary amendment; and the provisions of section 173 shall, so far as may be, apply thereto the period of four years referred to in 1[the proviso of sub-section (1)] of that section being reckoned from the end of the year in which the assessment relating to the income year in which the debt or part thereof is written off was made;

2[* * *]

3[(xviiiia) in respect of provision for bad and doubtful debt made by 4[Bangladesh Development Bank Ltd.] for overdue loan, a sum equal to five per cent of such overdue loan or the amount of actual provision for such bad or doubtful debt in the

books of the assessee, whichever is the less:

Provided that the deduction shall be allowed only in respect of the assessment years 1987 -88, 1988-89, 1989-90 and 1990-91:

1 The words, figure and brackets ■the proviso of sub -section (1)■ were substituted for the word, figure and brackets ■sub -section (4)■ by section 11 of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■■ ■■■ ■■■■) (With effect from 1st July 2017).

2 Clause (xviii) was omitted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)|

3 Clause (xviiiia) was inserted by section 8 of A_© AvBb, 1987 (1987 mþbi 27 bs AvBb)|

4 The words ■ Bangladesh Development Bank Ltd.■ were substituted for the words ■Bangladesh Shilpa Bank or Bangladesh Shilpa Rin Sangstha ■ by section 10 of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014). Income-tax Ordinance, 1984

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Provided further that if any amount out of the amount so allowed is ultimately recovered, the same shall be deemed to be a profit of the year in which it is recovered;]

1[(xviiiiaa) in respect of provision for bad and doubtful debt and interest thereon made by a commercial bank including the Bangladesh Krishi Bank 2[, Karmo shongsthan Bank] and the Rajshahi Krishi U nnayan Bank, a sum equal to 3[one per cent] of the total outstanding loan including interest thereon or the amount of actual provision for such bad or doubtful debt and interest thereon in the books of the assessee, whichever is less:

Provided that the provisions of this clause shall apply only in respect of such loan as the Bangladesh Bank may, from time to time, classify as bad or doubtful debt:

4[Provided further that the deduction shall be allowed only in respect of the assessment years 1990-91, 1991-92, 1992 -93, 1993 -94, 1994 -95 5[,1995-96, 1998-99] 6[, 1999-2000, 2000-2001 7[, 2001-2002, 2002-2003, 2003 -2004 8[, 2004 -2005, 2005 -2006 and 2006 -2007]]:

1 Clause (xviiiiaa) was inserted by section of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)|

2 The comma and words ■, Karmo shongsthan Bank ■ were inserted by section 14 of A_© AvBb, 2006 (2006 mþbi 22 bs AvBb)|

3 The words ■one per cent■ were substituted for the words ■two per cent■ by section 12

of A_© AvBb, 2005 (2005 mþbi 17 bs AvBb)|

4 The proviso was substituted by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)|

5 The commas and figures ■, 1995 -96, 1996-97, 1997-98, 1998-99■ were substituted for the words and figures ■and 1995 -96 or till the assessment year the actual provision in respect of which is equal to the bad and doubtful debts as per Bangladesh Bank's guidelines in this behalf■ by section 5 of A_© AvBb, 1997 (1997 mþbi 15 bs AvBb)|

6 The commas, figures and word ■, 1999 -2000, 2000 -2001 and 2001 -2002■ were substituted for the word and figures ■ and 1999 -2000■ by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|

7 The commas, figures and word ■, 2001-2002, 2002-2003, 2003-2004 and 2004-2005■ were substituted for the word and figures ■ and 2001 -2002■ by section 37 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb)|

8 The commas, figures and word ■, 2004 -2005, 2005 -2006 and 2006 -2007■ were substituted for the word and figures ■and 2004-2005■ by section 12 of A_© AvBb, 2005 (2005 mþbi 16 bs AvBb)| Income-tax Ordinance, 1984

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Provided further that if any amount o ut of the amount so allowed is ultimately recovered, the same shall be deemed to be a profit of the year in which it is recovered 1[:

Provided further that no deduction under this clause shall be allowed in respect of-

(a) any amou nt representing grant allowed by the Government in the form of 15 -year Special Treasury Bonds;

(b) any loan advanced to any Government organisation, body corporate, local authority, autonomous body, or any other loan guaranteed by the Government; and

(c) any debt representing loans advanced to any director of the bank, his nominees or dependants 2[;

* * *]

(xix) any expenditure, not being in the nature of capital expenditure, laid out or expended on 3[research and development] in Bangladesh related to the business carried on by the assessee;

(xx) any expenditure of a capital nature laid out or expended on 4[research and development] in Bangladesh related to the business carried on by the assessee:

1 The colon (:) was substituted for the semi -colon (;) and thereafter the proviso was added by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)|

2 The semi colon (;) was substitut ed for the colon (:) and thereafter the proviso was omitted by section 5 of A_© AvBb, 1997 (1997 mþbi 15 bs AvBb)|

3 The words ■research and development■ were substituted for the words ■scientific research■ by section 16(b) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022).

4 The words ■research and development■ were substituted for the words ■scientific research■ by section 16(c) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022). Income-tax Ordinance, 1984

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Provided that where a deduction is allowed for any income year under this clause in respect of expenditure represented wholly or partly by any asset, no deduction shall be allowed under clause (viii) or (ix) for the same income year in respect of that asset;

(xxi) any sum paid to a scientific research institute, association or other body having as its object the undertaking of scientific research, or to a University, College, Technical School or other Institution for the purpose of scientific research or technical training related to the class of business carried on by the assessee, if such Institute, association or body, or such University, College, Technical School or Institution is, for the time being, approved by the Board for the purpose of this clause;

Explanation.- In this clause 1[***],-

(a) ■scientific research■ means any activities in the field of natural or applied science for the extension of knowledge;

(b) references to expenditure incurred on scientific research do not include any expenditure incurred in the acquisition of rights in, or arising out of, scientific research, but save as aforesaid, include all expenditure incurred for the prosecution of, or the provision of facilities for the prosecution of, scientific research;

(c) reference to scientific research related to a business or class of business includes-

(i) any scientific research which may lend to or facilitate an extension of that business or, as the case may be, all businesses of that class;

(ii) any scientific research of a medical nature which has a special relation to the welfare of workers employed in that business or, as the case may be, business of that class;

(xxii) any expenditure, not being in the nature of capital expenditure, laid out or expended on any educational institution or hospital established for the benefit of the employees of the assessee, their families and dependents or on the training of industrial workers, if-

1 The words ■and in clauses (xix) and (xx)■ were omitted by section 16(d) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022). Income-tax Ordinance, 1984

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(a) no charge is made for services rendered by such institution or hospital or for the training of the workers; and

(b) no deduction or allowance is claimed for such expenditure under any other clause of this section;

(xxiii) any expenditure in the nature of capital expenditure laid out or expended on the construction and maintenance of any educational institution or hospital established by the assessee for the benefit of his employees, their families and dependents, or on any institute for the training of industrial workers, if-

(a) no charge is made for the services rendered by such institution or hospital or for the training of the workers; and

(b) no deduction or allowance is claimed under any other clause of this section for the same income year in respect of expenditure represented either wholly or partly by any asset;

(xxiv) any expenditure laid out or expended on the training of citizens of Bangladesh in connection with a scheme approved by the Board for purposes of this clause;

(xxv) any expenditure, not being in the nature of capital expenditure or personal expenses, incurred by an assessee in connection with visits abroad as a member of a trade delegation sponsored by the Government;

(xxvi) any sum paid on account of annual membership subscription to a registered trade organisation within the meaning of the Trade Organisations Ordinance, 1961(XLV of 1961), or to a professional institution recognised by the Board in this behalf;

(xxvii) any expenditure, not being in the nature of capital expenditure or personal expenses of the assessee, laid out or expended wholly and exclusively for the purpose of the business or profession of the assessee.

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(2) Where any premises, building, machinery, plant or furniture is not wholly used for the purposes of business or profession, any allowance or deduction admissible under this section shall be restricted to the fair proportional part of the amount which would be allowable if such premises, building, machinery, plant or furniture was wholly so used.

Explanation.- For the purposes of this section, the expression "plant" includes ships, vehicles, books, scientific apparatus and surgical and other instruments or equipments used for the purpose of business or profession.

Deduction not
admissible in
certain
circumstances

30. Notwithstanding anything contained in section 29, no deduction on account of allowance from income from business or profession shall be admissible in respect of the following, namely:-

(a) any payment which is an income of the payee classifiable under the head "Salaries" if tax thereon has not been paid in accordance with provisions of Chapter VII;

1[(aa) any payment made by an assessee to any person if tax thereon has not been deducted and credited in accordance with the provisions of Chapter VII 2[***];]

3[(aaa) any payment by way of salary to an employee if the employee is required to obtain a twelve -digit Taxpayer's Identification Number under the provisions of this Ordinance but fails to obtain the same at the time of making such payment;]

1 Clause (aa) was inserted by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)|

2 The words, comma and Brackets "and" "and" "and" "and" (value-added tax) thereon has not been collected or deducted and credited in accordance with the provisions of "and" "and" "and" "and", "and" ("and" "and" "and" "and" "and") "and" were omitted by section 22 (a) (i) of "and" "and", "and" ("and" "and" "and" "and" "and")

3 Clause (aaa) was inserted by section 22 (a) (ii) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■ Income-tax Ordina

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1[(aaaa) any payment made by way of salary to an employee for whom the statement under section 108A was not provided;]

(b) any payment by way of interest, salary, commission or remuneration made by a firm or an association of persons to any partner of the firm or any member of the association, as the case may be;

(c) any payment by way of brokerage or commission made to a person who is not a resident in Bangladesh unless tax has been deducted therefrom under section 56;

(d) any payment to a provident fund or other fund established for the benefit of the employees unless the employer has made effective arrangements to secure that tax shall be deducted at source from any payments made from the fund which are taxable being income falling under the head ■Salaries■;

2[(e) so much of the expenditure by an assessee on the provision of perquisites, as defined in clause (45) of section 2, to any employee as exceeds taka 3[4[ten lakh] and to any employee who is a person with disability, as exceeds taka twenty five lakh]:

Provided that the provision of this clause shall not be applicable to an employer where perquisites were paid to an employee in pursuance of any Government decision published in the official Gazette to implement the recommendation of a Wage Board constituted by the Government;]

1 Clause (aaaa) was substituted by section 13 (a) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018).

2 Clause (e) was substituted by section 13 of A_© AvBb, 2005 (2005 mþbi 16 bs AvBb)|

3 The words and comma ■four lakh and seventy five thousand and to any employee who is a person with disability, as exceeds taka twenty five lakh■ were substituted for the words ■four lakh and fifty thousand■ by section 22 (b) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■ ■■■■)■

4 The words ■ten lakh■ w ere substituted for the words ■ five lakh and fifty thousand■ by section 17(a) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022). Income-tax Ordinance, 19

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(f) any expenditure in respect of the following as is in excess of the amount or rate prescribed in this behalf and as is not, in the cases of sales and services liable to excise duty, supported by excise stamp or seal, namely:-

(i) entertainment;

(ii) foreign travels of employees and their dependents for holidaying and recreation;

1[***]

(iv) distribution of free samples;

2[(g) any expenditure exceeding ten per cent of the 3[net profit disclosed in the statement of accounts] 4[by way of head office or intra-group expense, called by whatever name,] by a company, not incorpo rated in Bangladesh under †Kvꞑúvbx AvBb, 1994 (1994 mv†ji 18 bs AvBb);

5[(h) so much of the expenditure or aggregate of the expenditure by an assessee by way of royalty, technical services fee, technical know how fee or technical assistance fee or any fee of similar nature, as exceeds the following:

(i)For the first three income years from the commencement of the business or profession Ten percent (10%) of the 6[net profit from business or profession, excluding any profit or

2 Clauses (g) and (h) were inserted by section 22 of A_© AvBb, 2003 (2003 mþbi 17 bs AvBb)|

3 The words ■net profit disclosed in the statement of accounts■ were substituted for the word ■profit■ by section 11(b) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

4 The words and commas ■by way of head office or intra -group expense, called by whatever name,■ were substituted for the words ■ under the head of Head Office expenses■ by section 13 (c) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018).

5 Clause (h) was substituted by section 13(d) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018).

6 The words and symbols ■net profit from business or profession, excluding any profit or income of subsidiary or associate or joint venture,■ were substituted for the words ■net profit■ by section 21(a) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 1984

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income of subsidiary or
associate or joint venture,]
disclosed in the statement of
accounts;

(ii) For subsequent income years

Eight percent (8%) of the 1[net
profit from business or
profession, excluding any profit
or income of subsidiary or
associate or joint venture,]
disclosed in the statement of
accounts;]];

(i) any payment by way of salary or remuneration
made otherwise than by 2[***] bank transfer by a person
to any employee having gross monthly salary of taka
3[twenty] thousand or more;

4[(ii) any payment exceeding Taka five lakhs paid by a person
on account of purchase of raw materials otherwise than
by bank transfer;]

(j) any expenditure by way of incentive bonus exceeding
ten per cent of the 5[net profit disclosed in the statement
of accounts];

(k) any expenditure by way of overseas traveling exceeding
6[zero point five zero percent (0.50%)] of the disclosed

1 The word **business** was inserted after the word **disclosed** by section 10(c) of **■■■■■**
 ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■)■

2 The semi-colon (;) was substituted for the full stop (.) at the end and thereafter clauses (l) and (m) were inserted by section 19 of the Finance Act, 2012 (Act No. XXVI of 2012) (with effect from 1st July, 2012).

3 The colon (:) was substituted for the semi -colon (;) and the proviso was added by section 12 (b) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017).

4 Clause (m) was substituted by section 10 (d) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

5 The semi-colon ■;■ was substituted for the full -stop ■.■ and thereafter the clause (n) was added by section 11(e) of A_© AvBb, 2014 (2014 m±bi 4 bs AvBb) (with effect from 1st July, 2014).

6 The words ■a crossed cheque or■ were omitted by section 10 (e) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

7 The semi -colon (;) was substituted for the full -stop (.) and clause (o) was added by section 12 (c) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017). Income-tax Ordinance, 1

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section 184A but fails to hold the same at the time of payment;]

1[(p) any promotional expense exceeding zero point five percent (0.50%) of the disclosed business turnover.

2[Explanation-1.- For the purpose of the clause (p), ■promotional expense' means any expense incurred by way of giving any benefit in kind or cash or in any other form to any person for the promotion of business or profession.

3[***]]

4[30A. Notwithstanding anything contained in sections 28, 29 and 30, the Deputy Commissioner of Taxes shall not make any disallowance or deduction for any year from any claim made by an assessee in the trading account or profit or loss account without specifying reason for such disallowance or deduction.]

Provision for disallowance

5[30B. Notwithstanding anything contained in section 82C or any loss or profit computed under the head ■Income from business or profession■, the amount of disallowances made under section 30 shall be treated separately as ■Income from business or profession■ and the tax shall be payable thereon at the regular rate.]

Treatment of disallowances

31. Tax shall be payable by an assessee under the head ■Capital gains■ in respect of any profits and gains arising from the transfer of a capital asset and such profits and gains shall be deemed to be the income of the income year in which the

transfer took place 6[. ***]

Capital gains

1 Clause (p) was added by section 21(c) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■ ■■■■■)■

2 The Explanations were substituted by section 10(f) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■■■■)■

3 Explanation-2 was omitted by section 17(b) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■■■■) (With effect from 1st July 2022).

4 Section 30A was inserted by section 38 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb)|

5 Section 30B was inserted by section 17 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■■■■)■

6 The full stop (.) was substituted for the colon (:) after the words "in which the transfer took place" and thereafter the proviso was omitted by section 18 of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011). Income-tax Ordinance, 1984

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Capital gains

from the

transfer of

business or

undertaking

1[31A. Tax shall be payable by an assessee on ■capital gains from the transfer of business or undertaking■ in respect of any profits and gains arising from the transfer of business or undertaking in its entirety with all of its assets and liabilities and such profits and gains shall be deemed to be the income of the assessee in respect of the income year during which the transfer takes place.]

Computation

of capital gains

32. (1) The income under the head ■Capital gains■ shall be computed after making the following deduction from the full value of the consideration received or accruing from the transfer of the capital asset or the fair market value thereof, whichever is higher, namely:-

(a) any expenditure incurred solely in connection with the transfer of the capital asset; or

(b) the cost of acquisition of the capital asset and any capital expenditure incurred for any improvements thereto but excluding any expenditure in respect of which any allowance is admissible under any provisions of sections 23, 29 and 34.

(1A) [Omitted by section 4 of A_© AvBb, 1996 (1996 mþbi 18 bs AvBb).]

(2) For the purpose of this section, ■cost of acquisition of the

Provided that where the capital asset is an asset in respect of which the assessee has obtained depreciation allowance in any year, the cost of acquisition of the capital asset to the assessee shall be its written down value increased or diminished, as the case may be, by any adjustment made under

section 19(16) or (17) or section 27(1)(j) or section 29(1) (xi) 1[

2[* * *]]

3[Provided further that where the capital asset became the property of the assessee by succession, inheritance or devolution, the actual cost of acquisition of the capital asset to the assessee shall be the fair market value of the property prevailing at the time the assessee became the owner of such property.]

(3) Where in the opinion of the Deputy Commissioner of Taxes the fair market value of a capital asset transferred by an assessee as on the date of transfer exceeds the full value of the consideration declared by the assessee by an amount of not less than fifteen per cent of the value so declared, the fair market value of the capital asset shall be determined with the previous approval of the Inspecting Joint Commissioner.

1 The colon (:) was substituted for the full -stop (.) and thereafter the proviso was added by section 10 of the Finance Ordinance, 1986 (Ordinance No. XLV of 1986).

2 The proviso was omitted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)|

3 The proviso was inserted by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)| Income-tax Ordinance, 1984

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(4) Where in the opinion of the Deputy Commissioner of Taxes the fair market value of a capital asset transferred by an assessee as on the date of the transfer exceeds the declared value thereof by more than twenty-five per cent of such declared value, the Government may offer to buy the said asset in such manner as may be prescribed.

(5) Notwithstanding anything contained in this section or section 31, where a capital gain arises from the transfer of a 1[plant, machinery, equipment, motor vehicle, furniture, fixture, and computer] which immediately before the date on which the transfer took place was being used by the assessee for the purposes of his business or profession and the assessee has, within a period of one year before or after that date, purchased a new 1[plant, machinery, equipment, motor vehicle, furniture, fixture, and computer] for the 2[* * *] purposes of his business or profession, then, instead of the capital gain being charged to tax as income of the income year in which the transfer took place, it shall, if the assessee so elects in writing before the assessment is made, be dealt with in accordance with the following provisions of this sub-section, that is to say-

(a) if the amount of the capital gains is greater than the cost of acquisition of the new asset,-

(i) the difference between the amount of the capital gain and the cost of acquisition of the new asset shall be charged under section 31 as income of the income year, and

(ii) for the purposes of computing in respect of the new asset any allowance under the Third Schedule or the amount of any capital gain arising from its transfer, the cost of acquisition or the written down value, as the case may be, shall be nil, or

(b) if the amount of the capital gain is equal to or less than the cost of acquisition of the new asset,-

1 The words and commas ■plant, machinery, equipment, motor vehicle, furniture, fixture, and computer■ were substituted for the words ■ capital asset■ by section 18 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

2 The word ■same■ was omitted by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)| Income-tax Ordinance, 1984

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(i) the capital gain shall not be charged under section 31, and

(ii) for the purposes of computing in respect of the new asset any allowance under the Third Schedule or any income under section 19(16) or the amount of any capital gain arising from its transfer, the cost of acquisition or the written down value, as the case may be, shall be reduced by the amount of the capital gain:

Provided that where in respect of the purchase of a new capital asset consisting of plant or machinery, the assessee satisfies the Deputy Commissioner of Taxes that despite the exercise of due diligence it has not been possible to make the purchase within the period specified in this sub-section, the Deputy Commissioner of Taxes may, with the prior approval of the Inspecting Joint Commissioner, extend the said period to such date as he considers reasonable.

1[(5A) Where any capital gain arises from any transfer of capital asset in a scheme of amalgamation, no tax shall be charged under section 31:

Provided that in a scheme of amalgamation, any consideration received by the shareholders of the amalgamating companies in any manner other than the shares of the amalgamated company shall be subject to applicable tax.]

(6) [Omitted by section 57 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)]

2[***]

(8) [Omitted by section 57 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)]

(9) [Omitted by section 57 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)]

1 Sub-section (5A) was inserted by section 18 (a) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022).

2 Sub-section (7) was omitted by section 18 (b) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022). Income-tax Ordinance, 1984

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(10) Notwithstanding anything contained in this section or section 31, where a capital gain arises from the transfer of capital being buildings or lands to a new company registered under 1[the Companies Act, 1913 (VII of 1913) or þKvþúvbx AvBb, 1994 (1994 mþbi 18 bs AvBb)], for setting up of an industry, and if the whole amount of capital gain is invested in the equity of the said company, then the capital gain shall not be charged to t ax as income of the year in which the transfer took place.

(11) Notwithstanding anything contained in this section or section 31, where a capital gain arises from the transfer of a capital asset of a firm to a new company registered under 2[the Companies Act, 1913 (VII of 1913) or þKvþúvbx AvBb, 1994 (1994 mþbi 18 bs AvBb)], and if the whole amount of the capital gain is invested in the equity of the said company by the partners of the said firm, then the capital gain shall not be charged to tax as income of the year in which the transfer took place.]

3[***]

4[(12) Notwithstanding anything contained in 5[sub-sections (5), (7), (10) and (11)], no exemption shall be allowed to any person on so much of profits and gains arising out of the transfer of a capital asset as is attributable to the cost of acquisition of such asset in respect of which any investment allowance referred to in paragraphs 1, 2, 3, 4, 5, 6, 8, 9, 10 and 11 of PART B of THE SIXTH SCHEDULE to this Ordinance was

at any time allowed.]

1 The words, commas, figures and brackets ■the Companies Act, 1913 (VII of 1913) or ተጽዕኖህጽ AvBb, 1994 (1994 ሠቅብ 18 ስ AvBb), ■ were substituted for the words, comma and figures ■the Companies Act, 1913 (VII of 1913)■ by section 6 of A_© AvBb, 1995 (1995 ሠቅብ 12 ስ AvBb)|

2 The words, commas, figures and brackets ■the Companies Act, 1913 (VII of 1913) or ተጽዕኖህጽ AvBb, 1994 (1994 ሠቅብ 18ስ AvBb) ■ were substituted for the words, comma, figures and brackets ■the Companies Act, 1913 (VII of 1913)■ by section 6 of A_© AvBb, 1995 (1995 ሠቅብ 12 ስ AvBb)|

3 Sub-section (11A) was omitted by section 16 of A_© AvBb, 2009 (2009 ሠቅብ 9 ስ AvBb) (with effect from 1st July 2007).

4 Sub-section (12) was incerted by section 8 of A_© AvBb, 1990 (1990 ሠቅብ 45 ስ AvBb)|

5 The words, brackets, figures and commas ■sub -sections (5), (7), (10), and (11)■ were substituted for the words, brackets, figures and commas ■sub -sections (5), (6), (7), (8), (9), (10) and (11)■ by section 57 of A_© AvBb, 2000 (2000 ሠቅብ 15 ስ AvBb)|
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1[32A. The Capital gains from the transfer of business or undertaking shall be computed after making the following deductions from the full value of the consideration received or accruing from the transfer of the business or undertaking in it s entirety or the fair market value thereof, whichever is higher, namely:—

(a) any expenditure incurred solely in connection with the transfer of the business or undertaking in its entirety; and

(b) the book value of the assets minus the liabilities ta ken up as on the date of transfer as a result of the transfer of the business or undertaking in its entirety.]

Computation of
capital gains
from the
transfer of
business or
undertaking

33. The following income of an assessee shall be classified and co mputed under the head ■Income from other sources■, namely:-
Income from
other sources

(a) dividend and interest;

(b) royalties and fees for technical services;

(c) income from letting of machinery, plants or furniture belonging to the asse ssee, and also of buildings belonging to him if the letting of buildings is inseparable from the letting of the machinery, plant or furniture;

2[(d) any income to which sub -sections (1)-(5), (8)-(13), (21), (24), (27), (29), (31) or (32) of section 19 and sub -

section (3) of section 19AAAA apply;]

(e) any other income of any kind or from any source which is not classifiable under any of the other heads specified in section 20.

34. (1) The amount of interest paid in respect of money borrowed for the purpose of acquisition of shares of a company.
Deductions
from income
from other
sources

(2) Any expenditure, not being in the nature of capital expenditure or personal expenses of the assessee, incurred solely for the purpose of making or earning the relevant income.

1 Section 32A was inserted by section 23 of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■ ■■■■■■■■■■)■

2 Clause (d) was substituted by section 24 of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■ ■■■■■■■■■■)■ Income-tax Ordinance, 198

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(3) Where the income is derived from letting on hire of machinery, plant or furniture belonging to the assessee and also of building belonging to him if the letting of the building is inseparable from the letting of such machinery, plant or furniture, the same allowances as are admissible under section 29(1) (vi), (vii), (viii) and (xi) to an assessee in respect of income under the head ■Income from business or profession■ subject to the same conditions and limitations as if the income from such letting on hire were income from business or profession:

Provided that the provisions of section 19(16) shall also be applicable for the determination of any profits where the sale proceeds of such machinery, plant, furniture or building exceeds the written down value thereof.

(4) Notwithstanding anything contained in this section, no allowance shall be made on account of-

(a) any interest chargeable under this Ordinance which is payable outside Bangladesh on which tax has not been paid and from which tax has not been deducted at source under section 56; or

(b) any payment which is chargeable under the head ■Salaries■ if tax has not been paid thereon or deducted therefrom under section 50.

Method of
accounting

35. (1) All income classifiable under the head

1[■Agricultural income■,] ■Income from business or profession■
or ■Income from other sources■ shall be computed in
accordance with the method of accounting regularly employed
by the assessee.

2[(2) Notwithstanding anything contained in sub-section (1),
the Board may, in case of any business or profession, or class of
business or profession, or any other source of income, or any
class of persons or class of income, by a general or special

1 The inverted commas, the words and the comma ■Agricultural income■, were inserted
by section 7 of A_© AvBb, 1991 (1991 mþbi 21 bs AvBb)|

2 Sub-section (2) was substituted by section 13(a) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb)
(with effect from 1st July, 2014). Income-tax Ordinance, 1984

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order, direct that the accounts and other documents shall be
maintained in such manner and form, and the mode of
payments of commercial transactions recorded in such manner
and form, as may be prescribed or as may be specified in such
direction; and thereupon the income of the assessee shall be
computed on the basis of the accounts maintained, payments
made and transactions recorded accordingly.]

1[(3) Without prejudice to the preceding sub-sections, every
company as defined in 2[clause (20) of section 2] shall, with the
return of income required to be filed under this Ordinance,
furnish a copy of the trading account, profit and loss account
and the balance sheet in respect of the relevant income year-

(a) certified by a chartered accountant to the effect that
the accounts are-

(i) maintained and the statements are prepared and
reported in accordance with Bangladesh
Accounting Standards (BAS) and Bangladesh
Financial Reporting Standards (BFRS) or in
accordance with International Accounting
Standards (IAS) and International Financial
Reporting Standards (IFRS) as adopted in
Bangladesh; and

(ii) audited in accordance with the Bangladesh
Standards on Auditing (BSA);

(b) signed by the persons including as many directors as
required under sub-sections (1) and (2) of section 189
of ■■■■■■■■■■ ■■■■, ■■■■ (■■■■ ■■■■■ ■■ ■■ ■■■■);]

(4) Where-

(a) no method of accounting has been regularly employed, or if the method employed is such that, in the opinion of the Deputy Commissioner of Taxes, the income of the assessee cannot be properly deducted therefrom; or

1 Sub-section (3) was substituted by section 14(a) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018).

2 The words and symbols ■clause (20) of section 2■ were substituted for the words, numbers and symbols ■the Companies Act, 1913 (VII of 1913) or ■■■■■■■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■ by section 19 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022). Income-tax Ordinance, 1984

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(b) in any case to which sub-section (2) applies, the assessee fails to maintain accounts, make payments or record transactions in the manner directed under that sub-section; or

(c) a company 1[* * *] has not complied with the requirements of sub-section (3) 2[or the certification of accounts is not found verifiable];

the income of the assessee shall be computed on such basis and in such manner as the Deputy Commissioner of Taxes may think fit.

Allocation of
income from
royalties, etc.,
for literary
works, etc.

36. Where the time taken by the author of a literary or artistic work in the making thereof exceeds twelve months, the amount received or receivable by him during a ny income year in lump sum on account of royalties or copyright fees in respect of that work shall, if he so claims, be deemed to be the income of-

(a) the income year in which it is received and the immediately preceding income year if the time taken in making such work exceeds twelve months but does not exceed twenty-four months; and

(b) the income year in which it is received and the two immediately preceding income years if the time taken in making such work exceeds twenty-four months, and shall be allocated in equal proportions to each such income year and the income of the assessee in respect of an income year shall be computed accordingly.

Explanation.- For the purposes of this section, the expression ■author■ includes a joint author and the expression ■lump sum■ in regard to royalties or copyright fees includes an advance payment on account of such royalties or copyright fees which is not returnable.

Set off of losses 37. Where, in respect of any assessment year, the net result of computation of income under any head is a loss, the assessee shall, subject to the other provisions of this Ordinance, be

1 The words "or a registered firm" were omitted by section 6 of A_© AvBb, 1998 (1998 mþbi 14 bs AvBb)

2 The words "or the certification of accounts is not found verifiable" were inserted after the words, letters and brackets "sub-section (3)" by section 14(b) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018). Income-tax Ordinance, 1984

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entitled to have the amount of such loss set off against his income, if any, assessable for that assessment year under any other head:

1[Provided that any loss in respect of any speculation business or any loss under the head "Capital gains" shall be set off only against any income in respect of speculation business or any income under the head "Capital gains":

Provided further that any loss from any source, income of which is exempted from tax or income of which is taxed at a reduced rate, shall not be set off against any income from any source:]

Provided further that for the purposes of this section the Deputy Commissioner of Taxes shall, in computing any loss, deduct any amount received in cash as subsidy from the Government 2[:]

3[Provided further that any loss in respect of any income from business or profession shall not be so set off, or be carried forward to succeeding assessment year or years for set off, against any income from house property 4[:]

Provided further that any loss in respect of any income from any head shall not be so set off against any income from manufacturing of cigarette 5[, bidi, zarda, chewing tobacco, gul or any other smokeless tobacco or tobacco products].])

38. Where, for any assessment year, the net result of the computation of income under the head "Income from business Carry forward of business losses

1 The proviso was substituted by section 11 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■

2 The colon (:) was substituted for the full -stop (.) by section 19(a) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015).

3 The proviso was added by section 18 of A_© AvBb, 2009 (2009 mþbi 9 bs AvBb) (with effect from 1st July 2007).

4 The colon (:) was substituted for the full -stop (.) and thereafter the new proviso was added by section 19(b) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015).

5 The word and commas ■, bidi, zarda, chewing tobacco, gul or any other smokeless tobacco or tobacco products■ were inserted after this word ■cigarette■ by section 24 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 1984

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or profession■ is a loss to the assessee, not being a loss sustained in a speculation business, and such loss has not been wholly set off under section 37, so much of the loss as has not been so set off, the whole of the loss, where the assessee has no income under any other head or has income only under the head ■Capital gains■, shall be carried forward to the next following assessment year, and-

(a) it shall be set off against the income, if any, from the business or profession for which the loss was originally computed if such business or profession continued to be carried on by him in the income year; and

(b) if the loss cannot be wholly so set off, the amount of the loss not so set off shall be carried forward to the next assessment year and so on for not more than six successive assessment years.

Carry forward
of loss in
speculation
business

39. (1) Where, for any assessment year, the result of computation of income in respect of any speculation business carried on by the assessee is a loss, it shall be set off only against the income, if any, from any other speculation business carried on by him and assessable for that assessment year.

(2) Where, for any assessment year, any loss computed in respect of a speculation business has not been wholly set off under sub-section (1), so much of the loss as has not been so set off, or the whole loss where the assessee has no income from any other speculation business, shall, subject to the provisions of this Ordinance, be carried forward to the next following assessment year, and-

(a) it shall be set off against the income, if any, from any speculation business carried on by him and assessable for that assessment year; and

(b) if the loss cannot be wholly so set off, the amount of loss not so set off shall be carried forward to the next assessment year and so on for not more than six successive assessment years.

Carry forward
of loss under the
head ■Capital
gains■

40. (1) Where, in respect of any assessment year, the net result of computation of income from any source under the head ■Capital gains■ is a loss, it shall be set off only against income from any other source falling under that head and assessable for that year. Income-tax Ordinance, 1984

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(2) Where, for any assessment year, any loss computed under the head ■Capital gains■ has not been wholly set off under sub-section (1), so much of the loss as has not been so set off, or the whole loss where the assessee has no income from any other source falling under that head, shall, subject to the provisions of this Ordinance, be carried forward to the next following assessment year, and-

(a) it shall be set off against income, if any, of the assessee under that head and assessable for that year; and

(b) if the loss cannot be wholly so set off, the amount of loss not so set off shall be carried forward to the next assessment year and so on for not more than six successive assessment years.

(3) Where, in respect of any assessment year, the loss computed under the head ■Capital gains■ does not exceeds five thousand taka it shall not be carried forward and where it exceeds five thousand taka only so much of such loss shall be carried forward as exceeds five thousand taka.

41. Where, for any assessment year, the net result of the computation of income under the head ■Agricultural income■ is a loss to the assessee, and such loss has not been wholly set off under section 37, so much of the loss as has not been so set off, or the whole of the loss, where the assessee has no income under any other head or has income only under the head ■Capital gains■, shall be carried forward to the next following assessment year, and-

Carry forward
of loss under the
head
■Agricultural
income■

(a) it shall be set off against agricultural income, if any, of the assessee assessable for that assessment year; and

(b) if the loss cannot be wholly so set off the amount not so set off shall be carried forward to the next assessment year and so on for not more than six successive

assessment years.

42. (1) The provisions of sections 37, 38, 39, 40 and 41 shall have effect subject to the conditions and limitations set out in this section.

Conditions and
limitations of
carry forward of
loss, etc.

Income-tax Ordinance, 1984

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(2) [Omitted by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)]

(3) In the case of 1[a firm],-

(a) Where the assessee is the firm, the loss sustained by it under any head of income shall be set off under section 37 only against the income of the firm under any other head and not against the income of any of the partners of the firm; and

(b) where the assessee is a partner of the firm, he shall not be entitled to have any loss, sustained by the firm carried forward and set off against his own income.

2[(3A) Where the assessee is an Association of Persons, the loss sustained by it under any head of income shall be set off under section 37 only against the income of the Association of Persons under any other head and not against the income of any of the members of the Association of Persons.

(3B) Where the assessee is a member of the Association of Persons, he shall not be entitled to have any loss sustained by the Association of Persons carried forward and set off against his own income.]

(4) Where any person carrying on any business or profession has been succeeded in such capacity by another person otherwise than by inheritance, no person, other than the person incurring the loss, shall be entitled to have the loss in such business or profession set off against his income under any other head.

(5) In the case of a firm in the constitution of which a change has occurred,-

(a) the firm shall not be entitled to set off so much of the loss proportionate to the share of a retired or deceased partner as exceeds his share of profits, if any, of the income year in the firm; and

1 The words ■a firm■ were substituted for the words ■an unregistered firm■ by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)|

2 Sub-sections (3A) and (3B) were inserted by section 25 of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■■ ■■■ ■■■■) ■■■■ Income-tax Ordinance, 1984

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(b) a partner of the firm shall not be entitled to the benefit of any portion of the said loss as is not apportionable to him.

(6) Where, in making an assessment for any year, full effect cannot be given to the allowances referred to in section 29(1) (viii) owing to there being no profits or gains chargeable for that year or such profits or gains being less than the allowance then, subject to the provisions of sub -section (7), the allowance or part of the allowance to which effect has not been given, as the case may be, shall be added to the amount of the allowance for depreciation for the following year and be deemed to be part of that allowance or if there is no such allowance for that year, be deemed to be the allowance for that year and so on for succeeding years.

(7) Where, under sub -section (6), depreciation allowance is also to be carried forward, effect shall first be given to the provisions of sections 38 and 39 (2).

1[(8) In a scheme of amalgamation, the amalgamated company shall have the right to carry forward the accumulated loss and the unabsorbed depreciation of the amalgamating company as if the loss or the unabsorbed depreciation, as the case may be, has been the accumulated loss or the unabsorbed depreciation of the amalgamated company in the income year in which the amalgamation took place.]

43. (1) For the purpose of charge of tax, the total income of an assessee shall be computed in the manner provided in this ordinance.

Computation of
total income

(2) In computing the total income of an assessee, there shall be included any exemption or allowance specified in part B of the Sixth Schedule and any income deemed to be the income of the assessee under section 19, subject to the limits, conditions and qualifications laid down therein.

(3) Where the assessee is a partner of a firm, then,

1 Sub-section (8) was added by section 20 of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■■ ■■■ ■■■ ■■■■) (With

effect from 1st July 2022). Income-tax Ordinance, 1984

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whether the firm has made a profit or a loss, his share (whether a net profit or a net loss) shall be taken to be any salary, interest, commission or other remuneration payable to him by the firm in respect of the income year increased or decreased respectively by his share in the balance of the profit or loss of the firm after the deduction of any interest, salary, commission or other remuneration payable to any partner in respect of the income year 1[***] and such share shall be included in his total income:

Provided that if his share so computed is a loss, such loss may be set off or carried forward and set off in accordance with the provisions of section 42.

(4) In computing the total income of any individual for the purpose of assessment, there shall be included-

(a) so much of the income of the spouse or minor child of such individual as arises, directly or indirectly,-

(i) from the membership of the spouse in a firm of which such individual is a partner;

(ii) from the admission of the minor child to the benefits of partnership in a firm of which such individual is a partner;

(iii) from assets transferred directly or indirectly to the spouse 2[otherwise than by way of gift or for adequate consideration] or in connection with an agreement to live apart; or

(iv) from assets transferred directly or indirectly to the minor child, not being a married daughter, by such individual 3[otherwise than by way of gift or for adequate consideration]; and

1 The words, commas and semi-colon (;) ■and also, in the case of a registered firm, of the tax payable by it;■ were omitted by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)|

2 The words ■otherwise than by way of gift or for adequate consideration■ were substituted for words ■otherwise than for adequate consideration■ by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)|

3 The words ■otherwise than by way of gift or for adequate consideration■ were substituted for words ■otherwise than for adequate consideration■ by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)| Income-tax Ordinance, 1984

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(b) so much of the income of any person or association of persons as arises from assets transferred, 1[otherwise than by way of gift or for adequate consideration], to such person or association or persons by such individual

for the benefit of the spouse or minor child or both.

(5) All income arising to any person by virtue of a settlement or disposition whether revocable or not from assets remaining the property of the 2[settlor] or disponer, shall be deemed to be income of the 3[settlor] or disponer, and all income arising to any person by virtue of a revocable transfer of assets shall be deemed to be income of the transferor and shall be included in the total income of such person 4[.

* * *]]

(6) For the purpose of sub-section (5),-

(a) a settlement, disposition or transfer shall be deemed to be revocable if it contains any provision for the retransfer directly or indirectly of the income or assets to the 5[settlor], disponer or transferor, or in any way gives the 6[settlor], disponer or transferor a right to resume power directly over the income or assets;

(b) the expression ■settlement or disposition■ shall include any disposition, trust, covenant, agreement or arrangement, and the expression 7[settlor] or disponer,

- 1 The words ■otherwise than by way of gift or for adequate consideration■ were substituted for words ■otherwise than for adequate consideration■ by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)|
- 2 The word ■settlor■ was substituted for the word ■settler■ by section 12 of A_© AvBb, 1989 (1989 mþbi 36 bs AvBb)|
- 3 The word ■settlor■ was substituted for the word ■settler■ by section 12 of A_© AvBb, 1989 (1989 mþbi 36 bs AvBb)|
- 4 The full stop (.) was substituted for the colon (:) and thereafter the proviso was omitted by section 8 of A_© AvBb, 1988 (1988 mþbi 33 bs AvBb)|
- 5 The word ■settlor■ was substituted for the word ■settler■ by section 12 of A_© AvBb, 1989 (1989 mþbi 36 bs AvBb)|
- 6 The word ■settlor■ was substituted for the word ■settler■ by section 12 of A_© AvBb, 1989 (1989 mþbi 36 bs AvBb)|
- 7 The word ■settlor■ was substituted for the word ■settler■ by section 12 of A_© AvBb, 1989 (1989 mþbi 36 bs AvBb)| Income-tax Ordinance, 1984

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in relation to a settlement or disposition, shall include any person by whom the settlement or disposition was made.

CHAPTER VI

EXEMPTIONS AND ALLOWANCES

Exemption 44. (1) Notwithstanding anything contained in this

Ordinance, any income or class of income or the income of any person or class of persons specified in Part A of the Sixth Schedule shall be exempt from the tax payable under this Ordinance, subject to the limits, conditions and qualifications laid down therein and shall be excluded from the computation of total income under this Ordinance.

1[(2) Subject to the provisions of this Ordinance and the limits, conditions and qualifications laid down in Part B of the Sixth Schedule,-

(a) tax shall not be payable by an assessee in respect of any income or any sum specified in paragraphs 15 and 16 of the said Part B; and

2[3[(b) an assessee, being a resident or a non-resident Bangladeshi, shall be entitled to a credit from the amount of tax payable on his total income at the rate of 15% (fifteen percent) of the eligible amount:

Provided that an assessee who fails to submit return of income as required under section 75 shall be entitled to a credit from the amount of tax payable on his total income at the rate of 7.5% (seven point five percent) of the eligible amount;]

(c) the ■eligible amount■ mentioned in clause (b) shall be the lesser of-

(i) the sums specified in all paragraphs excluding paragraphs 15 and 16 of Part B of the Sixth

1 Sub-sections (2) and (3) were substituted by section 8 of A_© AvBb, 1992 (1992 mþbi 21 bs AvBb)]

2 Clauses (b) and (c) were substituted by section 25 (a) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)]

3 Clause (b) was substituted by section 21(a) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022). Income-tax Ordinance, 1984

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Schedule; or

(ii) 1[20%] of the total income excluding any income for which a tax exemption or a reduced rate is applicable under sub-section (4) of section 44 or any income from any source or sources mentioned in clause (a) of sub-section (2) of section 82C; or

(iii) one crore 2[***] taka.]

3[***]

Provided that the amount admissible under clause (a) shall not, under any circumstances, exceed 4[thirty per cent] of the total income

of the assessee.]

(4) The Government may, by notification in the official Gazette,-

(a) make such amendments by way of addition, omission, alteration or qualification in the Sixth Schedule as it may deem fit; and

(b) make any exemption, reduction in rate or other modifications in respect of tax in favour of any class of income or in regard to the whole or any part of the income of any class of persons 5[.

* * *]]

1 The numbers and symbol ■20%■ were substituted for the number and symbol ■25%■ by section 21(b) of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■■ ■■■ ■■■■) (With effect from 1st July 2022).

2 The words ■and fifty lakh■ were omitted by section 12 of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■■ ■■■ ■■■■)■

3 Sub-section (3) was omitted by section 25 (b) of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■■ ■■■ ■■■■)■

4 The words ■twenty five percent■ were substituted for the words ■twenty percent■ by section 14 of the Finance Act, 2009 (Act No.X of 2009)(with effect from 1st July 2008).

5 The full stop (.) was substituted for the colon (:) and thereafter the proviso was omitted by section 15 of A_© AvBb, 2005 (2005 m±bi 16 bs AvBb)|
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1[(5) Notwithstanding anything contained in clause (b) of sub-section (4) or any other section in Chapter VI-

2[(a) the income of a person for the relevant income year shall not be-

(i) exempted from tax; or

(ii) subject to reduced rate of tax;

in an assessment year if the person fails to-

(i) submit the return of income as required under section 75; or

(ii) comply with any provision of Chapter VII of this Ordinance; or

(iii) receive all the receipts from the sources, income from which is subject to tax exemption or reduced rate of tax, through bank transfer:

Provided that the provision of receiving the receipts through bank transfer shall not be applicable for an assessee being individual having gross receipts not exceeding Taka one crore in an income year:

Provided further that the provision of receiving the receipts through bank transfer shall not be applicable for income derived from agriculture or farming.]

(b) any disallowance of expenditure under section 30, in calculating the income of a source or of a person that is exempted from tax or is subject to a reduced rate of tax, shall be treated as income for that source or of that person, as the case may be, and tax shall be payable on such income at the regular rate.]

1 Sub-section (5) was added by section 25(c) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■

2 Clause (a) was substituted by section 21(c) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022). Income-tax Ordinance, 1984

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45. (1) Subject to the provisions of this Ordinance, the income, profits and gains of an industrial undertaking set up in Bangladesh between the first day of July, 1974, and the thirtieth day of June, 1985 (both days inclusive), shall be exempt from tax payable under this Ordinance for the period specified below-

Exemption of
income of an
industrial
undertaking

(a) if the undertaking is set up in such areas as the Board may, by notification in the official Gazette, specify to be ■■■■Special Economic Zone■■■■, for a period of twelve years beginning with the month of commencement of commercial production of the undertaking;

(b) if the undertaking is set up in such areas as the Board may, by notification in the official Gazette, specify in this behalf, for a period of nine years beginning with the month of commencement of commercial production of the undertaking; and

(c) in other areas, for a period of five years beginning with the month of such commencement.

Explanation.- For the purposes of this section, ■■■■industrial undertaking■■■■ includes expansion of an

existing undertaking if such expansion constitute-

(a) an identifiable unit for production of similar or other goods or class of goods; or

(b) a similar unit carrying on an identifiable industrial process, but does not include an undertaking which is formed by splitting up or reconstruction of an existing business or by the transfer of machinery or plant of an existing business in Bangladesh to a new business.

(2) The exemption under sub -section (1) shall apply to an industrial under -taking (hereinafter referred to as the ■said undertaking■) which fulfils the following conditions, namely:-

(a) that the said undertaking is owned and managed by-

(i) a body corporate established by, or in pursuance of, an Act of Parliament with its head office in Bangladesh; or

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(ii) a company registered under the Companies Act, 1913 (VII of 1913), with its registered office in Bangladesh and having a subscribed and paid up capital of not less than one lakh taka on the date of commencement of commercial production;

(b) that the said undertaking belongs to such class of industry as the Board may, by notification in the official Gazette, specify for the purposes of this section;

(c) that a part of the income exempted under this section is reinvested in the said undertaking or is invested in the purchase of bond issued by the Government and such reinvestment or investment is not-

(i) less than fifteen per cent of such income, if it is an undertaking set up in the areas referred to in sub -section (1) (a) and (b); and

(ii) less than thirty per cent in other areas;

(d) that the said undertaking is approved and, during the relevant income year, stands approved by the Board for the purposes of this section;

(e) that the application in the prescribed form for approval for the purposes of this section, as verified in the prescribed manner, is made to the Board within one hundred and twenty days from the date of commencement of commercial production:

Provided that the Board may admit an application after the expiry of the said period of one hundred and twenty days if it is satisfied that there was sufficient cause for not making the application within the said period.

1[(2A) Subject to the provisions of this Ordinance, the income, profits and gains of an industrial undertaking set up in

1 Sub-sections (2A) and (2B) were inserted by section 8 of the Finance Ordinance, 1985 (Ordinance No. XXXII of 1985). Income-tax Ordinance, 1984

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Bangladesh between the first day of July, 1985, and the thirtieth day of June, 1[1995] (both days inclusive), shall be exempt from the tax payable under this Ordinance for the period specified below-

(a) if the undertaking is set up in such areas as the Board may, by notification in the official Gazette, specify to be ■Special Economic Zone■, for a period of twelve years beginning with the month of commencement of commercial production of the undertaking;

(b) if the undertaking is set up in such areas as the Board may, by notification in the official Gazette, specify to be ■Least Developed Areas■, for a period of nine years beginning with the month of commencement of commercial production of the undertaking;

(c) if the undertaking is set up in such areas as the Board may, by notification in the official Gazette, specify to be ■Less Developed Areas■, for a period of 2[seven years] beginning with the month of commencement of commercial production of the undertaking; and

(d) if the undertaking is set up in the city of Dhaka, Chittagong or Khulna or the municipality of Narayanganj, or within ten miles from the outer limits thereof, for a period of 3[five years] beginning with the month of commencement of commercial production of the undertaking.

(2B) The exemption under sub -section (2A) shall apply to an industrial undertaking (hereinafter referred to as the ■said undertaking■) which fulfils the following conditions, namely:-

1 The figure ■1995■ was substituted for the figure ■ 2000■ by section 7 of A_© AvBb, 1991 (1991 mþbi 21 bs AvBb)|

2 The words ■seven years■ was substituted for the word ■six years■ by the Income tax (Amendment) Ordinance, 1986 (Ordinance No. L of 1986).

3 The words ■five years■ was substituted for the word ■four years■ by the Income tax (Amendment) Ordinance, 1986 (Ordinance No. L of 1986). Income-tax Ordinance, 1984

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(a) that the said undertaking is owned and managed by-

(i) a body corporate established by, or in pursuance of, an Act of Parliament with its head office in Bangladesh; or

(ii) a company registered under 1[the Companies Act, 1913 (VII of 1913) or þKvæúvbx AvBb, 1994 (1994 mþbi 18 bs AvBb)] with its registered office in Bangladesh and having a subscribed and paid up capital of not less than one lakh taka on the date of commencement of commercial production;

(b) that the said undertaking belongs to such class of industry as the Board may, by notification in the official Gazette, specify for the purpose of this sub-section;

2[3[* * *]

(cc) that a part of the income exempted under sub -section (2A) is invested, 4[during the period, or within one year from the end of the period,] to which the exemption under that sub -section relates, in the said undertaking or in any new industrial undertaking or in any productive assets being stocks and shares of a public company or bonds or securities issued by the G overnment and such investment is not less than 5[thirty per cent] of such income, failing which the income so exempted shall, notwithstanding the provisions of this Ordinance, be

- 1 The words, commas, figures and brackets ■the Companies Act, 1913 (VII of 1913) or ■Κνϑύνβx AvBb, 1994 (1994 mþbi 18 bs AvBb) ■ were substituted for the words, comma , figures and brackets ■the Companies Act, 1913 (VII of 1913)■ by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)|
- 2 Clauses (c) and (cc) were substituted for the clause (c) by section 8 of A_© AvBb, 1992 (1992 mþbi 21 bs AvBb)|
- 3 Clause (c) was omitted by section 6 of A_© AvBb, 1994 (1994 mþbi 14 bs AvBb)|
- 4 The words and commas ■during the period, or within one year from the end of the period,■ were substituted for the words ■within two years from the end of the period■ by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|
- 5 The words ■thirty per cent■ were substituted for the words ■twenty five per cent■ by section 6 of A_© AvBb, 1994 (1994 mþbi 14 bs AvBb)| Income-tax Ordinance, 1984

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subject to tax in the assessment year for which the exemption was allowed 1[:

Provided that the quantum of investment referred to in this clause shall be reduced by the amount of dividend, if any, declared by the company enjoying tax exemption under this section;]]

(d) that the said undertaking is approved and, during the relevant income year, stands approved by the Board for the purposes of this section;

(e) that the application in the prescribed form for approval for the purposes of this section, as verified in the prescribed manner, is made to the Board within 2[one hundred and eighty days] from the date of commencement of commercial production:

Provided that the Board may admit an application after the expiry of the said period of 3[one hundred and eighty days] if it is satisfied that there was sufficient cause for not making the application within the said period.]

4[(2C) The Board shall give its decision on an application made under clause (e) of sub -section (2B) within 5[three months] from the date of receipt of the application by the Board, failing which the undertaking shall be deemed to have been approved by the Board for the purposes of this section.]

- 1 The colon (:) was substituted for the semi -colon (;) and thereafter the proviso was added by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|
- 2 The words ■one hundred and eighty days ■ were substituted for the words ■one hundred and twenty days■ by section 10 of A_© AvBb, 1986 (1986 mþbi 65 bs AvBb)|
- 3 The words ■one hundred and eighty days■ were substituted for the words ■one hundred and twenty days■ by section 10 of A_© AvBb, 1986 (1986 mþbi 65 bs AvBb)|
- 4 Sub-section (2C) was inserted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)|
- 5 The words ■three months■ were substituted for the words ■six months■ by section 8 of

(3) The income, profits and gains of the said undertaking to which this section applies, shall be computed in accordance with the provisions of sections 28 and 29:

1[Provided that in respect of depreciation, only the allowances for normal depreciation specified in paragraph 3 of the Third Schedule shall be allowed.]

(4) The profits and gains of the said undertaking shall be computed separately from other income, profits and gains of the assessee, if any, and where the assessee sustains a loss from such undertaking, it shall be carried forward and set off against the profits and gains of the said undertaking for the following year, and where it cannot be wholly set off, the amount of the loss not so set off, shall be carried forward for the next year and so on, but no loss shall be carried beyond the period of exemption allowed under this section.

(5) Nothing contained in this section shall be so construed as to exempt the following:-

(a) any dividend paid, credited or distributed or deemed to have been paid, credited or distributed by a company to its share-holders out of the profits and gains exempt from tax under this section; and

(b) any income of the said undertaking classifiable as ■Capital gains■ chargeable under the provisions of section 31.

(6) Where any exemption has been allowed under this section and it is subsequently discovered by the Deputy Commissioner of Taxes that any one or more of the conditions specified in this section were not fulfilled, the exemption originally allowed shall be deemed to have been wrongly allowed, and the Deputy Commissioner of Taxes may, notwithstanding anything contained in this Ordinance, re-compute the total income of, and the tax payable by, the assessee for the relevant income year and the provisions of Section 93 or 94 shall, so far as may be, apply thereto, the period of two years specified in section 94 being reckoned from the end of the assessment year relevant to the income year in which the infringement was discovered.

1 The proviso was substituted by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)| Income-tax Ordinance, 1984

(7) An industrial undertaking approved under this section may, not later than six months from the date of approval, apply in writing to the Board for the cancellation of such approval, and the Board may pass such orders thereon as it may deem fit.

1[(8) Notwithstanding anything contained in this section, the Board may, in the public interest, cancel or suspend fully or partially any exemption allowed under this section.]

46. (1) Subject to the provisions of this Ordinance, the income, profits and gains of a tourist industry set up in Bangladesh between the first day of January, 1976, and the thirtieth day of June, 1985 (both days inclusive), shall be exempt from the tax payable under this Ordinance, for the period specified below-

Exemption of
income of a
tourist industry

(a) if the industry is set up in such areas as the Board may, by notification in the official Gazette, specify to be ■Special Economic Zone■, for a period of twelve years beginning with the commencement of its commercial service;

(b) if the industry is set up in the cities of Dhaka, Chittagong, Khulna and Rajshahi and the areas within fifteen miles from the outer municipal limits of those cities, for a period of five years beginning with the month of commencement of its commercial service; and

(c) in other areas, for a period of seven years beginning with the month of such commencement.

Explanation.- For the purposes of this section, the expression ■tourist industry■ means a business, industry or undertaking which caters for the tourists including setting up, establishment or running of hotels, motels, 2[hunting lodges, amusement and theme park, holiday home, tourist resort, family fun and games, energy park] and private picnic spots of such standard as may be prescribed by the Board.

1 Sub-section (8) was added by section 8 of A_© AvBb, 1992 (1992 mþbi 21 bs AvBb)|

2 The words and commas ■hunting lodges, amusement and theme park, holiday home, tourist resort, family fun and games, energy park■ were substituted for the words ■hunting lodges■ by section 50 of A_© AvBb, 2001 (2001 mþbi 30 bs AvBb)| Income-tax Ordinance, 1984

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(2) The exemption under sub-section (1) shall apply to a tourist industry (hereinafter referred to as the ■said industry■), which fulfils the following conditions, namely:-

(a) that the said industry is owned and managed by a Bangladeshi company having a subscribed and paid up capital of not less than one lakh taka on the date of

commencement of its commercial service;

(b) that the said industry shall have such service facilities as the Board may, by notification in the official Gazette , specify in this behalf;

(c) that a part of the income, profits and gains derived from the said industry exempted under sub -section (1) is reinvested in it or is invested in the purchase of bond issued by the Government, and such reinvestment or investment is not-

(i) less than thirty per cent, if it is an industry set up in the areas referred to in sub-section (1) (b); and

(ii) less than fifteen per cent, in other areas;

(d) that an application in the prescribed form for approval for the purposes of this section, as verified in the prescribed manner, is made to the Board within one hundred and twenty days of the date of commencement of commercial service;

(e) that the said industry is approved and, during the relevant income year, stands approved by the Board for the purposes of this section.

1[(2A) Subject to the provisions of this Ordinance, the income, profits and gains of a tourist industry set up in Bangladesh between the first day of July, 1985, and the thirtieth day of June, 2[2000] (both days inclusive), shall be exempt

1 Sub-sections (2A) and (2B) were inserted by section 8 of the Finance Ordinance, 1985 (Ordinance No. XXXII of 1985).

2 The figure ■2000■ was substituted for the figure ■1990■ by section 12 of A_© AvBb, 1989 (1989 mþbi 36 bs AvBb)| Income-tax Ordinance, 1984

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from the tax payable under this Ordinance, for the period specified below-

(a) if the industry is set up in such areas as the Board may, by notification in the official Gazette , specify to be ■Special Economic Zone■, for a period of twelve years beginning with the month of commencement of its commercial service;

(b) if the industry is set up in such areas as the Board may, by notification in the official Gazette , specify to be ■Least Developed Areas■, for a period of nine years beginning with the month of commencement of its commercial service;

(c) in the industry is set up in such areas as the Board may,

by notification in the official Gazette , specify to be ■Less Developed Areas■, for a period of 1[seven years] beginning with the month or commencement of its commercial service; and

(d) if the industry is set up in the city of Dhaka, Chittagong or Khulna or the municipality of Rajshahi, or within fifteen miles from the outer limits thereof, for a period of 2[five years] beginning with the month of commencement of its commercial service.

(2B) The exemption under sub-section (2A) shall apply to a tourist industry (hereinafter referred to as the ■said industry■), which fulfils the following conditions, namely:-

(a) that the said industry is owned and managed by a Bangladeshi company having a subscribed and paid up capital of not less than one lakh taka on the date of commencement of its commercial service;

(b) that the said industry shall have such service facilities as the Board may, by notification in the official Gazette , specify in this behalf;

3[4[* * *]

1 The words ■seven years■ were substituted for the words ■six years■ by section 3 of the Income tax (Amendment) Ordinance, 1986 (Ordinance No. L of 1986).

2 The words ■five years■ were substituted for the words ■four years■ by section 3 of the Income tax (Amendment) Ordinance, 1986 (Ordinance No. L of 1986).

3 Clauses (c) and (cc) were substituted for former clause (c) by section 8 of A_© AvBb, 1992 (1992 mþbi 21 bs AvBb)|

4 Clause (c) was omitted by section 6 of A_© AvBb, 1994 (1994 mþbi 11 bs AvBb)| Income-tax Ordinance, 1984

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(cc) that a part of the income exempted under sub -section (2A) is invested, 1[during the period, or within one year from the end of the period], to which the exemption under that sub-section relates, in the said undertaking or in any new industrial undertaking or in any productive assets being stocks and shares of a public company or bonds or securities issued by the Government and such investment is not less than 2[twenty five per cent] of such income, failing which the income so exempted shall, notwithstanding the provisions of this Ordinance, be subject to tax in the assessment year for which the exemption was allowed 3[:

Provided that the quantum of investment referred to in this clause shall be reduced by the amount of dividend, if any, declared by the company enjoying tax exemption under this section;]]

(d) that an application in the prescribed form for approval for the purposes of this section as verified in the prescribed manner, is made to the Board within 4[one hundred and eighty days] of the date of commencement of commercial service;

(e) that the said industry is approved and, during the relevant income year, stands approved by the Board for the purposes of this section.]

5[(2C) The Board shall give its decision on an application made under clause (d) of sub -section (2B) within 6[three months] from the date of receipt of the application by the Board, failing which the industry shall be deemed to have been approved by the Board for the purposes of this section.]

1 The words and comma ■during the period, or within one year from the end of the period■ were substituted for the words and comma ■within two years from the end of the period■ by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|

2 The words ■twenty five per cent■ were substituted for the words ■twenty per cent.■ by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)|

3 The colon (:) was substituted for the semi colon (;) and thereafter the proviso was added by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|

4 The words ■one hundred and eighty days■ were substituted for the words ■one hundred and twenty days■ by section 10 of the Finance Ordinance, 1986 (Ordinance No. XLV of 1986).

5 Sub-section (2C) was inserted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)|

6 The words ■three months■ were substituted for the words ■six months■ by section 8 of A_© AvBb, 1992 (1992 mþbi 21 bs AvBb)| Income-tax Ordinance, 1984

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(3) The profits and gains of the said industry to which this section applies shall be computed in accordance with the provisions of sections 28 and 29:

Provided that in respect of depreciation, only the allowance for normal depreciation specified in paragraph 3 of the Third Schedule shall be allowed.

(4) The profits and gains of the said industry shall be computed separately from other income, profits and gains of the assessee, if any, and where the assessee sustains a loss from such industry, it shall be carried forward and set off against the profits and gains of the said industry for the following year and where it cannot be wholly set off, the amount of the loss not so set off, shall be carried forward for the next year and so on, but no loss shall be carried forward beyond the period of exemption allowed under this section.

(5) Nothing contained in this section shall be so construed as to exempt the following:-

(a) any dividend paid, credited or distributed or deemed to

have been paid, credited or distributed by a company to its shareholders out of the profits and gains exempt from tax under this section; and

(b) any income of the said industry classifiable as ■Capital gains■ chargeable under the provisions of section 31.

(6) Where any exemption has been allowed under this section and it is subsequently discovered by the Deputy Commissioner of Taxes that any one or more of the conditions specified in this section were not fulfilled, the exemption originally allowed shall be deemed to have been wrongly allowed and the Deputy Commissioner of Taxes may, notwithstanding anything contained in this Ordinance, re-compute the total income of, and the tax payable by, the assessee for the relevant income year, and the provisions of section 93 or 94 shall, so far as may be, apply thereto, the period of two years specified in section 94 being reckoned from the end of the assessment year relevant to the income year in which the infringement was discovered.

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(7) A tourist industry approved under this section may, not later than six months from the date of approval, apply in writing to the Board for the cancellation of such approval, and the Board may pass such orders thereon as it may deem fit.

1[(8) Notwithstanding anything contained in this section, the Board may, in the public interest, cancel or suspend fully or partially the exemption allowed under this section.]

Exemption from
tax of newly
established
industrial
undertakings,
etc. in certain
cases

2[46A. (1) Subject to the provisions of this Ordinance,
3[profits and gains under section 28 from] an industrial
undertaking, tourist industry or physical infrastructure facility
(hereinafter referred to as the said undertaking) set-up in
Bangladesh between the first day of July, 1995 and the thirtieth
day of 4[June, 2008] (both days inclusive) shall be exempt from
the tax payable under this Ordinance for the period specified
below-

(a) if the said undertaking is set-up in 5[Dhaka and Chittagong
divisions], excluding the hill districts of Rangamati,
Bandarban and Khagrachari, for a period of 6[four] years
beginning with the month of commencement of
commercial production or operation of the said
undertaking;

(b) if the said undertaking is set -up in 7[Rajshahi, Khulna, Sylhet and Barisal divisions] and the hill districts of

- 1 Sub-section (8) was inserted by section 8 of A_© AvBb, 1992 (1992 mþbi 21 bs AvBb)|
- 2 Section 46A was inserted by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)|
- 3 The words and figure ■ profits and gains under section 28 from ■ were substituted for the words ■profits and gains of■ by section 18 of A_© AvBb, 2006 (2006 mþbi 22 bs AvBb)|
- 4 The word, comma and figure ■June, 2008■ were substituted for the word, comma and figure ■June, 2005■ by section 16 of A_© AvBb, 2005 (2005 mþbi 16 bs AvBb)|
- 5 The words ■Dhaka and Chittagong divisions■ were substituted for the words and comma ■Dhaka and Chittagong and Sylhet divisions, ■ by section 59 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)|
- 6 The word ■four■ was substituted for the word ■five■ by section 16 of A_© AvBb, 2005 (2005 mþbi 16 bs AvBb)|
- 7 The words and commas ■Rajshahi, Khulna, Sylhet and Barisal divisions■ were substituted for the words and commas ■Rajshahi, Khulna and Barisal divisions■ by section 59 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)| Income-tax Ordinance, 1984

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Rangamati, Bandarban and Khagrachari, for a period of 1[six] years beginning with the month of commencing of commercial production or operation of the said undertaking.

2[* * *]

3[(1A) industrial undertaking, tourist industry, or physical infrastructure facility does not include expansion of an existing undertaking for the purpose of this section,-

(i) ■industrial undertaking■ means an industry engaged in the production of textile, textile machinery, high value garments, pharmaceuticals, melamine, plastic products, ceramics, sanitary ware, steel from iron ore, fertilizer, insecticide & pesticide, computer hardware, petro - chemicals, basic raw materials of drugs, chemicals, pharmaceuticals, agricultural machine, ship building, boilers, compressors and any other category of industrial undertaking as the Government may by notification in the official Gazette specify.

Explanation.- ■high value garments' mean overcoats, jackets and suits;

(ii) ■physical infrastructure facility■ means sea or river port, container terminals, internal container depot, container freight station, LNG terminal and transmission line, CNG terminal and transmission line, gas pipe line, flyover, large water treatment plant & supply through pipe line, waste treatment plant, 4[solar energy plant,] export processing zone and any other category of

physical infrastructure facility as the Government may by notification in the official Gazette specify;

(iii) ■tourist industry■ means residential hotel having facility of three star or more and any other category of tourist industry facility as the Government may by notification in the official Gazette specify.]

1 The word ■six■ was substituted for the word ■seven■ by section 16 of A_© AvBb, 2005 (2005 mþbi 16 bs AvBb)|

2 The Explanation was omitted by section 16 of A_© AvBb, 2005 (2005 mþbi 16 bs AvBb)|

3 Sub-section (1A) was inserted by section 16 of A_© AvBb, 2005 (2005 mþbi 16 bs AvBb)|

4 The words and comma ■solar energy plant, ■ were added after the words and comma ■waste treatment plant, ■ by section (19) of A_© AvBb, 2009 (2009 mþbi 9 bs AvBb) (with effect from 1st July 2007). Income-tax Ordinance, 1984

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(2) The exemption under sub -section (1) shall apply to the said undertaking if it fulfils the following conditions, namely:-

(a) that the said undertaking is owned and managed by-

(i) a body corporate established by or under an Act of Parliament with its head office in Bangladesh; or

(ii) a company as defined in the Companies Act, 1913 (VII of 1913) or þKvæúvbx AvBb, 1994 (1994 mþbi 18 bs AvBb) with its registered office in Bangla desh and having a subscribed and paid up capital of not less than one lakh taka on the date of commencement of commercial production or operation;

1[* **]

2[(c) that thirty per cent of the income exempted under sub -section (1) is invested in the said undertaking or in any new industrial undertakings during the period of exemption or within one year from the end of the period to which the exemption under that sub -section relates and in addition to that another ten per cent of the income exempted under sub -section (1) is invested in each year before the expiry of three months from the end of the income year in the purchase of shares of a company listed with any stock exchange, failing which the income so exempted shall, notwithstanding the provis ions of this Ordinance, be subject to tax in the assessment year for which the exemption was allowed:

Provided that the quantum of investment referred to in this clause shall be reduced by the amount of dividend, if any, declared by the com pany enjoying tax exemption under this section 3[:

Provided further that, the provision for purchase of shares of a company listed with any stock exchange referred to in this clause shall not be applicable to

1 Clause (b) and the Explanation was omitted by section 16 of A_© AvBb, 2005 (2005 mþbi 16 bs AvBb)|

2 Clause (c) was substituted by section 16 of A_© AvBb, 2005 (2005 mþbi 16 bs AvBb)|

3 The colon was substituted for the full-stop at the end of the existing proviso and thereafter a new proviso was added by section 17 of A_© AvBb, 2009 (2009 mþbi 36 bs AvBb) (with effect from 1st July 2009). Income-tax Ordinance, 1984

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ready made garments industry, if it re-invested forty percent of the income exempted under sub-section (1) in the said undertaking or in any new industrial undertaking during the period of exemption or within one year from the end of the period to which the exemption under that sub-section relates;]

(d) that the said undertaking is not formed by splitting up or by reconstruction or reconstitution of business already in existence or by transfer to a new business of any machinery or plant used in business which was being carried on in Bangladesh at any time before the commencement of the new business;

(e) that the said undertaking is approved, and during the relevant income year, stands approved by the Board for the purposes of this section;

(f) that the application in the prescribed form for approval for the purposes of this section, as verified in the prescribed manner, is made to the Board 1[within six months from the end of the month] of commencement of commercial production or operation.

2[(2A) Notwithstanding anything contained in this section-

(a) where a said undertaking enjoying exemption of tax under this section is engaged in any commercial transaction with another undertaking or company having one or more common sponsor directors, and

(b) during the course of making an assessment of the said undertaking if the Deputy Commissioner of Taxes is satisfied that the said undertaking has purchased or sold goods at higher or lower price in comparison to the market price with intent to reduce the income of another

undertaking or company,

the exemption of tax of that said undertaking shall be deemed to have been withdrawn for that assessment year in which such transaction is made.]

1 The words ■within six months from the end of the month■ were substituted for the words ■within one hundred eighty days from the date■ by section 59 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)|

2 Sub-section (2A) was substituted by section 24 of A_© AvBb, 2003 (2003 mþbi 17 bs AvBb)| Income-tax Ordinance, 1984

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(3) The Board shall give its decision on an application made under clause (f) of sub -section (2) within 1[forty-five days] from the date of receipt of the application by the Board, failing which the undertaking shall be deemed to have been approved by the Board for the purposes of this section 2[:

Provided that the Board shall not reject any application made under this section unless the applicant is given a reasonable opportunity of being heard.]

(4) The Board may, on an application of any person aggrieved by any decision or order passed under sub -section (3), if the application is made within four months of the receipt of such decision or order, review the previous decision or order and pass such order in relation thereto as it thinks fit.

(5) The profits and gains of the undertaking to which this section applies shall be computed in the same manner as is applicable to income chargeable under the head ■Income from business or profession■:

3[Provided that in respect of depreciation, only the allowances for normal depreciation specified in paragraph 3 of the Third Schedule shall be allowed.]

(6) The profits and gains of the said undertaking shall be computed separately from other income, profits and gains of the assessee, if any, and where the assessee sustains a loss from such undertaking it shall be carried forward and set off against the profits and gains of the said undertaking for the following year and where it cannot be wholly set off, the amount of the loss not so set off, shall be carried forward for the next year and so on, but no loss shall be carried forward beyond the period specified by the Board in the order issued under sub -section (3) or (4).

1 The words ■forty-five days■ were substituted for the words ■thirty days■ by section 24 of A_© AvBb, 2003 (2003 mþbi 17 bs AvBb)|

2 The colon (:) was substituted for the full stop (.) and thereafter the proviso was inserted by section 40 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb)|

3 The proviso was substituted by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)| Income-tax Ordinance, 1984

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(7) Unless otherwise specified by the Government, nothing contained in this section shall be so construed as to exempt the following from tax chargeable under this section:-

(a) any dividend paid, credited or distributed or deemed to have been paid, credited or distributed by a company to its share-holders out of the profits and gains; and

(b) any income of the said undertaking classifiable as ■Capital gains■ chargeable under the provisions of section 31 1[; and

(c) any income of the said undertaking resulting from disallowance made under section 30 2[.

* * *]]

(8) Where any exemption is allowed under this section and in the course of making assessment, the Deputy Commissioner of Taxes is satisfied that any one or more of the conditions specified in this section are not fulfilled, the exemption will stand withdrawn for the relevant assessment year and the Deputy Commissioner of Taxes shall determine the tax payable for such year.

(9) Any such undertaking approved under this section may, not later than one year from the date of approval, apply in writing to the Board for the cancellation of such approval, and the Board may pass such orders thereon as it may deem fit.

(10) Notwithstanding anything contained in this section, the Board may, in the public interest, cancel or suspend fully or partially any exemption allowed under this section.

(11) The Board may make rules regulating the procedure for the grant of approval under sub-section (3), review under sub-section (4) and furnishing of information regarding payment of other taxes by the said undertaking and any other matters connected with or incidental to operation of this section.

1 The semi-colon (;) and the word ■; and■ were substituted and thereafter the clause (c) was added by section 51 of A_© AvBb, 2001 (2001 mþbi 30 bs AvBb)|

2 The full stop (.) was substituted for the semi -colon (;) and clause (d) was omitted by section 16 of A_© AvBb, 2005 (2005 mþbi 16 bs AvBb)| Income-tax Ordinance, 1984

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1[Exemption
from tax of
newly
established
industrial
undertakings set
up between the
period of July,
2011 and
2[June,3[2019]],
etc. in certain
cases]

4[46B. 5[(1) Subject to the provis ions of this Ordinance,
income, profits and gains under section 28 from an industrial
undertaking (hereinafter referred to as the said undertaking) set-
up in Bangladesh between the first day of July, 2011 and 6[the
thirtieth day of June, 7[2019]] (both days inclusive) shall be
exempted from the tax payable under this Ordinance for the
period, and at the rate, specified below:

if the said undertaking is set-up in-

8[(i) 9[Dhaka, Mymensingh and] Chittagong divisions,
excluding Dhaka, Narayanganj, Gazipur, Chittagong,
Rangamati, Bandarban and Khagrachari districts, for a
period of five years beginning with the month of
commencement of commercial production of the said
undertaking:

1 The marginal heading " Exemption from tax of newly established industrial
undertakings set up between the period of July, 2011 and June, 2019, etc. in certain
cases" were substituted by section 20 of A_© AvBb, 2011 (2011 mþbi 12bs AvBb) (with
effect from 1st July, 2011).

2 The words, numbers and comma ■June, 2015■ in the m arginal heading were
substituted for the words, numbers and comma ■June, 2013■ by section 13(a) of A_©
AvBb, 2013 (2013 mþbi 25 bs AvBb) (with effect from 1st July, 2013).

3 The figure "2019■ in the marginal heading was substituted for the figure ■201 5■ by
section 14(a) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

4 Section 46B was inserted by section 15 of A_© AvBb, 2009 (2009 mþbi 10 bs AvBb) (with
effect from 1st July 2008).

5 Sub-sections (1), (2), (3) and (4) were substituted by section 20 of A_© AvBb, 2011 (2011
mþbi 12 bs AvBb) (with effect from 1st July, 2011).

6 The words, numbers and comma ■the thirtieth day of June, 2015 ■ were substituted for the words, numbers and comma ■the thirtieth day of June, 2013 ■ by section 13(b)(A) of A_© AvBb, 2013 (2013 m±bi 25 bs AvBb) (with effect from 1st July, 2013).

7 The figure "2019■ was substituted for t he figure ■2015■ by section 14(b) of A_© AvBb, 2014 (2014 m±bi 4 bs AvBb) (with effect from 1st July, 2014).

8 Clauses (i) and (ii) were substituted by section 13(b) (Av) of A_© AvBb, 2013 (2013 m±bi 25 bs AvBb) (with effect from 1st July, 2013).

9 The words and comma ■Dhaka, Mymensingh and■ were substituted for the words ■Dhaka and■ by section 13 of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017). Income-tax Ordinance, 1984

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Period of Exemption Rate of Exemption

For the first and second year 100% of income

For the third year 60% of income

For the fourth year 40% of income

For the fifth year 20% of income;

1[(ii) Rajshahi, Khulna, Sylhet, Barisal and Rangpur divisions (excluding City Corporation area) and Rangamati, Bandarban and Khagrachari districts, for a period of ten years beginning with the month of commencement of commercial production of the said undertaking:

Period of Exemption Rate of Exemption

For the first and second year 100% of income

For the third year 70% of income

For the fourth year 55% of income

For the fifth year 40% of income

For the sixth year 25% of income

For the seventh to tenth year 20% of income:

Provided that any industry engaged in the production of item as referred to in clause (e) or clause (l) of sub -section (2) shall be entitled to exemption from tax under the provision of this section even if it is set up in the districts of -Dhaka, Gazipur, Narayanganj or Chittagong.]

(2) For the purpose of this section-

"industrial undertaking" means an industry engaged in the production of-

(a) active pharmaceuticals ingredient industry and radio pharmaceuticals industry;

2[(aa) automobile manufacturing industry;]

(b) barrier contraceptive and rubber latex;

(c) basic chemicals or dyes and chemicals;

1 Clause (ii) was substituted by section 14(b) (Av) of A_© AvBb, 2014 (2014 m†bi 4 bs AvBb) (with effect from 1st July, 2014).

2 Clause (aa) was inserted by section 20 (a) (i) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015). Income-tax Ordinance, 1984

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(d) basic ingredients of electronic industry (e.g. resistance, capacitor, transistor, integrator circuit);

1[(dd) bi-cycle manufacturing industry;]

(e) bio-fertilizer;

(f) biotechnology;

(g) boilers;

2[(gg) brick made of automatic Hybrid Hoffmann kiln 3[or Tunnel Kiln] technology;]

(h) compressors;

(i) computer hardware;

(j) energy efficient appliances;

(k) insecticide or pesticide;

(l) petro-chemicals;

(m) pharmaceuticals;

(n) processing of locally produced fruits and vegetables;

(o) radio-active (diffusion) application industry (e.g. developing quality or decaying polymer or preservation of food or disinfecting medicinal equipment);

(p) textile machinery;

(q) tissue grafting; 4[***

(qq) tyre manufacturing industry; or]

(r) any other category of industrial undertaking as the Government may, by notification in the official Gazette, specify.

1 Clause (dd) was inserted by section 20 (a) (ii) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)

(with effect from 1st July 2015).

2 Clause (gg) was inserted by section 14 (c) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

3 The words ■or Tunnel Kiln■ were inserted for the word ■Hoffmann Kiln■ by section 2 0 (a) (iii) of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015).

4 The words ■or■ was omitted and t hereafter new clause (qq) was inserted by section 20 (a) (iv) of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015). Income-tax Ordinance, 1984

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(3) Notwithstanding anything contained in sub-section (2), for the purpose of this section industrial undertaking shall not include expansion of such an existing undertaking.

(4) The exemption under sub-section (1) shall apply to the said undertaking if it fulfils the following conditions, namely:-

(a) that the said undertaking is owned and managed by-

(i) a body corporate established by or under any law for the time being in force with it s head office in Bangladesh; or

(ii) a company as defined in þKvþúvbx AvBb, 1994 (1994 mþbi 18 bs AvBb) with its registered office in Bangladesh and having a subscribed and paid up capital of not less than two million taka on the dat e of commencement of commercial production;

(b) that thirty per cent of the exempted income under sub-section (1) is invested in the said undertaking or in any new industrial undertaking during the period of exemption or within one year from the end of the period to which the exemption under that sub-section relates and in addition to that, another ten per cent of the exempted income under sub - section (1) is invested in each year before the expiry of three months from the end of the income year in the purchase of shares of a company listed with any stock exchange, failing which the income so exempted shall, notwithstanding the provisions of this Ordinance, be subject to tax in the assesment year for which the exemption was allowed:

Provided that the quantum of investment referred to in this clause shall be reduced by the amount of dividend, if any, declared by the company enjoying tax exemption under this section;

(c) that the said undertaking is not formed by splitting up or by reconstruction or reconstitution of

business already in existence or by transfer to a new business of any machinery or plant used in business which was being carried on in Bangladesh at any time before the commencement of the new business;

(d) that the said undertaking is approved, and during the relevant income year, stands approved by the Board for the purposes of this section;

(e) that application in the prescribed form for approval for the purposes of this section, as verified in the prescribed manner, is made to the Board within six months from the end of the month of commencement of commercial production;

(f) that the said undertaking obtained a clearance certificate for the relevant income year from the Directorate of Environment;

(g) that the said undertaking maintains books of accounts on a regular basis and submits return of its income as per provisions laid down in section 75 of this Ordinance.

(5) Notwithstanding anything contained in this section, where an undertaking enjoying exemption of tax under this section is engaged in any commercial transaction with another undertaking or company having one or more common sponsor directors, and during the course of making an assessment of the said undertaking if the Deputy Commissioner of Taxes is satisfied that the said undertaking has purchased or sold goods at higher or lower price in comparison to the market price with intent to reduce the income of another undertaking or company, the exemption of tax of that undertaking shall be deemed to have been withdrawn for that assessment year in which such transaction is made.

(6) The Board shall give its decision on an application made under clause (e) of sub-section (4) within forty five days from the date of receipt of the application by the Board, failing which the undertaking shall be deemed to have been approved by the Board for the purposes of this section: Income-tax Ordinance, 1984

Provided that the Board shall not reject any application made under this section unless the applicant is given a reasonable opportunity of being heard.

(7) The Board may, on an application of any person aggrieved by any decision or order passed under sub-section (6), if the application is made within four months of the receipt of such decision or order, review the previous decision, order or orders and pass such order in relation thereto as it thinks fit.

(8) The income, profits and gains of the undertaking to which this section applies shall be computed in the same manner as is applicable to income chargeable under the head "Income from business or profession":

Provided that in respect of depreciation, only the allowances for normal depreciation specified in paragraph 3 of the Third Schedule shall be allowed.

(9) The income, profits and gains of the undertaking to which this section applies shall be computed separately from other income, profits and gains of the assessee, if any, and where the assessee sustains a loss from such undertaking it shall be carried forward and set off against the profits and gains of the said undertaking for the next year and where it cannot be wholly set off, the amount of the loss not so set off, shall be carried forward for the following year and so on, but no loss shall be carried forward beyond the period specified by the Board in the order issued under sub-section (6) or (7).

(10) Unless otherwise specified by the Government, nothing contained in this section shall be so construed as to exempt the following from tax chargeable under this section:-

(a) any dividend paid, credited or distributed or deemed to have been paid, credited or distributed by a company to its shareholders out of the profits and gains;

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(b) any income of the said undertaking classifiable as "Capital gains" chargeable under the provisions of section 31;

(c) any income of the said undertaking resulting from disallowance made under section 30.

(11) Where any exemption is allowed under this section and in the course of making assessment, the Deputy Commissioner of Taxes is satisfied that any one or more of the conditions specified in this section are not fulfilled 1[or any individual not being a Bangladeshi citizen is employed or allowed to work without prior approval of the Board of Investment or any competent authority of the Government, as the case may be, for this purpose], the exemption shall stand withdrawn for the relevant assessment year and the Deputy Commissioner of Taxes shall determine the tax payable for such year.

(12) Any such undertaking approved under this section may, not later than one year from the date of approval, apply in writing to the Board for the cancellation of such approval, and the Board may pass such order or orders thereon as it may deem fit.

(13) Notwithstanding anything contained in this section, the Board may, in the public interest, cancel or suspend fully or partially any exemption allowed under this section.

(14) The Board may make rules regulating the procedure for the grant of approval under sub-section (6), review under sub-section (7), furnish information regarding payment of other taxes by the said undertaking, and take such other measures connected therewith or incidental to the operation of this section as it may deem fit.]

1 The words and commas ■or any individual not being a Bangladeshi citizen is employed or allowed to work without prior approval of the Board of Investment or any competent authority of the Government, as the case may be, for this purpose■ were inserted after the words ■are not fulfilled■ by section 20(b) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015). Income-tax Ordinance, 1984

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1[46BB. (1) Subject to the provisions of this Ordinance, income, profits and gains under section 28 from an industrial undertaking (hereinafter referred to as the said undertaking) set-up in Bangladesh between the first day of July, 2019 and the thirtieth day of June, 2024 (both days inclusive) shall be exempted from the tax payable under this Ordinance for the period, and at the rate, specified below:

(i) if the said undertaking is set -up in Dhaka, Mymensingh and Chattogram divisions, excluding Dhaka, Narayanganj, Gazipur, Chattogram, Rangamati, Bandarban and Khagrachari districts, for a period of five years beginning with the month of commencement of commercial production of the said undertaking:

Period of Exemption Rate of Exemption

For the first year 90% of income
For the second year 80% of income
For the third year 60% of income
For the fourth year 40% of income
For the fifth year 20% of income;

(ii) if the said undertaking is set -up in Rajshahi, Khulna, Sylhet, Barishal and Rangpur divisions (excluding City Corporation area) and Rangamati, Bandarban and Khagrachari districts, for a period of ten years beginning with the month of commencement of commercial production of the said undertaking:
Exemption from
tax of newly
established
industrial
undertakings set
up between the
period of July,
2019 and June,
2024, etc. in
certain cases.

1 Section 46BB was inserted by section 21 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 198

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Period of Exemption	Rate of Exemption
For the first and second year	90% of income
For the third year	80% of income
For the fourth year	70% of income
For the fifth year	60% of income
For the sixth year	50% of income
For the seventh year	40% of income
For the eighth year	30% of income
For the ninth year	20% of income
For the tenth year	10% of income:]

Provided that an y industry engaged in the production of item as referred to in clause (viii) or clause (xii) of sub section (2) shall be entitled to exemption from tax under the provision of this section even if it is set up in the districts of Dhaka, Gazipur, Narayanganj or Chattogram.

(2) For the purpose of this section, "industrial undertaking"

means-

(a) an industry engaged in, or in the production of,-

(i) active pharmaceuticals ingredient and radio pharmaceuticals;

(ii) agriculture machineries;

(iii) automatic bricks;

(iv) automobile;

(v) barrier contraceptive and rubber latex;

(vi) basic components of electronics (e.g. resistor, capacitor, transistor, integrated circuit, multilayer PCB etc.);

(vii) bi-cycle including parts thereof;

(viii) bio-fertilizer;

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(ix) biotechnology based agro products;

(x) boiler including parts and equipment thereof;

(xi) compressor including parts thereof;

(xii) computer hardware;

(xiii) furniture;

(xiv) home appliances (blender, rice cooker, microwave oven, electric oven, washing machine, induction cooker, water filter etc.);

(xv) insecticides or pesticides;

(xvi) leather and leather goods;

(xvii) LED TV;

(xviii) locally produced fruits and vegetables processing;

(xix) mobile phone;

(xx) petro-chemicals;

(xxi) pharmaceuticals;

(xxii) plastic recycling;

- (xxiii) textile machinery;
- (xxiv) tissue grafting;
- (xxv) toy manufacturing;
- (xxvi) tyre manufacturing;

1[(xxvii) Electrical transformer;

1 Sub-clauses (xxvii), (xxviii), (xxix), (xxx), (xxxi), (xxxii) and (xxxiii) and the entries mentioned opposite were added by section 26 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■ ■■ ■■■■)■ Income-tax Ordinance, 19

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(xxviii) Artificial fiber or manmade fiber manufacturing;

(xxix) Automobile parts and components manufacturing;

(xxx) Automation and Robotics design, manufacturing including parts and components thereof;

(xxxi) Artificial Intelligence based system design and/or manufacturing;

(xxxii) Nanotechnology based products manufacturing;

(xxxiii) Aircraft heavy maintenance services including parts manufacturing;]

(b) any other category of industrial undertaking as the Government may, by notification in the official Gazette, specify.

(3) Notwithstanding anything contained in sub -section (2), for the purpose of this section industrial undertaking shall not include expansion of such an existing undertaking.

(4) The exemption under sub -section (1) shall apply to the said undertaking if it fulfils the following conditions, namely:-

(a) that the said undertaking is owned and managed by-

(i) a body corporate established by or under any law for the time being in force with its head office in Bangladesh; or

(ii) a company as defined in ■■■■■■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■■ ■■ ■■■■) with its registered office in Bangladesh and having a subscribed and paid up capital of not

less than two million taka on the date of commencement of commercial production;

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(b) that thirty percent of the exempted income under sub-section (1) is invested in the said undertaking or in any new industrial undertaking during the period of exemption or within one year from the end of the period to which the exemption under that sub-section relates and in addition to that, another ten percent of the exempted income under sub-section (1) is invested in each year before the expiry of three months from the end of the income year in the purchase of shares of a company listed with any stock exchange, failing which the income so exempted shall, notwithstanding the provisions of this Ordinance, be subject to tax in the assessment year for which the exemption was allowed:

Provided that the quantum of investment referred to in this clause shall be reduced by the amount of dividend, if any, declared by the company enjoying tax exemption under this section;

(c) that the said undertaking is not formed by splitting up or by reconstruction or reconstitution of business already in existence or by transfer to a new business of any machinery or plant used in business which was being carried on in Bangladesh at any time before the commencement of the new business;

(d) that the said undertaking is approved, and during the relevant income year, stands approved by the Board for the purposes of this section;

(e) that application in the prescribed form for approval for the purposes of this section, as verified in the prescribed manner, is made to the Board within six months from the end of the month of commencement of commercial production;

(f) that the said undertaking obtained a clearance certificate for the relevant income year from the Directorate of Environment;

(g) that the said undertaking maintains books of accounts on a regular basis and submits return of its income as per provisions laid down in section 75 of this Ordinance.

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(5) Notwithstanding anything contained in this section, where an undertaking enjoying exemption of tax under this

section is engaged in any commercial transaction with another undertaking or company having one or more common sponsor directors, and during the course of making an assessment of the said undertaking if the Deputy Commissioner of Taxes is satisfied that the said undertaking has purchased or sold goods at higher or lower price in comparison to the market price with intent to reduce the income of another undertaking or company, the exemption of tax of that undertaking shall be deemed to have been withdrawn for that assessment year in which such transaction is made.

(6) The Board shall give its decision on an application made under clause (e) of sub-section (4) within forty five days from the date of receipt of the application by the Board, failing which the undertaking shall be deemed to have been approved by the Board for the purposes of this section:

Provided that the Board shall not reject any application made under this section unless the applicant is given a reasonable opportunity of being heard.

(7) The Board may, on an application of any person aggrieved by any decision or order passed under sub-section (6), if the application is made within four months of the receipt of such decision or order, review the previous decision, order or orders and pass such order in relation thereto as it thinks fit.

(8) The income, profits and gains of the undertaking to which this section applies shall be computed in the same manner as is applicable to income chargeable under the head "Income from business or profession" :

Provided that in respect of depreciation, only the allowances for normal depreciation specified in paragraph 3 of the Third Schedule shall be allowed.

(9) The income, profits and gains of the undertaking to which this section applies shall be computed separately from other income, profits and gains of the assessee, if any, and

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where the assessee sustains a loss from such undertaking it shall be carried forward and set off against the profits and gains of the said undertaking for the next year and where it cannot be wholly set off, the amount of the loss not so set off, shall be carried forward for the following year and so on, but no loss shall be carried forward beyond the period specified by the Board in the order issued under sub-section (6) or (7).

(10) Unless otherwise specified by the Government, nothing contained in this section shall be so construed as to exempt the following from tax chargeable under this section,

namely-

(a) any dividend paid, credited or distributed or deemed to have been paid, credited or distributed by a company to its share -holders out of the profits and gains;

(b) any income of the said undertaking classifiable as "Capital gains" chargeable under the provisions of section 31;

(c) any income of the said undertaking resulting from disallowance made under section 30.

(11) Where any exemption is allowed under this section and in the course of making assessment, the Deputy Commissioner of Taxes is satisfied that any one or more of the conditions specified in this section are not fulfilled or any individual not being a Bangladeshi citizen is employed or allowed to work without prior approval of any competent authority of the Government for this purpose, the exemption shall stand withdrawn for the relevant assessment year and the Deputy Commissioner of Taxes shall determine the tax payable for such year.

(12) Any such undertaking approved under this section may, not later than one year from the date of approval, apply in writing to the Board for the cancellation of such approval, and the Board may pass such order or orders thereon as it may deem fit.

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(13) Notwithstanding anything contained in this section, the Board may, in the public interest, cancel or suspend fully or partially any exemption allowed under this section.

(14) The Board may make rules regulating the procedure for the grant of approval under sub -section (6), review under sub-section (7), furnish information regarding payment of other taxes by the said undertaking, and take such other measures connected therewith or incidental to the operation of this section as it may deem fit.

Explanation.- For the purpose of this section set -up means completion of establishment of the industry referred to in this section.]

Exemption
from tax of
newly
established
physical
infrastructure
facility set up

between the
period of July,
2011 and
1[June,
2[2019]], etc., in
certain cases

3[46C. 4[(1) Subject to the provisions of this Ordinance,
income, profits and gains under section 28 from ph ysical
infrastructure facility, hereinafter referred to as the said facility,
set up in Bangladesh between the first day of July, 2011 and the
thirtieth day of June, 5[2019]] (both days inclusive) shall be
exempted from the tax payable under this Ordinance for ten
years beginning with the month of commen cement of
commercial operation, and at the rate, specified below:

Period of Exemption Rate of Exemption

For the first and second year 100% of income

1 The word, comma and figure ■June, 2015■ in the marginal heading were substituted
for the words, numbers and comma ■June, 2013■ by section 1 4 of A_© AvBb, 2013
(2013 mþbi 25 bs AvBb) (with effect from 1st July, 2013).

2 The figure ■2019■ in the marginal heading was substituted for the figure ■ 2015■ by
section 15(a) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

3 Section 46C was added by section 21 of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with
effect from 1st July, 2011).

4 Sub-section (1) was substituted by section 14(b) of A_© AvBb, 2013 (2013 mþbi 25 bs
AvBb) (with effect from 1st July, 2013).

5 The figure ■ 2019■ was substituted for the figure ■ 2015■ by section 1 5(b) of A_© AvBb,
2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014). Income-tax Ordinance, 1984

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(2) For the purpose of this section, "physical infrastructure
facility" means,-

- (a) deep sea port;
- (b) elevated expressway;
- (c) export processing zone;
- (d) flyover;
- (e) gas pipe line;
- (f) Hi-tech park;
- (g) Information and Communication Technology (ICT)
village or software technology zone;
- (h) Information Technology (IT) park;
- (i) large water treatment plant and supply through pipe

line;

(j) Liquefied Natural Gas (LNG) terminal and transmission line;

(k) mono-rail;

(l) rapid transit;

(m) renewable energy (e.g energy saving bulb, solar energy plant, windmill);

For the third year 80% of income

For the fourth year 70% of income

For the fifth year 60% of income

For the sixth year 50% of income

For the seventh year 40% of income

For the eighth year 30% of income

For the ninth year 20% of income

For the tenth year 10% of income.]

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(n) sea or river port;

(o) 1[toll road or bridge];

(p) underground rail;

(q) waste treatment plant; or

(r) any other category of physical infrastructure facility as the Government may, by notification in the official Gazette, specify.

(3) The exemption under sub -section (1) shall apply to the said facility if it fulfils the following conditions, namely:-

(a) that the said facility is owned and managed by-

(i) a body corporate established by or under any law for the time being in force with its head office in Bangladesh; or

(ii) a company as defined in §Kvµúvbx AvBb, 1994 (1994 mþbi 18 bs AvBb) with its registered office in Bangladesh and having a subscribed and paid up capital of not less than two million taka on the date of commencement of commercial operation;

(b) that thirty percent of the exempted income under sub-section (1) is invested in the said facility or in any new physical infrastructure facility during the period of exemption or within one year from the end of the period to which the exemption under that sub -section relates and in addition to that, another ten percent of the exempted income under sub -section (1) is invested in each year before the expiry of

three months from the end of the income year in the purchase of shares of a company listed with any

1 The words "toll road or bridge " were substituted for the words "toll road" by section 21 of A_© AvBb, 2012 (2012 mṭbi 26 bs AvBb) (with effect from 1st July, 2012). Income-tax Ordinance, 1984

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stock exchange, failing which the income so exempted shall, notwithstanding the provisions of this Ordinance, be subject to tax in the assessment year for which the exemption was allowed:

Provided that the quantum of investment referred to in this clause shall be reduced by the amount of dividend, if any, declared by the company enjoying tax exemption under this section:

(c) that the said facility is approved, and during the relevant income year, stands approved by the Board for the purposes of this section;

(d) that application in the prescribed form for approval for the purposes of this section, as verified in the prescribed manner, is made to the Board within six months from the end of the month of commencement of commercial operation;

(e) that the said facility maintains books of accounts on a regular basis and submits return of its income as per provisions of section 75 of this Ordinance.

(4) The Board shall give its decision on an application made under clause (d) of sub -section (3) within forty five days from the date of receipt of the application by the Board, failing which the facility shall be deemed to have been approved by the Board for the purposes of this section:

Provided that the Board shall not reject any application made under this section unless the applicant is given a reasonable opportunity of being heard.

(5) The Board may, on an application of any person aggrieved by any decision or order passed under sub -section (4), if the application is made within four months of the receipt of such decision or order, review the previous decision, order or orders and pass such order in relation thereto as it thinks fit.

(6) The income, profits and gains of the facility to which this section applies shall be computed in the same manner as is

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applicable to income chargeable under the head "Income from business or profession":

Provided that in respect of depreciation, only the allowances for normal depreciation specified in paragraph 3 of the Third Schedule shall be allowed.

(7) The income, profits and gains of the facility to which this section applies shall be computed separately from other income, profits and gains of the assessee, if any, and where the assessee sustains a loss from such facility it shall be carried forward and set off against the profits and gains of the said facility for the next year and where it cannot be wholly set off, the amount of the loss not so set off, shall be carried forward for the following year and so on, but no loss shall be carried forward beyond the period specified by the Board in the order issued under sub-section (4) or (5).

(8) Unless otherwise specified by the Government, nothing contained in this section shall be so construed as to exempt the following from tax chargeable under this section :-

(a) any dividend paid, credited or distributed or deemed to have been paid, credited or distributed by a company to its share-holders out of the profits and gains;

(b) any income of the said facility classifiable as "Capital gains" chargeable under the provisions of section 31;

(c) any income of the said facility resulting from disallowance made under section 30.

(9) Where any exemption is allowed under this section and in the course of making assessment, the Deputy Commissioner of Taxes is satisfied that any one or more of the conditions specified in this section are not fulfilled ¹[or any individual not being a Bangladeshi citizen is employed or allowed to work without prior approval of the Board of Investment or any competent authority of the Government, as the case may be, for

¹ The words and commas ■or any individual not being a Bangladeshi citizen is employed or allowed to work without prior approval of the Board of Investment or any competent authority of the Government, as the case may be, for this purpose■ were inserted after the words ■are not fulfilled■ by section 20(b) of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■■ ■■■ ■■■■) (with effect from 1st July 2015). Income-tax Ordinance, 1984

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this purpose], the exemption shall stand withdrawn for the relevant assessment year and the Deputy Commissioner of Taxes shall determine the tax payable for such year.

(10) Any such facility approved under this section may, not later than one year from the date of approval, apply in writing to the Board for the cancellation of such approval, and the Board may pass such order or orders thereon as it may deem fit.

(11) Notwithstanding anything contained in this section, the Board may, in the public interest, cancel or suspend fully or partially any exemption allowed under this section.

(12) The Board may make rules regulating the procedure for the grant of approval under sub-section (4), review under sub-section (5), furnish information regarding payment of other taxes by the said facility, and take such other measures connected therewith or incidental to the operation of this section as it may deem fit.]

1[46CC. (1) Subject to the provisions of this Ordinance, income, profits and gains under section 28 from physical infrastructure facility, hereinafter referred to as the said facility, set up in Bangladesh between the first day of July, 2019 and the thirtieth day of June, 2024 (both days inclusive) shall be exempted from the tax payable under this Ordinance for ten years beginning with the month of commencement of commercial operation, and at the rate, specified below:

Period of Exemption	Rate of Exemption
For the first and second year	90% of income
For the third year	80% of income
For the fourth year	70% of income
For the fifth year	60% of income
For the sixth year	50% of income
For the seventh year	40% of income
For the eighth year	30% of income
For the ninth year	20% of income
For the tenth year	10% of income.]

Exemption from
tax of newly
established
physical
infrastructure
facility set up
between the
period of July,
2019 and June,
2024, etc. in
certain cases

1 Section 46CC was inserted by section 22 of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 198

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(2) For the purpose of this section, "physical infrastructure facility" means,-

- (i) deep sea port;
- (ii) elevated expressway;
- (iii) export processing zone;
- (iv) flyover;
- (v) gas pipe line;
- (vi) Hi-tech park;
- (vii) Information and Communication Technology (ICT) village or software technology zone;
- (viii) Information Technology (IT) park;
- (ix) large water treatment plant and supply through pipe line;
- (x) Liquefied Natural Gas (LNG) terminal and transmission line;
- (xi) mobile phone tower or tower sharing infrastructure;
- (xii) mono-rail;
- (xiii) rapid transit;
- (xiv) renewable energy (e.g solar energy plant, windmill);
- (xv) sea or river port;
- (xvi) toll road or bridge;
- (xvii) underground rail;
- (xviii) waste treatment plant; or
- (xix) any other category of physical infrastructure facility as the Government may, by notification in the official Gazette, specify.

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(3) The exemption under sub-section (1) shall apply to the said facility if it fulfils the following conditions, namely:-

(a) that the said facility is owned and managed by-

(i) a body corporate established by or under any law for the time being in force with its head office in Bangladesh; or

(ii) a company as defined in ■■■■■■■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) with its registered office in Bangladesh and having a subscribed and paid up capital of not less than two million taka on the date of commencement of commercial operation;

(b) that thirty percent of the exempted income under sub-section (1) is invested in the said facility or in any new physical infrastructure facility during the period of exemption or within one year from the end of the period to which the exemption under that sub-section relates and in addition to that, another ten percent of the exempted income under sub-section (1) is invested in each year before the expiry of three months from the end of the income year in the purchase of shares of a company listed with any stock exchange, failing which the

income so exempted shall, notwithstanding the provisions of this Ordinance, be subject to tax in the assessment year for which the exemption was allowed:

Provided that the quantum of investment referred to in this clause shall be reduced by the amount of dividend, if any, declared by the company enjoying tax exemption under this section;

(c) that the said facility is approved, and during the relevant income year, stands approved by the Board for the purposes of this section;

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(d) that application in the prescribed form for approval for the purposes of this section, as verified in the prescribed manner, is made to the Board within six months from the end of the month of commencement of commercial operation;

(e) that the said facility maintains books of accounts on a regular basis and submits return of its income as per provisions of section 75 of this Ordinance.

(4) The Board shall give its decision on an application made under clause (d) of sub-section (3) within forty five days from the date of receipt of the application by the Board, failing which the facility shall be deemed to have been approved by the Board for the purposes of this section:

Provided that the Board shall not reject any application made under this section unless the applicant is given a reasonable opportunity of being heard.

(5) The Board may, on an application of any person aggrieved by any decision or order passed under sub-section (4), if the application is made within four months of the receipt of such decision or order, review the previous decision, order or orders and pass such order in relation thereto as it thinks fit.

(6) The income, profits and gains of the facility to which this section applies shall be computed in the same manner as is applicable to income chargeable under the head "Income from business or profession":

Provided that in respect of depreciation, only the allowances for normal depreciation specified in paragraph 3 of the Third Schedule shall be allowed.

(7) The income, profits and gains of the facility to which this section applies shall be computed separately from other income, profits and gains of the assessee, if any, and where the assessee sustains a loss from such facility, it shall be carried forward and set off against the profits and gains of the said facility for the next year and where it cannot be wholly set off, the amount of the loss not so set off, shall be carried forward

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for the following year and so on, but no loss shall be carried forward beyond the period specified by the Board in the order issued under sub-section (4) or (5).

(8) Unless otherwise specified by the Government, nothing contained in this section shall be so construed as to exempt the following from tax chargeable under this section, namely-

(a) any dividend paid, credited or distributed or deemed to have been paid, credited or distributed by a company to its shareholders out of the profits and gains;

(b) any income of the said facility classifiable as "Capital gains" chargeable under the provisions of section 31;

(c) any income of the said facility resulting from disallowance made under section 30.

(9) Where any exemption is allowed under this section and in the course of making assessment, the Deputy Commissioner of Taxes is satisfied that any one or more of the conditions specified in this section are not fulfilled or any individual not being a Bangladeshi citizen is employed or allowed to work without prior approval of any competent authority of the Government for this purpose, the exemption shall stand withdrawn for the relevant assessment year and the Deputy Commissioner of Taxes shall determine the tax payable for such year.

(10) Any such facility approved under this section may, not later than one year from the date of approval, apply in writing to the Board for the cancellation of such approval, and the Board may pass such order or orders thereon as it may deem fit.

(11) Notwithstanding anything contained in this section, the Board may, in the public interest, cancel or suspend fully or partially any exemption allowed under this section.

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(12) The Board may make rules regulating the procedure for the grant of approval under sub-section (4), review under sub-section (5), furnish information regarding payment of other taxes by the said facility, and take such other measures connected therewith or incidental to the operation of this section.

Exemption of

income of co-operative societies

47. (1) The tax shall not be payable by a co-operative society 1[***] in respect of-
2[***]

(b) the entire income from business carried on by it, if it is engaged in the following:-

(i) agricultural or rural credit;

(ii) cottage industry;

(iii) marketing of agricultural produce of its members;

(iv) purchase of agricultural implements, seeds, livestock or other articles intended for agriculture for the purpose of supplying them to its members;
or

(v) such processing, not being the performance of any manufacturing operation with the aid of power, of the agricultural produce of its members as is ordinarily employed by a cultivator to render marketable the agricultural produce raised by him;

3[***]

(d) any income derived from the letting of godowns or warehouses for the purpose of storage, processing or facilitating the marketing of commodities belonging or meant for sale to its members.

1 The words "including a co-operative society carrying on the business of banking" was omitted by section 22 of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012).

2 Clause (a) was omitted by section 22 of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015).

3 Clause (c) was omitted by section 22 of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015). Income-tax Ordinance, 1984

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Explanation.- For the purpose of this section,-

(a) ■cottage industry■ means an enterprise, not being owned by a joint stock company which fulfils the following conditions, namely:-

(i) it is basically an enterprise in which the owner is the investor, a full-time worker and the actual entrepreneur;

(ii) the capital invested in plant, machinery and equipment does not exceed 1[three lakh taka] at any time during the income year;

(iii) the number of workers, including the owner and the members of his family, shall not on any one twenty-four hour day during the income year, exceed 2[fifteen]; and

(iv) the owner of the enterprise or any member of his family does not own any other industrial or commercial enterprise either in his own name or in the name of any other person; and

(b) ■member of his family■, in relation to the owner of an enterprise, means the parents, spouse and children dependent on the owner and employed in the enterprise, whether working full -time or part -time, or whether for or without any wages, remuneration or compensation in any form.

(2) Nothing contained in sub -section (1) shall apply to a co-operative society ca rrying on such business of insurance as is carried on by a mutual insurance association in respect of its profits and gains to which paragraph 8 of the Fourth Schedule applies.

1 The words ■three lakh taka■ were substituted for the words ■one lakh taka■ by section 6 of A_© AvBb, 1995 (1995 m†bi 12 bs AvBb)|

2 The word ■fifteen■ was substituted for the word ■ten■ by section 8 of the Finance Ordinance, 1985 (Ordinance No. XXXII of 1985). Income-tax Ordinance, 1984

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CHAPTER VII

PAYMENT OF TAX BEFORE ASSESSMENT

Deduction at
source and
advance
payment of tax

48. (1) Notwithstanding that regular assessment in respect of any income is to be made later in any assessment year, and without prejudice to the charge and recovery of tax under this Ordinance after such assessment, the tax on income shall be payable by deduction or collection at source, or by way of advance payment, in accordance with the provisions of this

Chapter.

(2) Any sum deducted or collected, or paid by way of advance payment, in accordance with the provisions of this Chapter, shall, for the purpose of computing the income of an assessee, be deemed to be the income received, and be treated as payment of tax in due time, by the assessee.

Income subject
to deduction at
source

49. (1) Tax payable under this Ordinance shall be deducted or collected at source in respect of the following income, namely:-

(a) income classifiable under the head ■Salaries■;

1[(aa) income from discount on the real value of Bangladesh Bank bills;]

(b) income classifiable under the head ■Interest on securities■;

2[* * *]

(c) income derived on account of supply of goods, execution of contracts or services rendered;

3[(d) income derived by the importers on account of import of goods;]

(e) income derived on account of indenting commission;

(f) income derived on account of winnings from lottery or crossword puzzles, as referred to in section 19(13); 1[* * *]

1 Clause (aa) was inserted by section 52 of A_© AvBb, 2001 (2001 mþbi 30 bs AvBb)|

2 Clause (bb) was omitted by section 2 of the Income Tax (Amendment) Ordinance No, 1985 (Ordinance No. XXXVI of 1985).

3 Clause (d) was substituted by section 23(a) of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012). Income-tax Ordinance, 1984

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(g) any income chargeable under this Ordinance which is paid or payable to a non-resident 2[;

(h) Income classifiable under the head ■Income from house property■;

(i) income derived on account of export of manpower;

3[(ii) income derived on account of travel agency commission or incentive bonus;]

(j) income derived on account of purchase by public auction;

(k) income derived on account of acting in films;

4[* * *] 5[* * *]

(m) income derived on account of shipping agency commission 6[; 7[* * *]

8[(n) income derived from commission, discount or fees payable to distributors for distribution or marketing of manufactured goods] 9[;

(o) income derived on account of interest on saving deposits, fixed deposits or term deposits and share of profit on term deposits;

1 The word ■and■ was omitted by section 8 of A_© AvBb, 1988 (1988 mþbi 33 bs AvBb)|

2 The semi colon (;) was substituted for the full -stop (.) and thereafter clauses (h) to (m) were added by section 8 of A_© AvBb, 1988 (1988 mþbi 33 bs AvBb)|

3 Clause (ii) was inserted by section 16(a) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

4 Clause (l) was omitted by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)|

5 The word ■and■ was omitted by section 12 of A_© AvBb, 1989 (1989 mþbi 36 bs AvBb)|

6 The semi-colon (;) was substituted for the full stop (.) and the word ■and ■ and clause (n) was inserted by section 12 of A_© AvBb, 1989 (1989 mþbi 34 bs AvBb)|

7 The word ■and■ was omitted by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|

8 Clause (n) was substituted by section 52 of A_© AvBb, 2001 (2001 mþbi 30 bs AvBb)|

9 The semi-colon (;) was substituted for the full -stop (.) and thereafter the clauses (o),

(p) and (q) were inserted by section 7 of A_© AvBb, 1991 (1991 mþbi 21 bs AvBb)| Income-tax Ordinance, 1984

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1[(oo) income derived on account of payment from workers' participation fund;]

(p) income derived on account of insurance commission;

(q) income classifiable under the head ■Capital gains■;]

2[(r) income derived on account of fees for professional or technical services;

(s) income derived on account of manufacture of cigarettes manually without any mechanical aid whatsoever;

(t) income derived from compensation against acquisition

of property;

3[* * *]

4[* * *]

(w) income derived on account of running of brick field;

(x) income derived on account of services rendered by the doctors;

5[* * *]

(z) income derived on account of commission of letter of credit;]

6[(za) income derived on account of survey by a surveyor of general insurance company;

7[* * *]

1 Clause (oo) was inserted by section 26 of ■■■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■■■■■■■■■)■

2 Clauses (r), (s), (t), (u), (v), (w), (x), (y) and (z) were inserted by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|

3 Clause (u) was omitted by section 60 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)|

4 Clause (v) was omitted by section 52 of A_© AvBb, 2001 (2001 mþbi 30 bs AvBb)|

5 Clause (y) was omitted by section 60 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)|

6 Clauses (za), (zb) and (zc) were added by section 60 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)|

7 Clause (zb) was omitted by section 52 of A_© AvBb, 2001 (2001 mþbi 30 bs AvBb)| Income-tax Ordinance, 1984

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(zc) income derived on account of commission, remuneration or charges as a foreign buyer's agent 1[;

(zd) income from dividends 2 [;

(ze) income derived on account of rendering certain services 3[;

4[(zf) income derived on account of shipping business carried on both inside and outside Bangladesh by a resident assessee;]

(zg) income derived on account of business of real estate and land developer;

(zh) income derived by an exporter on account of export of 5[any commodity];

(zi) income derived by a member of a stock exchange on

account of transaction of shares, debentures, mutual funds, bonds or securities 6[;

(zj) income derived on account of courier business of a non - resident;

7[***]

1 The semi-colon (;) was substituted for the full stop (.) and thereafter clause (zd) was inserted by section 52 of A_© AvBb, 2001 (2001 mþbi 30 bs AvBb)|

2 The semi colon (;) was substituted for the full stop (.) and thereafter clause (ze) was added by section 41 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb)|

3 The semi-colon (;) was substituted for the full stop (.) and thereafter clauses (zf), (zg), (zh) and (zi) were inserted by section 17 of A_© AvBb, 2005 (2005 mþbi 16 bs AvBb)|

4 Clause (zf) was substituted by section 19 of A_© AvBb, 2009 (2009 mþbi 36 bs AvBb) (with effect from 1st July, 2009).

5 The words "any commodity " were substituted for the words "knitwear or oven garments" by section 20 of A_© AvBb, 2009 (2009 mþbi 9 bs AvBb) (with effect from 1st July, 2007).

6 The semi-colon (;) was substituted for the full -stop (.) and thereafter clauses (zj), (zk) and (zl) were added by section 19 of A_© AvBb, 2006 (2006 mþbi 22 bs AvBb)|

7 Clause (zk) was omitted by section 19 of A_© AvBb, 2009 (2009 mþbi 36 bs AvBb) (with effect from 1st July 2009). Income-tax Ordinance, 1984

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1[(zkk) income derived on account of export cash subsidy;]

2[***]]

3[(zm) on account of 4[***] renewal of trade license;

5[***]

(zo) income derived on a ccount of freight forward agency commission] 6[;

(zp) income derived on account of rental power;

(zq) income derived on account of interest of Post Office Savings Bank Account;

(zr) income derived on account of rental value of vacant land or plant or machinery;

(zs) income derived on account of advertisement] 7[;

(zt) income derived by foreign technician serving in a diamond cutting industry 8[;

9[***]

1 Clause (zkk) was inserted by section 23(b) of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012).

2 Clause (zl) was omitted by section 20 of A_© AvBb, 2009 (2009 mþbi 9 bs AvBb) (with effect from 1st July, 2009).

3 Clauses (zm), (zn) and (zo) were added by section 20 (c) of A_© AvBb, 2009 (2009 mþbi 9 bs AvBb) (with effect from 1st July 2007).

4 The words "issuance or" were omitted by section 16 (a) of A_© AvBb, 2009 (2009 mþbi 10 bs AvBb) (with effect from 1st July, 2007).

5 Clause (zn) was omitted by section 34 (a) of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb) (with effect from 1st July, 2010).

6 Semi-colon (;) was substituted for the full -stop and thereafter new clauses (zp), (zq), (zr) and (zs) were added by section 16 (b) of A_© AvBb, 2009 (2009 mþbi 10 bs AvBb) (with effect from 1st July 2008).

7 Semi-colon (;) was substituted for the full-stop (.) and thereafter clause (zt) was added by section 19 of A_© AvBb, 2009 (2009 mþbi 36 bs AvBb) (with effect from 1st July, 2009).

8 Semi-colon (;) was substituted for the full -stop (.) and thereafter clauses (zu) and (zv) were added by section 34 (b) of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb) (with effect from 1st July, 2010).

9 Clause (zu) was omitted by section 15 (a) of A_© AvBb, 2013 (2013 mþbi 25 bs AvBb) (with effect from 1st July, 2013). Income-tax Ordinance, 1984

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(zv) income derived from transfer of securities or mutual fund units by sponsor shareholders of a company etc . 1[;

(zw) deduction of tax for services from convention hall, conference centre, room or, as the case may be, hall etc.;

(zx) deduction of tax from residents for any income in connection with any service provided to any foreign person 2[;

(zy) income derived on account of international gateway service in respect of phone call] 3[;

(zz) collection of tax from manufacturer of soft drink] 4[;

(zza) income derived from insurance policy;

(zzb) deduction of tax from local letter of credit (L/C);

(zzc) income derived from any fees, revenue sharing, etc.
from cellular mobile phone operator;

(zzd) income from transfer of share of any stock exchange;

(zze) income from transfer of share of company listed in any
stock exchange;

(zzf) income derived from lease of property 5[;

1 The semi-colon (;) was substituted for the full stop (.) at the end of clause (zv) and thereafter the new clauses (zw) and (zx) were added by section 22 (a) of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011).

2 The semi-colon (;) was substituted for the full stop (.) at the end of clause (zx) and thereafter the new clause (zy) was added by section 23 (c) of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012).

3 The semi-colon (;) was substituted for the full -stop (.) and thereafter clause (zz) was added by section 15 (b) of A_© AvBb, 2013 (2013 mþbi 25 bs AvBb) (with effect from 1st July, 2013).

4 The semi-colon ■;■ was substituted for the full -stop ■.■ and thereafter clauses (zza), (zzb), (zzc), (zzd), (zze) and (zzf) were added by section 16 (b) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

5 The semi-colon (;) was substituted for the full stop (.) and thereafter clause (zzff) was inserted by section 23 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015). Income-tax Ordinance, 1984

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(zzff) deduction of tax from any sum paid by real estate
developer to land owner 1[;

(zzg) income derived from the operation of inland ships;

(zzh) income derived from the operation of commercial
vehicles.]

(2) Tax to be deducted at source under sub -section (1) in
respect of any income shall be deducted in accordance with the
provisions of this Chapter by the person responsible for making
payment which constitutes the income of the payee.

(3) For the purpose of this Chapter, ■person responsible for
making payment■, with its grammatical variations and cognate
expressions, means-

(a) in the case of payments constituting income classifiable

(2) At the time of making any deduction under 2[sub-sections (1) and (1A)], the amount to be deducted may be

increased or decreased for the purpose of adjusting any excess or deficiency arising out of any previous deductions or failure to make deductions.

3[(2A) The payment under 4[sub-section (1) and (1A)] shall be made by such person with or without deduction of tax in accordance with a certificate, issued by the Deputy Commissioner of Taxes after being satisfied on an application made by the payee in this behalf, where such certificate specifies that-

1 Sub-sections (1A) and (1B) were inserted by section 24 (A) of ■■■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■■■■ ■■■■■) (with effect from 1st July 2015).

2 The word, figure and brackets ■sub-sections (1) and (1A)■ were substituted for the word, figure and brackets ■sub-section (1)■ by section 24 (B) of ■■■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■■■■ ■■■■■) (with effect from 1st July 2015).

3 Sub-section (2A) was inserted by section 16 of A_© AvBb, 2013 (2013 mþbi 25 bs AvBb) (with effect from 1st July, 2013).

4 The word, figure and brackets ■ sub-sections (1) and (1A)■ were substituted for the word, figure and brackets ■sub-section (1)■ by section 24 (C) of ■■■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■■■■ ■■■■■) (with effect from 1st July 2015). Income-tax Ordinance, 1984

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(a) no tax shall be deducted from the payee in a case where the tax payable on the total income of the payee has already been deducted or collected from such payee under this Ordinance for the rest of the income year; or

(b) tax shall be deducted at a lesser rate for the rest of the income year in a case where the payee may, after adjusting the tax already deducted or collected from such payee under this Ordinance, be liable to pay a lesser sum of tax than the tax chargeable on his total income.]

(3) For the purposes of deduction under 1[sub-section (1) and (1A)] in respect of salary payable in a foreign currency, the value in taka of such salary shall be calculated at such rate as the Board may prescribe.

Deduction at
source from
discount on the
real value of
Bangladesh
Bank bills

2[50A. Any person responsible for paying any amount on account of discount on the real value of Bangladesh Bank bills shall, at the time of making such payment, deduct tax at the maximum rate on the amount so payable or the rate applicable

to such amount, whichever is greater 3[:

Provided that no tax shall be deducted under this section where the said bill is purchased by an approved superannuation fund or pension fund or gratuity fund or a recognised provident fund, or a workers' profit participation fund.]]

Deduction of tax
from payment of
remuneration to
Members of
Parliament

4[50B. Any person responsible for making any payment as remuneration to a Member of Parliament shall, at the time of making such payment, deduct tax on the amount so payable at a rate representing the average of the rates applicable to the estimated total remuneration of the payee for that income year.]

1 The word, figure and brackets ■ sub -sections (1) and (1A)■ were substituted for the word, figure and brackets ■sub -section (1)■ by section 24(D) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015).

2 Section 50A was inserted by section 5 of A_© AvBb, 1997 (1997 mþbi 15 bs AvBb)|

3 The colon (:) was substituted for the full -stop (.) and thereafter the proviso was inserted by section 19 of A_© AvBb, 2004 (2004 mþbi 16 bs AvBb)|

4 Section 50B was added by section 23 of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011). Income-tax Ordinance, 1984

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1[51. Any person responsible for issuing a security of the Government, or security approved by the Government or Bangladesh Securities and Exchange Commission, income of which is classifiable under the head ■interest on securities■, shall collect income -tax at the rate of five percent (5%) on discount, interest or profit on securities at the time of making payment or credit, whichever is earlier.]

Deduction at
source from
discount,
interest or profit
on securities

51A. [Deduction at source from interest on fixed deposits -
Omitted by section 2 of the Income tax (Amendment)
Ordinance, 1985 (Ordinance No. XXXVI of 1985).]
[Omitted]

2[52. (1) Where any payment is to be made by a specified person to a resident on account of-
(a) execution of a contract, other than a contract for providing or rendering a service mentioned in any other section of Chapter VII;

(b) supply of goods;
(c) manufacture, process or conversion;
(d) printing, packaging or binding;
the person responsible for making the payment shall, at the time of making such payment, deduct tax at such rate, not exceeding ten percent (10%) of the base amount, as may be prescribed:

3[Provided that—

4[(a) the rate of tax shall be fifty percent (50%)

higher if the payee fails to submit proof

Deduction from

payment to

contractors, etc.

1 Section 51 was substituted by section 27 of ■■■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■■■■■■■■■)■

2 Section 52, 52A and 52AA were substituted by section 28 of ■■■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■■■■■■■■■)■

3 The proviso was substituted by section 14 of ■■■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■■■■■■■■■) (With effect from 1st July 2017).

4 Proviso (a) was substituted by section 23(a) of ■■■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■■■■■■■■■) (With effect from 1st July 2022). Income-tax Ordinance, 1984

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of submission of return at the time of making the payment;]

1[***]

2[(bb) the rate of tax shall be fifty percent (50%) higher if the payee does not receive payment by bank transfer;]

(c) where any imported goods on which tax has been paid at source under section 53 is supplied, tax at source on the said supply shall be B-A, where-

A= the amount of tax paid under section 53,

B= the amount of tax applicable under this section if no tax were paid under section 53;]

3[(d) where any goods on which tax has been paid at source under section 53E is supplied, tax at source on the said supply shall be B-A, where-

A = the amount of tax paid under section 53E,

B = the amount of tax applicable under this section

if no tax were paid under section 53E 4[:

5[Provided that in case of the goods supplied by any distributor or any other person under a contract as referred in sub-section (3) of section 53E, the term ■B■ as mentioned in paragraph (d) shall be computed as follows:

1 Paragraph (b) was omitted by section 23(a) (i) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■

2 Proviso (bb) was substituted by section 23(b) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)
(With effect from 1st July 2022).

3 Paragraph (d) was added by section 23(a) (ii) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■

4 The colon ■:■ was substituted for the full -stop ■.■ by section 28(a) of ■■■■ ■■■■, ■■■■
(■■■■ ■■■■ ■■ ■■ ■■■■)■

5 Proviso was added by section 28(a) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 1984

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B= {the selling price of the company to the distributor or the other person as referred in section 53E (3)} x 7% x 5%.]

(2) In this section-

(a) the specified person means-

(i) the Government, or any authority, corporation or body of the Government, including its units, the activities of which are authorised by any Act, Ordinance, Order or instrument having the force of law in Bangladesh;

(ii) a project, programme or activity where the Government has any financial or operational involvement;

(iii) a joint venture or a consortium;

(iv) a company as defined in clause (20) of section 2 of this Ordinance;

(v) a co-operative bank;

(vi) a co-operative society;

(vii) a financial institution;

(viii) a Non -Government Organisation registered with the NGO Affairs Bureau 1[or a Micro Credit Organisation having licence with Micro Credit Regulatory Authority];

(ix) a school, a college, an institute or a university;

(x) a hospital, a clinic or a diagnostic centre;

(xi) a trust or a fund;

1 The words ■or a Micro Credit Organisation having licence with Micro Credit Regulatory Authority■ were inserted after the word ■Bureau■ by section 23 (b) (i) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 1984

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- (xii) a firm;
- 1[(xiia) an association of persons;]
- (xiii) a public-private partnership;
- (xiv) a foreign contractor, a foreign enterprise or an association or a body established outside Bangladesh; 2[***]
- 3[(xv) any e-commerce platform, not being any other specified persons, called by whatever name having annual turnover exceeding Taka one crore; 4[***]
- 5[(xvi) hotel, resort, community center and transport agency having annual turnover exceeding Taka one crore;]
- 6[(xvii) an artificial juridical person;]

(b) ■contract■ includes a sub-contract, any subsequent contract, an agreement or an arrangement, whether written or not;

(c) ■base amount■ means the higher of the -

- (i) contract value; or
- (ii) bill or invoice amount; or

1 Item (xiia) was inserted by section 23(b) (ii) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

2 The word ■and■ was omitted by section 13(b) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

3 Item (xv) and (xvi) were substituted for Item (xv) by section 13(b) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

4 The word ■and■ was omitted by section 23(c) (i) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022).

5 Item (xvi) was substituted by section 23(c) (i) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022).

6 Item (xvii) was added after item (xvi) by section 23(c) (ii) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022). Income-tax Ordinance, 1984

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- (iii) payment;

(d) ■payment■ includes a transfer, a credit or an adjustment of payment 1[or an order or

instruction of making payment].]

52A. (1) Where any payment is to be made by a specified person to a resident on account of royalties, franchise, or the fee for using license, brand name, patent, invention, formula, process, method, design, pattern, knowhow, copyright, trademark, trade name, literary or musical or artistic composition, survey, study, forecast, estimate, customer list or any other intangibles, the person responsible for making the payment shall, at the time of making payment, deduct income tax at the rate specified below-

Description of payment

Rate of deduction of tax

(a) Where base amount does not exceed taka 25 lakh

10%

(b) Where base amount exceeds taka 25 lakh

12%:

Provided that the rate of tax shall be fifty percent (50%) higher if the payee does not have a twelve -digit Taxpayer's Identification Number at the time of making the payment.

(2) In this section-

(a) ■specified person■ shall have the same meaning as in clause (a) of sub section (2) of section 52;

Deduction from payment of royalties etc

(b) ■contract■ includes a sub -contract, any subsequent contract, an agreement or an arrangement, whether written or not;

1 The words ■or an order or instruction of making payment■ were added after the words ■adjustment of payment■ by section 28(b) of ■■■■■■■■■■, ■■■■■■ (■■■■■ ■■■■■ ■■■■■■■■■■)■ Income-tax Ordinance, 1984

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(c) ■base amount■ means the higher of the -

(i) contract value; or

(ii) bill or invoice amount; or

(iii) payment;

(d) ■payment■ includes a transfer, a credit or an adjustment of payment 1[or an order or instruction of making payment].

Deduction from
the payment of
certain services

52AA. 2[(1) Where any payment is to be made by a specified person to a resident on account of a service as mentioned in this section, the person responsible for making the payment shall, at t he time of making such payment, deduct income tax at the rate specified in the Table below:-

Table

SL.
No

Description of service and
payment
Rate

1.

Advisory or consultancy service

10%

2.

(i) Professional service;

(ii) technical services fee; or

(iii) technical assistance fee.

10%

1 The words ■or an order or instruction of making payment■ were added after the word s ■adjustment of payment■ by section 29 of ■■■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■■■■■■■■■)■

2 Sub-section (1) was substituted by section 24 of ■■■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■■■■■■■■■) (With effect from 1st July 2022). Income-tax Ordinance, 1984

3.

- (i) Catering service;
- (ii) Cleaning service;
- (iii) Collection and recovery service;
- (iv) Private security service;
- (v) Manpower supply service;
- (vi) Creative media service;
- (vii) Public relations service;
- (viii) Event management service;
- (ix) Training, workshop, etc. organization and management service;
- (x) Courier service;
- (xi) Packing and Shifting service;
- (xii) Any other service of similar nature-
 - (a) on commission or fee
 - (b) on gross bill amount

10%

2%

4.

Media buying agency service

(a) on commission or fee

(b) on gross bill amount

10%

0.65%

5.

Indenting commission

8%

6.

Meeting fees, training fees or
honorarium

10%

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7.

Mobile network operator, technical
support service provider

12%

8.

Credit rating service

10%

9.

Motor garage or workshop

8%

10.

Private container port or dockyard
service

8%

11.

Shipping agency commission

8%

12.

Stevedoring/berth operator /terminal
operator/Ship handling operator –

(a) on commission or fee

(b) on gross bill amount

10%

5%

13.

(i) Transport service, carrying
service, vehicle rental
service, Repair and
maintenance service;

(ii) Any other service under

any sharing economy
platform including ride
sharing service,
coworking space
providing service and
accommodation providing
service;

5%

14.

Wheeling charge for electricity
transmission

3%

15. Internet Service

10%

16. Service delivery agents engaged in
mobile financial services or channel
partners of mobile financial services

10%

.....

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17. Any other service which is not
mentioned in Chapter VII of this
Ordinance and is not a service
provided by any bank, insurance,
mobile financial services or financial
institutions.

10%:

Provided that-

(a) if the amount for services mentioned in SL No. 3
and 4 of the Table shows both commission or
fee and gross bill amount tax shall be the higher
amount between (i) and (ii) where-

(i) tax calculated on commission or fee

applying the relevant rate in the table;
and

(ii) $B \times C \times D$, where-

B = Gross bill amount,

C = 10% of Sl. 3 and 2.5% for Sl. 4, and

D = rate of tax applicable on commission
or fee;

(b) the rate of tax shall be fifty percent (50%) higher
if the payee fails to submit proof of submission
of return at the time of making the payment;

(c) the rate of tax shall be fifty percent (50%) higher
if the payee does not receive payment by bank
transfer;

(d) where the Board, on an application made in this
behalf, gives certificate in writing that the
person rendering such service is otherwise
exempted from tax under any provision of this
Ordinance, the payment referred to in this
section shall be made without any deduction or
with deduction at a lesser rate for that income
year.]

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(2) In this section-

(a) ■specified person■ shall have the same meaning as in
clause (a) of sub-section (2) of section 52;

(b) ■contract■ includes a sub -contract, any subsequent
contract, an agreement or an arrangement, whether
written or not;

(c) ■base amount■ means the higher of the-

(i) contract value; or

(ii) bill or invoice amount ; or

(iii) payment;

(d) ■payment■ includes a transfer, a credit or an
adjustment of payment 1[or an order or instruction of
making payment];

(e) ■professional services■ means-

(i) services rendered by a doctor;

(ii) services rendered by a person carrying on any profession or any other services applying professional knowledge.]

Collection of
tax from
clearing and
forwarding
agents

2[52AAA. The Commissioner of Customs shall make collection on account of commission receivable by clearing and forwarding agents licensed under Customs Act, 1969 at the rate of 3[ten per cent] on such commission at the time of clearance of goods imported or exported.]

1 The words ■or an order or instruction of making payment■ were added after the words ■adjustment of payment■ by section 30 (b) of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■ ■■ ■■■■)■

2 Section 52AAA was inserted by section 23 of A_© AvBb, 2004 (2004 mþbi 16 bs AvBb)|

3 The words ■ten percent■ were substituted for the words ■seven and half percent■ by the sections 36 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb) (with effect from 1st July, 2010). Income-tax Ordinance, 1984

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52B. 1[Any person responsible for selling banderols to any manufacturer of cigarettes shall, at the time of selling banderols, collect tax from such manufacturers on account of the manufacture of cigarette at the rate of ten percent (10%) of the value of the banderols.

Explanation.- For the purposes of this section,
■manufacture of cigarettes■ means manufacture of cigarettes manually without any mechanical aid whatsoever.]

Collection of
tax from
Cigarette
manufacturers

2[52C. Any person, responsible for paying any amount of compensation against acquisition by the Government of any immovable prop erty shall, at the time of paying such compensation deduct advance tax at the rate of,-
Deduction at
source from
compensation
against
acquisition of
property

(a) 3[six] per cent of the amount of such compensation where the immovable property is situated i n any city corporation, paurashava or cantonment board;

(b) 4[three] per cent of the amount of such compensation where the immovable property is situated outside any city corporation, paurashava or cantonment board.]

5[6]52D. Notwithstanding anything contained in any other provision of this Ordinance or any other law being in force in Deduction at source from

1 Section 52B was substituted by section 29 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

2 Sub-section 52C was substituted by section 37 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb) (with effect from 1st July, 2010).

3 The word ■six■ was substituted for the word ■two■ by section 31(a) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

4 The word ■three■ was substituted for the word ■one■ by section 31(b) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

5 Sections 52D, 52E, 52F, 52G, 52H and 52I were inserted by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|

6 Section 52D and 52DD were substituted by section 30 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 1984

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interest on
saving
instruments
respect of exemption from tax on interest of savings
instrument purchased by an approved s uperannuation fund or
pension fund or gratuity fund or a recognized provident fund or
a workers' profit participation fund, any person responsible for
making any payment by way of interest on any savings
instruments shall, at the time of such payment, dedu ct income
tax at the rate of 1[ten per cent (10%)] on such interest:

Provided that no tax shall be deducted under this section
where the cumulative investment at the end of the income year
in the pensioners' savings certificate does not exceed five la kh
taka:

Provided further that no tax shall be deducted from
interest or profit arising from Wage earners development bond,
US dollar premium bond, US dollar investment bond, Euro
premium bond, Euro investment bond, Pound sterling
investment bond or Pound sterling premium bond.

Deduction from
payment to a
beneficiary of
workers'
participation
fund

2[52DD. (1) Notwithstanding anything contained in any other provision of this Ordinance or any other law being in force in respect of exemption from tax on payments from workers' participation fund, any person responsible for making any payment from such fund to a beneficiary shall, at the time of payment, deduct tax at the rate of 5% (five percent) on whole payment.

(2) No tax under sub -section (1) shall be deducted from the payment of worker's participation fund where the following conditions are met-

(i) the beneficiary does not have taxable income; and

(ii) amount of fund does not exceed Taka 25,000.

1 The words, brackets and symble ■ten per cent (10%)■ were substituted for the words, brackets and symble ■five percent (5%)■ by section 25 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

2 Section 52DD was substituted by section 15 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance

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52E. [Collection of tax on account of bonus- Omitted by section 53 of A_© AvBb, 2001 (2001 mþbi 30 bs AvBb)]

1[52F. Any person responsible for issuing or renewal of permission for the manufacture of bricks shall not issue or renew such permission unless the application for issuance or renewal of such permission is accompanied by a tax clearance certificate of the preceding assessment year along with the receipt of the tax verified by the Deputy Commissioner of Taxes at the following rates:

(a) taka forty five thousand for one section brick field;

(b) taka seventy thousand for one and half section brick field;

(c) taka ninety thousand for two section brick field;

(d) taka one lakh and fifty thousand for brick field producing bricks through automatic machine.

Explanation:- For the purpose of this section, the word ■section■ shall have the same meaning as defined in §gŠmygx BUfvUv g~j" msþhvRb Ki wewagvjv, 2004.]

Collection of
tax from brick
manufacturers

52G. [Deduction from fees for services rendered by

doctors.- Omitted by section 25 of A_© AvBb, 2004 (2004 mþbi 16 bs AvBb)]

52H. [Collection of tax from persons engaged in the real estate business.- Omitted by section 64 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)]

52I. Any person responsible for opening letter of credit for the purpose of import of goods for himself or for any other person shall, at the time of collecting commission with respect to letter of credit, deduct income tax at the rate of five per cent on the amount of such commission.]

Deduction from
the commission
of letter of
credit

1 Section 52F was substituted by section 26 of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 1931

52J. Collection of tax from travel agent - [Omitted by section 54 of A_© AvBb, 2001 (2001 mþbi 30 bs AvBb)]

Collection of
tax from travel
agent

1[52JJ. Collection of tax from travel agent. - (1)
Notwithstanding anything contained in any other provisions of this Ordinance, any person responsible for making any payment to a resident any sum by way of commission or discount or any other benefits, called by whatever name, convertible into money for selling passenger tickets or air cargo carriage shall deduct or collect advance tax at the rate of zero point three zero percent (0.30%) of the total value of the tickets or any charge for carrying cargo by air at the time of payment to such resident.

(2) Where any incentive bonus, performance bonus or any other benefits, called by whatever name, is to be paid in relation to such sale of tickets or bill for carrying cargo by air in addition to the amount mentioned in sub-section (1), person responsible for making such payment shall deduct an amount equal to $(A/B) \times C$, where-

■A■ is the amount of incentive bonus, performance bonus or any other benefits as mentioned in subsection (2),

■B■ is the amount of commission or discount or any other benefits as mentioned in sub-section (1), and

■C■ is the amount of source tax on commission or discount or any other benefits as mentioned in subsection (1).

(3) For the purpose of computation of value of tickets or charge, any payment made in respect of any embarkation fees, travel tax, flight safety insurance, security tax and airport tax shall not be included in such value or charge.

Explanation.- In this section, ■payment■ includes a transfer, a credit or an adjustment of payment.]

1 Section 52JJ was substituted by section 31 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 1

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1[2[52K. Any person responsible for renewal of trade license shall collect tax at the time of such renewal of each trade license at the rate of-

(a) taka 3[three thousand] in 4[Dhaka South City Corporation, Dhaka North City Corporation] or Chittagong City Corporation;

(b) taka 5[two thousand] 6[in any other city corporation];

(c) taka 7[one thousand] in any paurashava at any district headquarter;

(d) taka 8[five hundred] in any other paurashava.]

Collection of
tax by City
Corporation or
Paurashava at
the time of
renewal of trade
license

9[***]

1 Sections 52K, 52L, 52M were inserted by section 29 of A_© AvBb, 2009 (2009 mþbi 9 bs AvBb) (with effect from 1st July, 2007).

2 Section 52K was substituted by section 25 of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012).

3 The words ■three thousand■ were substituted for the words ■five hundred■ by section 27(a) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

4 The words and comma ■Dhaka South City Corporation, Dhaka North City Corporation■ were substituted for the words ■Dhaka City Corporation■ by section 16 (a) of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017)■

5 The words ■two thousand■ were substituted for the words ■three hundred■ by section 27 (b) of ■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■)■

6 The words ■in any other city corporation■ were substituted for the words and comma ■in any city corporation, other than Dhaka and Chittagong City Corporation■ by section 16(b) of ■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017).

7 The words ■one thousand■ were substituted for the words ■three hundred■ by section 27(c) of ■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■)■

8 The words ■five thousand■ were substituted for the words ■one hundred■ by section 27(d) of ■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■)■

9 Section 52L was omitted by section 40 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb) (with effect from 1st July, 2010). Income-tax Ordinance, 1984

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Collection of
tax from freight
forward agency
commission

1[52M. Any person responsible for making any payment by way of freight forward agency commission, at the time of making such payment 2[or credit of such payment to the account of the payee] shall deduct tax at the rate of 3[fifteen per cent] of the said amount.]

Collection of
tax on account
of purchase of
power

4[52N. (1) Notwithstanding anything contained in this Ordinance, Bangladesh Power Development Board or any other person engaged in power distribution, at the time of payment to any person on account of purchase of power, shall collect, deduct or pay tax on the said payment at the rate of six percent.

(2) Where a person is exempted from tax or is subject to a reduced tax rate in an income year, the Board may, on an application made in this behalf, give a certificate in writing that the payment for that income year shall be made without any deduction or with deduction at a proportionately reduced rate, as the case may be.]

Collection of tax
from a foreign
technician
serving in a
diamond cutting
industry

5[52O. The person responsible for making any payment - which constitutes income chargeable under the head "Salaries" received by or due to any person who is neither a citizen of

Bangladesh nor was resident in Bangladesh in any of the four years immediately preceding the year in which he arrived in Bangladesh, as remuneration for services rendered by him for a period not exceeding three years from the date of his arrival in Bangladesh, during such period, as a technician employed in diamond cutting industries under a contract of service, shall deduct tax at the rate of five per cent of such salaries at the time of making payment or giving credit whichever is earlier:

1 Section 52M was inserted by section (29) of the Finance Act, 2009 (Act No.IX of 2009)(with effect from 1st July 2007).

2 The words "or credit of such payment to the account of the payee" were inserted after the words "at the time of making such payment" by section 27 of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011).

3 The words "fifteen percent" were substituted for the words "seven and half percent " by section 41 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb) (with effect from 1st July, 2010).

4 Section 52N was substituted by section 16 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

5 Section (52O) was added by section 21 of A_© AvBb, 2009 (2009 mþbi 36 bs AvBb) (with effect from 1st July 2009). Income-tax Ordinance, 1984

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Provided that the provisions of this clause shall not be applicable to foreign technicians appointed after June 30, 2010.]

1[2[52P. (1) Where any payment is to be made by a specified person to any other person on account of renting or using space of convention hall, conference centre, room or, as the case may be, hall, hotel, community centre or any restaurant, shall deduct tax at the rate of five per cent from the whole amount of the payment for the services thereof at the time of making such payment to the payee:

Provided that no deduction shall be made when such amount is paid directly to the Government.

(2) In this section-

(a) ■specified person■ shall have the same meaning as in clause (a) of sub-section (2) of section 52;

(b) ■payment■ shall have the same meaning as in clause (d) of sub-section (2) of section 52.]

Deduction of
tax for services
from

convention
hall,
conference
centre, etc

52Q. 3[Any person, responsible for paying or crediting to the account of a person any sum remitted from abroad by way of a fee, service charges, commission or remuneration, called by whatever name, or by way of revenue sharing of any name and nature, for—

(a) providing any service rendered in Bangladesh; or

(b) rendering any service or performing any task by a resident person in favour of a foreign person; or

(c) allowing the use of any online platform for advertisement or any other purposes, shall deduct tax at the rate of ten percent at the time of making payment of the sum or crediting the sum to the account of the payee:

Deduction of
Tax from any
income
remitted from
abroad in
connection
with any
service,
revenue
sharing, etc

1 Sections 52P and 52Q was added by section 29 of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011).

2 Section 52P was substituted by section 28 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■

3 Section 52Q was substituted by section 32 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 19

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1[Provided that the rate of deduction under this section shall be 7.5% (seven point five percent) where the remittance has been received as consideration for contracts on manufacturing, process or conversion, civil work, construction, engineering or works of similar nature:

Provided further that no deduction under this section shall be made against the remittance from abroad which is-

(i) the proceeds of sales of software or services of a resident if the income from such sales or services is exempted from tax under paragraph 33 of Part A of the Sixth Schedule, or

(ii) excluded from total income by paragraph 48 2[and

61] of Part A of the Sixth Schedule.]

Deduction of tax
from receipts in
respect of
international
phone call

3[52R. (1) The bank, through which any sum on account of International Gateway (IGW) Services in respect of international phone call is received, shall deduct tax at the rate of 4[one point five percent (1.5%)] of the total amount representing the said receipt at the time of crediting it to the account of the International Gateway (IGW) Services operator.

(2) The International Gateway (IGW) Services operator, by which any sum related to international phone call is paid or credited to the account of Interconnection Exchange (ICX), Access Network Services (ANS) 5[,Bangladesh

1 The provisos were substituted by section 17 of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

2 The word and number ■and 61■ were inserted after the word and number ■ paragraph 48■ by section 25 of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022).

3 Section 52R was added by section 27 of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012).

4 The words, figures, symbol and brackets ■one point five percent (1.5%)■ were substituted the words ■one percent■ by section 32 (a) of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

5 The comma, words and brackets ■, Bangladesh Telecommunication Regulatory Commission (BTRC)■ were inserted after the words and brackets ■Access Network Services (ANS)■ by section 33 of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 1984

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Telecommunication Regulatory Commission (BTRC)] or any other person under an agreement with the Bangladesh Telecommunication Regulatory Commission (BTRC), shall deduct tax at the rate of 1[seven point five percent (7.5%)] on the whole amount so paid or credited at the time of such payment or credit under the said agreement.

2[(2A) Where any amount is paid or credited in respect of outgoing international calls, the provider of Interconnection Exchange (ICX) services or Access Network Services (ANS) shall deduct tax at the rate of seven point five percent (7.5%) on the whole amount so paid or credited at the time of such payment or credit.]

(3) Notwithstanding anything contained in 3[sub-sections (1), (2) or (2A)], where the Board gives a certificate in writing on an application made by a person that income of the person is exempted from tax or will be liable to tax at a rate of tax less than the rate specified in this section, the person responsible for such payment shall make the payment-

(a) without deduction of tax; or

(b) after deducting tax at a rate specified in the certificate.]

4[***]

5[52T. Any person responsible for paying to a resident, any Deduction of tax from any

1 The words, figures, symbol and brackets ■seven point five percent (7.5%)■ were substituted the words ■five percent■ by section 32 (b) by section 22 (a)(ii) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

2 Sub-section (2A) was inserted by section 17(a) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017).

3 The words, figures and brackets ■sub-sections (1), (2) or (2A)■ were substituted for the words, figures and brackets ■sub-section (1) or (2)■ by section 17 (b) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017).

4 Section 52S was omitted by section 17 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018).

5 Sections 52T, 52U and 52V were added by section 25 of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014). Income-tax Ordinance, 1984

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payment in
excess of
premium paid on
life insurance
policy
sum in excess of premium paid for any life insurance policy
maintained with any life insurance company, shall deduct, at
the time of payment of such excess amount to the policy
holder, income tax at the rate of five per cent on such sum:

Provided that no deduction of tax shall be made in case of
death of such policy holder.

Deduction from
payment on
account of local
letter of credit,
etc.

1[52U. (1) The bank or any other financial institution
extending any credit facility under a local letter of credit or
any other financing agreement, not being a financing
arrangement under sub-section (2), for purchasing any goods
in Bangladesh by a person (hereinafter referred to as ■Person
A■) from any person (hereinafter referred to as ■Person B■) for
the purpose of trading, or of reselling after process or
conversion shall deduct, at the time of paying or crediting to
Person B, tax at the rate of three percent (3%) of the amount so
paid or credited in relation to the purchase by Person A.

(2) The bank or any other financial institution extending
any credit facility to a distributor under a financing

(3) 2[The tax shall be deducted at the rate of two percent (2%)] in the cases of local letter of credit or any other financing agreement opened or made for the purchase or procurement of rice, wheat, potato, onion, garlic, peas,

2 The words, letter, symbol and brackets ■The tax shall be deducted at the rate of two
percent (2%)■ were substituted for the words ■The provision of this section shall not
be applicable■ by section 34(a) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■ ■■ ■■■■)■ Income-tax Ordinance, 1984

1[***]

52V. The Principal Officer of a cellular mobile phone operator company responsible for making any payment, on account of any revenue sharing or any license fees or any other fees or charges, called by whatever name, to the regulatory authority, shall deduct tax at the rate of ten per cent of such payment at the time of credit to the payee or at the time of payment thereof, whichever is earlier.]

Deduction from
payment by
cellular mobile
phone operator

2[53. The Commissioner of Customs or the officer
authorized in this behalf shall collect advance income tax at
such rate, not exceeding 20% (twenty percent) on the value of
imported goods, as may be prescribed.]

Collection of
tax on account
of import of
goods

3[4[53A. (1) Where any specified person is a tenant in respect of a house property or hotel accommodation, the tenant shall deduct tax from the rent of such house property or hotel accommodation at the rate of five per cent at the time of payment of such rent.

Deduction at
source from
income from
house property

1 Sub-section (4) was omitted by section 34(b) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■

2 Section 53 was substituted by section 18 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■

3 Sections 53A, 53B, 53C and 53D were inserted by section 8 of A_© AvBb, 1988 (1988 mþbi 33 bs AvBb)|

4 Section 53A was substituted by section 29 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance,

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Explanation.- For the purpose of this section, "rent" means any payment, by whatever name called, under any lease, tenancy or any other agreement or arrangement for the use of any house property or hotel accommodation including any furniture, fittings and the land appurtenant thereto.

(2) Where, after the assessment made for the relevant year, it is found that no tax was payable by the owner of the house property or the amount of tax deducted is in excess of the amount payable, the amount deducted shall be refunded,-

(a) if no tax was payable, in full; or

(b) if the amount deducted is in excess of the amount payable, to the extent of the excess deduction to the owner of the house property.

(3) Where the Deputy Commissioner of Taxes, on an application made in this behalf, gives a certificate in the prescribed form to an owner of house property that, to the best of his belief, the owner is not likely to have any assessable income during the year or the income is otherwise exempted from payment of income tax under any provision of this Ordinance, payment referred to in sub-section (1) shall be made without any deduction until the certificate is cancelled.

(4) In this section-

(a) ■specified person■ shall have the same meaning as in clause (a) of sub-section (2) of section 52;

(b) ■payment■ shall have the same meaning as in clause (d) of sub-section (2) of section 52.]]

Collection of
tax from
shipping

53AA. Commissioner of Customs or any other authority, duly authorised in this behalf, shall not grant port clearance to a ship owned or chartered by a resident assessee unless 1[a certificate is

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Provided that tax shall be collected at the rate of three per cent of total freight received or receivable from services rendered between two or more foreign countries.]
resident

(i) grant clearance for export of manpower by recruiting agencies unless challan of advance tax for Taka amounting to 10% (ten percent) of service charge or fees received by recruiting agents on account of export of manpower attached with the application made in this behalf; and

4[53BB. (1) The Bank, through which export proceeds of goods of an exporter is received, shall deduct tax at the rate of 1% (one percent) of total export proceeds at the time of crediting the proceeds to the account of the exporter.

Deduction of tax
from export
proceeds of
goods

1 The words ■five percent■ were substituted for the words ■four percent■ by section 30

of the Finance Act, 2009 (Act No.IX of 2009) (with effect from 1st July 2007).

2 The colon (:) was substituted for the full -stop at the end and thereafter proviso was added by section 22 of the Finance Act, 2009 (Act No.XXXVI of 2009) (with effect from 1st July 2009).

3 Section 53B was substituted by section 19 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

4 Section 53BB was substituted by section 26 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)
(With effect from 1st July 2022). Income-tax Ordinance, 1984

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(2) Where the Board, on an application made in this behalf, gives a certificate in writing that the income of the exporter is partly or fully exempted from tax under any provision of the Ordinance, the Bank shall make credit to the account of an assessee without any deduction of tax or deduction of tax at a rate lesser than the rate specified in this section for the period mentioned in that certificate.]

Collection of
tax from
Member of
Stock
Exchanges

53BBB. 1[The Chief Executive Officer of a stock exchange shall collect tax at the rate of ■zero point zero five percent (0.05%)■on the value of shares and mutual funds transacted by a member of a stock exchange and at the rate of ten percent (10%) on the commission received or receivable by a member of a stock exchange for the transaction of securities other than shares and mutual funds at the time of making payment for such transactions.]

2[***]

Collection of
tax on sale price
of goods or
property sold by
public auction

53C. Any person making sale, by 3[public auction through sealed tender or otherwise], of any goods or property belonging to the Government or any authority, corporation or body, including its units, the activities or the principal activities of which are authorised by any Act, Ordinance, order or instrument having the force of law in Bangladesh or any company 4[***] as defined in 5[6[***] ‡Kvꞑúvbx AvBb, 1994 (1994 m‡bi 18 bs AvBb)] or

6[53D. (1) A person responsible for making any part or full payment for purchasing a film, drama or television or radio Deduction from payment to

1 The words "or allowing to exercise the rights" were inserted after the words "before delivering the possession of the goods or the property" by section 20(a) of "Income-tax Ordinance, 1984" (1984年第20号《所得税法》)。

2 The words, figure and col on (:) "at the rate of 10% (ten percent) of the sale price:" were substituted for the words, commas and full stop "at such rate, not exceeding seven and a half percent of the sale price, as may be prescribed." by section 20(b) of "Income-tax Ordinance, 1984" (1984年第20号《所得税法》)。

3 The new Proviso "Provided that the rate of deduction shall be 1% (one percent) in case of sale of tea by public auction." was inserted before the Explanation by section 20(c) of "Income-tax Ordinance, 1984" (1984年第20号《所得税法》)。

4 Section 53CC was omitted by section 35 of "Income-tax Ordinance, 1984" (1984年第35号《所得税法》) (with effect from 1st July 2015).

5 Section 53CCC was inserted by section 35 of "Income-tax Ordinance, 1984" (1984年第35号《所得税法》)。

6 Section 53D was substituted by section 34 of A_@ AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011). Income-tax Ordinance, 1984

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actors, actresses,
producers, etc
programme shall deduct tax at the rate of ten per cent of the amount paid or payable at the time of making payment or credit of such payment to the account of the payee.

(2) A person responsible for making any part or full payment to another person for performing in a film, drama, advertisement or any television or radio programme shall deduct tax at the rate of ten per cent of the amount paid or payable at the time of making payment or credit of such payment to the account of the payee 1[:

Provided that no tax shall be deducted under this section if the total payment does not exceed ten thousand taka.]]

2[***]

Deduction of tax
at source from
export cash
subsidy

3[53DDD. Any person responsible for paying any amount on account of export cash subsidy to an exporter for promotion of export shall, at the time of payment or credit of such amount, deduct or collect tax in advance at the rate of 4[5[ten] per cent] on the amount so payable.]

Deduction or
collection at
source from
commission,
discount, fees,
etc.

6[53E. (1) Any company making a payment or allowing an amount to a distributor, called by whatever name, or to any other person by way of commission, discount, fees, incentive or performance bonus or any other performance related incentive or any other payment or benefit of the similar nature for distribution or marketing of goods, shall deduct or collect tax at the time of payment or allowing the amount at the rate of ten percent (10%) of the amount of payment or the amount allowed or the value of benefits allowed, as the case may be.

1 The colon (:) was substituted for the full stop (.) at the end and thereafter the proviso was inserted by section 32 of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012).

2 Section 53DD was omitted by section 26 of A_© AvBb, 2009 (2009 mþbi 36 bs AvBb) (with effect from 1st July, 2009).

3 Section 53DDD was inserted by section 33 of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012).

4 The words ■three per cent■ were substituted for the words ■five percent■ by section 27 of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

5 The word ■ten■ was substituted for the word ■three■ by section 30 of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■)■

6 Section 53E was substituted by section 18 of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017). Income-tax Ordinance, 1984

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(2) Any company making a payment in relation to the promotion of the company or its goods to any person engaged in the distribution or marketing of the goods of the company shall, at the time of payment, deduct tax at the rate of one point five percent (1.5%) of the payment.

(3) Any company, other than an oil marketing company, which sells goods to-

(a) any distributor, or

(b) any other person under a contract,

at a price lower than the retail price fixed by such company, shall collect tax from such distributor or such any other person at the rate of five percent (5%) on the amount equal to $B \times C$, where-

B = the selling price of the company to the distributor or the other person;

C = 5%:

Provided that a cigarette manufacturer company shall collect tax at the time of sale of its goods to such distributor or to such other person at the rate of three percent (3%) of the difference between the sale price to the distributor or the other person and the retail price fixed by such company.

(4) In this section-

(a) ■payment■ includes a transfer, credit or an adjustment of payment 1[or an order or instruction of making payment];

1 The words ■or an order or instruction of making payment■ were added after the words ■adjustment of payment■ by section 38 of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■■■■■■■■■)■ Income-tax Ordinance, 1984

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(b) ■contract■ includes an agreement or arrangement, whether written or not 1[;

(c) ■company■ includes a firm.]

Deduction of
tax from
commission or
remuneration
paid to agent of
foreign buyer

2[53EE. Where, in accordance with the terms of the letter of credit or under any other instruction, a bank, through which an exporter receives payment for export of goods, pays any amount out of the export proceeds to the credit of any person being an agent or a representative of the foreign buyer, as commission, charges or remuneration by whatever name it may be called, the bank shall deduct or collect tax in advance at the rate of 3[ten per cent (10%)] on the commission, charges or remuneration so paid at the time of such payment.]

Deduction at
source from
interest on
saving deposits
and fixed
deposits, etc

4[53F.(1) Notwithstanding anything contained in this Ordinance or any other law for the time being in force in respect of exemption of tax, any person responsible for paying to a resident any sum by way of interest or share of profit on any saving deposits or fixed deposits or any term deposit maintained with any bank including a co-operative bank or any bank run on Islamic principles or non-banking financial institution or any leasing company or housing finance company, as the case may be, shall deduct, at the time of credit of such interest or share of profit to the account of the payee or at the time of payment thereof, whichever is earlier, income tax on such sum at the rate provided in the following table-

1 The semi-colon (;) was substituted for the full stop (.) at the end of clause (b) and thereafter the new clause (c) was inserted by section 21 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■

2 Section 53EE was inserted by section 66 of A_© AvBb, (2000 m±bi 15 bs AvBb)|

3 The words, figure, symbol and brackets ■ten per cent (10%)■ were substituted for the words ■ seven and a half per cent ■ by section 37 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015).

4 Section 53F was substituted by section 28 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022). Income-tax Ordinance, 1984

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Table

Sl.
No.

Types of the payee

Rate

1.

Where the payee is a company

20%

2.

Where the payee is a person other than
a company

10%

3.

Where the payee is a public university,
or an educational institution whose
teachers are enlisted for Monthly Pay
Order (MPO), following the curriculum
approved by the Government and whose
governing body is also formed as per
Government rules or regulations, or any
professional institute established under
any law and run by professional body of
Chartered Accountants, Cost and
Management Accountants or Chartered

Secretaries

10%

4.

Where the payee is recognized
provident fund, approved gratuity fund,
approved superannuation fund or
pension fund

5%

(2) Where the payee being a person required to submit
return under section 75 fails to furnish proof of submission of
return, the rate of deduction shall be 50% higher.

(3) For the purpose of sub-section (2), the proof of
submission of return of parent shall be considered as the proof
of submission of return of a minor.

(4) Nothing contained in this section shall apply-

Income-tax Ordinance, 1984

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(a) to interest or share of profit arising out of any
deposit pension scheme sponsored by the
Government or by a Bank with prior approval
of the Government; or

(b) to such payee or class of payees as the Board
may, by a general or special order, specify that
income of such payee or class of payee is
otherwise exempted from tax.]

Collection of
tax from
persons engaged
in real estate or
land
development
business

1[53FF. Any person responsible for registering any
document for transfer of any land or building or apartment,
under the provision of Registration Act, 1908 (XVI of 1908),
shall not register the document unless tax is paid at the
following rate by the transferrer who is engaged in real estate or
land development business,-

2[(a) in case of building or apartment 3[,constructed for
residential purposes,] situated-

4[(i) at Gulshan Model Town, Banani, Baridhara, Motijheel Commercial Area and Dilkusha Commercial Area of Dhaka, taka 5[one thousand and six hundred] per square metre;

(ii) at Dhanmondi Residential Area, Defense Officers Housing Society (DOHS), Mahakhali, Lalmatia Housing Society, Uttara Model Town, Bashundhara Residential Area, Dhaka Cantonment Area, Karwan

1 Section 53FF was inserted by section 26 of A_© AvBb, 2005 (2005 mþbi 16 bs AvBb)|

2 Clause (a) was substituted by section 47 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb) (with effect from 1st July, 2010).

3 The words and commas ", constructed for residential purposes, " were inserted after the words "in case of building or apartment " by section 36 (a) of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011).

4 Sub-clauses (i), (ii) and (iii) were substituted for sub-clause (i) and (ii) by section 36 (a) of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011).

5 The words " one thousand and six hundred " were substituted for the words "two thousand" by section 23(a)(i) of A_© AvBb, 2013 (2013 mþbi 25 bs AvBb) Income-tax Ordinance, 1984

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Bazar Commercial Area of Dhaka and Panchlaish Residential Area, Khulshi Residential Area, Agrabad and Nasirabad of Chittagong, taka 1[one thousand and five hundred] per square metre;

2[(iii) in areas other than the areas mentioned in sub-clauses (i) and (ii)-

A. if the area is within Dhaka South City Corporation, Dhaka North City Corporation and Chittagong City Corporation, taka one thousand per square metre;

B. if the area is within any other city corporation, taka seven hundred per square metre;

C. any other area, taka three hundred per square metre:

Provided that the rate of source tax under clause (a) in respect of a residential apartment shall be twenty percent (20%) lower if the size of the apartment, including common space, is not more than seventy square metre, and forty percent (40%) lower if the size of the apartment, including common space, is not more than sixty square metre;]

3[(aa) in case of building or apartment or any space thereof, constructed not for the residential purposes, situated-
(i) in areas mentioned under sub -clause (i) of clause (a), taka 4[six thousand and five hundred] per square metre;

(ii) in areas mentioned under sub -clause (ii) of clause (a), taka 5[five thousand] per square metre;

1 The words " one thousand and five hundred" were substituted for the words "one thousand and eight hundred " by section 23(a)(ii) of A_© AvBb, 2013 (2013 mþbi 25 bs AvBb) (with effect from 1st July, 2013).

2 Sub-clause (iii) was substituted by section 38(a) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■

3 Clause (aa) was added by section 36 (b) of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb)|

4 The words "six thousand and five hundred " were substituted for the words "eight thousand" by section 23(b)(i) of A_© AvBb, 2013 (2013 mþbi 25 bs AvBb) (with effect from 1st July, 2013).

5 The words "five thousand" were substituted for the words "six thousand" by section 23(b)(ii) of A_© AvBb, 2013 (2013 mþbi 25 bs AvBb) (with effect from 1st July, 2013).
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1[(iii) in areas other than the areas mentioned in sub - clauses (i) and (ii)-

A. if the area is within Dhaka South City Corporation, Dhaka North City Corporation and Chittagong City Corporation, taka three thousand and five hundred per square metre;

B. if the area is within any other city corporation, taka two thousand and five hundred per square metre;

C. any other area, taka one thousand and two hundred per square metre;]

2[(b) in case of land to which the document relates and on which stamp duty is chargeable under the Stamp Act , 1899 (Act No. II of 1899) at the rate of-

(i) five percent for Dhaka, Gazipur, Narayanganj, Munshiganj, Manikganj, Narsingdi and Chittagong districts;

(ii) three percent for any other district.]

Deduction at
source from
insurance
commission

53G. Any person responsible for paying to a resident any sum by way of remuneration or reward, whether by way of commission or otherwise, for soliciting or procuring insurance

business including business relating to the continuance, renewal or revival of policies of insurance shall, at the time of credit of such sum to the account of the payee or at the time of payment thereof in cash or by issue of a cheque or draft or by any other mode, whichever is earlier, deduct income tax on such sum at the rate of 3[five per cent] 4[.

***]

1 Sub-clause (iii) was substituted by section 38 (b) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■

2 Clause (b) was substituted by section 35 of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb)|

3 The words ■five per cent■ were substituted for the words ■three per cent■ by section 48 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb) (with effect from 1st July, 2010).

4 The full-stop was substituted for the colon at the end and the proviso was omitted by section 19 of the A_© AvBb, 2009 (2009 mþbi 10 bs AvBb) (with effect from 1st July , 2008). Income-tax Ordinance, 1984

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1[53GG. A person responsible for paying to a resident any sum by way of remuneration or fees for conducting any survey regarding settlement of claim of an insurance shall, at the time of payment, deduct income -tax on such sum at the rate 2[3[ten] per cent]]

Deduction at
source from fees,
etc. of surveyors
of general
insurance
company

4[***]

5[53H. (1) Any register ing officer responsible for registering any document of a person under the provisions of clause (b), (c) or (e) of sub -section (1) of section 17 of the Registration Act, 1908 (XVI of 1908) shall not register any document unless tax is paid at such rate as may be prescribed in relation to the property to which the document relates and on which stamp-duty is chargeable under Stamp Act, 1899 (II of 1899) by the person whose right, title or interest is sought to be transferred, assigned, limited or extinguished thereby, at the time of registration of such document:

Collection of
tax on transfer,
etc. of property

Provided that the rate of tax shall not exceed taka ten lakh and eighty thousand per katha (1.65 decimal) for land, taka six hundred per square meter for any structure, building, flat, apartment or floor space on the land, if any, or four per cent of the deed value, whichever is higher.

(2) Nothing in this section shall apply to a document

relating to:

(a) sale by a bank or any financial institution as a mortgagee empowered to sell;

1 Section 53GG was inserted by section 68 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)|

2 The words "fifteen percent" were substituted for the words "seven and half percent " by section 49 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb) (with effect from 1st July, 2010).

3 The word ■ten■ was substituted for the word ■fifteen■ by section 31 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

4 Section 53GGG was omitted by section 39 of A_© AvBb, 2009 (2009 mþbi 9 bs AvBb) (with effect from 1st July, 2007).

5 Section 53H was substituted by section 30 of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014). Income-tax Ordinance, 1984

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(b) mortgage of any property to any bank or any financial institution against any loan¹;

(c) transfer of property to a trust or special purpose vehicle established only for the purpose of issuing sukuk approved by government or Securities Exchange Commission and vice versa.]

2[***]

Collection of
tax from lease
of property

3[53HH. Any registering officer responsible for registering, under the Registration Act, 1908 (XVI of 1908), any document in relation to any lease of immovable property for not less than ten years shall not register such document unless tax is paid at a rate of four per cent by the lessor on the lease amount of such property.]

Deduction at
source from
interest on
deposit of Post
Office Savings
Bank Account

4[53I. Any person responsible for paying any amount on account of interest of Post Office Savings Bank Account shall deduct, at the time of credit to the account of the payee or at the time of payment thereof, whichever is earlier, tax on such amount at the rate of ten per cent:

5[* * *]

Provided 6[***] that nothing contained in this section shall apply to such payee or class of payees as the Board may, by a general or special order, specify in this behalf.]

1 The semi-colon (;) was substituted for the full stop (.) at the end of clause (b) and thereafter the new clause (c) was added by section 23 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■

2 The ■Explanation■ was omitted by section 39 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015).

3 Section 53HH was substituted by section 29 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022).

4 Sections 53I, 53J and 53K were inserted by section 20 of A_© AvBb, 2009 (2009 mþbi 10 bs AvBb) (with effect from 1st July, 2008).

5 First proviso was omitted by section 50 of the Finance Act, 2010 (Act No.XXXIII of 2010).

6 The word ■further■ was omitted by section 50 of the Finance Act, 2010 (Act No.XXXIII of 2010). Income-tax Ordinance, 1984

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1[53J. (1) Where any payment is to be made by a specified person to a resident on account of renting 2[water body not being government property] or using any vacant land or plant or machinery, shall deduct tax at the rate of five per cent from the whole amount of the payment at the time of making such payment to the payee.

(2) In this section-

(a) ■specified person■ shall have the same meaning as in clause (a) of sub-section (2) of section 52;

(b) ■payment■ shall have the same meaning as in c lause (d) of sub-section (2) of section 52.]

Deduction at
source from
rental value of
3[water body or]
vacant land or
plant or
machinery

4[53K. The Government or any authority, corporation or body, including its units, the activities or the principal activities of which are authorised by any Act, Ordinance, Order or any other Instrument having the force of law in Bangladesh or any company as defined in clause (20) of section (2) or any banking company or any insurance company or any co-operative bank established by or under any law for

the time being in force or any non-government organization registered with NGO Affairs Bureau or any university or medical college or dental college or engineering college responsible for making any payment to newspaper or Deduction of tax from advertising bill of newspaper or magazine or private television channel 5[or private radio station 6[, etc.]]

1 Section 53J was substituted by section 32 of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

2 The words ■water body not being government property■ were inserted after the words ■on accounting of renting■ by section 30(b) of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022).

3 The words ■water body or■ were inserted after the words ■rental value of■ by section 30(a) of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022).

4 Section (53k) was inserted by section 20 of the Finance Act, 2009 (Act No. X of 2009) (with effect from 1st July 2008).

5 The words "or private radio station" in the marginal heading were inserted after the words "private television channel" by section 38(a) of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012).

6 The comma and word ", etc." in the marginal heading were added by section 32(a) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014. Income-tax Ordinance, 1984

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magazine or private television channel 1[or 2[private radio station or any web site 3[or any person on account of advertisement or] purchasing airtime of private television channel or radio station or such web site] , shall deduct tax in advance at the time of such payment at the rate of 4[four per cent (4%)].

5[6[***]

Collection of
tax from
transfer of
securities or
mutual fund
units by sponsor
shareholders of
a company, etc.

53M. The Securities and Exchange Commission or Stock Exchange, as the case may be, at the time of transfer or declaration of transfer or according consequence to transfer of securities or mutual fund units of a sponsor shareholder or director or placement holder of a company or sponsor or placement holder of a mutual fund listed with a Stock Exchange

shall collect tax at the rate of five per cent on the difference between transfer value and cost of acquisition of the securities or mutual fund units.

Explanation.- For the purpose of this section-

1 The words "or private radio station " were inserted after the words "private television channel" by section 38(b) of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012).

2 The words ■ private radio station or any web site on account of advertisement of purchasing airtime of private television channel or radio station or such web site■ were substitute for the words ■private radio station on account of advertisement or purchasing airtime of private television channel or radio station■ by section 32(b) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

3 The words ■ or any person on account of advertisement or■ were substituted for the words ■on account of advertisement of■ by section 41(a) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015).

4 The words, figure, symbol and brackets ■ four per cent (4%)■ were substituted for the words ■ three per cent ■ by section 41(b) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015).

5 Sections 53L and 53M were inserted by section 51 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb) (with effect from 1st July, 2010).

6 Section 53L was omitted by section 24 of A_© AvBb, 2013 (2013 mþbi 25 bs AvBb) (with effect from 1st July, 2013). Income-tax Ordinance, 1984

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(1) "transfer" includes transfer under a gift, bequest, will or an irrevocable trust;

(2) "transfer value" of a security or a mutual fund unit shall be deemed to be the closing price of securities or mutual fund units prevailing on the day of consent accorded by the Securities and Exchange Commission or the Stock Exchange, as the case may be, or where such securities or mutual fund units were not traded on the day such consent was accorded, the closing price of the day when such securities or mutual fund units were last traded.]

1[53N. (1) The Principal Officer of a stock exchange shall deduct tax at the rate of fifteen per cent on any profits and gains arising from the transfer of share of a shareholder of stock exchange established under ÖG-þPÄm wWwgDPz`qvjvBþRkb AvBb, 2013 (2013 mþbi 15 bs AvBb)Ö [Exchanges Demutualisation Act, 2013 (Act No. 15 of 2013)] at the time of transfer or declaration of transfer or according consent to transfer of such share, whichever is earlier.

(2) For the purpose of the computation of profits and gains of share under sub -section (1), the cost of acquisition of such share shall be the cost of acquisition incurred before ÖG-þPÄm wWwgDPz`qvjvBþRkb AvBb, 2013 (2013 mþbi 15 bs AvBb)Ö [Exchanges Demutualisation Act, 2013 (Act No.15 of 2013)] came into force.

Collection of
tax from
transfer of share
of shareholder
of Stock
Exchnages

2[***]

3[53P. Where any person engaged in real estate or land Deduction of

1 Sections 53N I 530 were inserted by section 33 of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb)
(with effect from 1st July, 2014).

2 Section 53O was omitted by section 42 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (with
effect from 1st July 2015).

3 Section 53P was inserted after the section 53O by section 43 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■
■■■ ■■ ■■■■) (with effect from 1st July 2015). Income-tax Ordinance, 1984

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tax from any
sum paid by real
estate developer
to land owner
development business pays any sum to the land owner on
account of signing money, s ubsistence money, house rent or in
any other form called by whatever name for the purpose of
development of the land of such owner in accordance with any
power of attorney or any agreement or any written contract,
such person shall deduct tax at the rate of fifteen per cent (15%)
on the sum so paid at the time of such payment.]

Collection of
Tax from
motorvehicles
plying
commercially

1[53Q. (1)The personresponsible for the registration and fitness renewal of motor vehicles sha ll not register or allow fitness renewal unless, a challan of advance tax at the rate given in the following table is attached with the application:

Table

Serial
No.

Description of the vehicle

Rate (in
taka)

1.

Bus having seats exceeding 52

16,000/-

2.

Bus having seats not exceeding 52

11,500/-

3.

Air conditioned Bus

37,500/-

4.

Double decker Bus

16,000/-

5.

Air conditioned (AC)
Minibus/Coaster

16,000/-

6.

Non-AC Minibus/Coaster

6,500/-

7.

Prime mover

24,000/-

1 Sections 53Q and 53R were inserted after section 53P by section 31 of ■■■■■■■■■■, ■■■■■■■■■■
(■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022). Income-tax Ordinance, 1984

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8.

Truck, Lorry or Tank Lorry
having payload capacity
exceeding five tons

16,000/-

9. Truck, Lorry or Tank Lorry
having payload capacity
exceeding one and half tons but
not exceeding five tons

9,500/-

10.

Truck, Lorry or Tank Lorry
having payload capacity not
exceeding one and half tons

4,000/-

11.

Pickup van, human hauler, maxi
or auto rickshaw

4,000/-

12.

Air conditioned Taxicab

11,500/-

13.

Non-AC Taxicab

4,000/-

(2) In case of registration or fitness renewal of a vehicle for more than one year, advance tax under sub -section (1) shall be collected on or before 30th June in every subsequent year or years following the year in which registration or fitness renewal of the vehicle has been done.

(3) Where any person fails to pay advance tax in accordance with sub -section (2), the amount of advance tax payable shall be calculated in accordance with A+ B formula, where-

A = the amount of advance tax not paid in the previous year or years; and

B = the amount of advance tax payable under sub-section (2) for the year in which an assessee is making the payment.

(4) Advance tax under sub -section (2) shall not be collected if the vehicle is owned by-

Income-tax Ordinance, 1984

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(i) the government and the local government;

(ii) a project, programme or activity under the government and the local government;

(iii) a foreign diplomat, a diplomatic mission in Bangladesh, United Nations and its offices;

(iv) a development partner of Bangladesh and its affiliated office or offices;

(v) an educational institution under the Monthly Payment Order of the Government;

(vi) a public university;

(vii) an institution that has obtained a certificate from the Board that advance tax shall not be collected from it.

Collection of
tax from inland
ships

53R. (1) The person responsible for granting a certificate of survey or renewing a certificate of survey under the Inland Shipping Ordinance, 1976 (Ordinance No. LXXII of 1976) shall not grant or renew such certificate of survey unless a challan of advance tax computed at the rate given in the following table is attached with the application:

Table

Serial
No.

Description of Vessel

Rate

(1)

(2)

(3)

1.

Inland ships engaged in
carrying passengers in inland
water

Taka 125 per
passenger
(carrying capacity

Income-tax Ordinance, 1984

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of an inland ship
shall be the
capacity of daytime
plying in smooth
waters)

2.

Cargo, Container
(multipurpose) and
Coaster engaged in
carrying goods in inland
water

Taka 170 per gross
tonnage

3.

Dump barge engaged in
carrying goods in inland
water

Taka 125 per gross

tonnage.

(2) In case of granting a certificate of survey or renewing a certificate of survey for more than one year, advance tax under sub-section (1) shall be collected on or before 30th June in every subsequent year or years following the year in which grant of or renewal of such certificate has been done.

(3) Where any person fails to pay advance tax in accordance with sub-section (2), the amount of advance tax payable shall be calculated in accordance with A+ B formula, where-

A = the amount of advance tax not paid in the previous year or years; and

B = the amount of advance tax payable under sub-section (2) for the year in which an assessee is making the payment.

(4) For the purpose of this section 'inland ship' and 'inland water' shall have the same meaning as defined in the

Income-tax Ordinance, 1984

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Inland Shipping Ordinance, 1976 (Ordinance No. LXXII of 1976).]

Deduction of
tax from
dividends

1[54. The principal officer of a company registered in Bangladesh, or of any other company, shall, at the time of paying any dividend to a shareholder, deduct tax on the amount of such dividend, in the case of a resident or a non-resident Bangladeshi,-

(a) if the shareholder is a company, at the rate applicable to a company ;

(b) if the shareholder is a person other than a company, at the rate of ten per cent (10%) where the person receiving such dividend furnishes his twelve -digit Taxpayer's Identification Number (TIN) to the payer or fifteen per cent (15%) where the person receiving such dividend fails to furnish his twelve-digit Taxpayer's Identification Number (TIN) to the payer 2[:

Provided that the provision of this section shall not be applicable to any distribution of taxed dividend to a company

3[***] if such taxed dividend enjoys tax exemption under the provisions of the paragraph 60 of Part A of the Sixth Schedule.]]

Deduction from
income from
lottery, etc.

55. The person responsible for paying any amount on
account of winnings referred to in section 19(13) shall, at the

1 Section 54 was substituted by section 44 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (with
effect from 1st July 2015).

2 The colon (:) was substituted for the full-stop (.) and the proviso was added by section
20 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018).

3 The words ■being resident in Bangladesh■ were omitted by section 33 of ■■■■■ ■■■■, ■■■■■
(■■■■■ ■■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 1984

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time of making such payment, deduct tax 1[payable on the
amount at the rate of twenty per cent].

Explanation.- For the purpose of this section, the
expression ■any amount■ means the value of any goods or
assets where the payment on account of such winnings is made
not in the form of cash but in the form of goods or other assets.

56. 2[(1) Subject to the provisions of sub -section (2), 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
Ordinance shall, unless such person is himself liable to pay tax
thereon as agent, at the time of making such payment, deduct
tax on the amount so payable at the rate, specified below:

SL.
No

Description of services or
payments

Rate of
deduction
of tax

1

Advisory or consultancy service 20%

2

Pre-shipment inspection service

20%

3

Professional service, technical services, technical know-how or technical assistance

20%

4

Architecture, interior design or landscape design, fashion design or process design

20%

Deduction from income of non-residents

1 The words "payable on the amount at the rate of twenty per cent" were substituted for the words, figure, brackets and letter "payable on the amount at the rates specified in paragraph 3(b) of the Second Schedule" by section 6 of A_© AvBb, 1994 (1994 m±bi 11 bs AvBb)|

2 Section 56 was substituted by section 39 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 19

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5

Certification rating etc. 20%

6

Charge or rent for satellite, airtime or frequency, rent for channel broadcast

20%

7

Legal service

20%

8

Management service including

event management

20%

9

Commission

20%

10

Royalty, license fee or payments
related to intangibles

20%

11

Interest

20%

12

Advertisement broadcasting

20%

13

Advertisement making 1[or
Digital marketing]

15%

14

Air transport or water transport 2[
not being the carrying services
mentioned in sections 102 or
103A]

7.5%

15

Contractor or sub -contractor of
manufacturing, process or
conversion, civil work,
construction, engineering or
works of similar nature.

7.5%

1 The words ■or Digital marketing■ were added after the words ■Advertisement making■ by section 19 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017).

2 The words ■not being the carrying services mentioned in sections 102 or 103A■ were added after the words ■Air transport or water transport■ by section 21(a) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018). Income-tax Ordinance, 1984

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16

Supplier

7.5%

17

Capital gain

15%

18

Insurance premium

10%

19

Rental of machinery, equipment
etc.

15%

20

1[Dividend—

(a) company, fund and trust

(b) any other person not being a
company, fund and trust

20%

20%

21

Artist, singer or player

30%

22

Salary or remuneration

30%

23

23 Exploration or drilling in
petroleum operations

5.25%

2[24

Survey for coal, oil or gas
exploration

5.25%

24A Fees, etc. of surveyors of general
insurance company

20%]

25

Any service for making
connectivity between oil or gas
field and its export point

5.25%

1 SL Nos. 20 and the entries mentioned opposite were substituted by section 39 (a) of
■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■ ■■■ ■■■■)■

2 SL. No 24 and 24A were substituted by section 34(a)(i) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■■
■■ ■■■■)■ Income-tax Ordinance, 1984

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26

Any payments against any
services not mentioned above

20%

1[27

Bandwith payment

10%

28 Any other payments 20%]

2[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.]

3[(2) Where, in respect of any payment under this section, the Board, on an application made in this behalf, is satisfied that due to tax treaty or any other reason the non-resident is not be liable to pay any tax in Bangladesh, or is liable to pay tax at a reduced rate in Bangladesh, the Board may issue a certificate 4[within thirty days from the date of receipt of such application accompanied by all the documents as required by the Board] to the effect that the payment referred to in sub-section (1) shall be made without any deduction or, in applicable cases, with a deduction at the reduced rate as mentioned in the certificate.

1 SL. No. 27 was substituted by section 32 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022).

2 Proviso was inserted by section 34(a)(ii) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■

3 Sub-sections (2) and (2A) were substituted for sub-section (2) by section 21(b) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018).

4 The words ■within thirty days from the date of receipt of such application accompanied by all the documents as required by the Board■ were inserted after the words ■may issue a certificate■ by section 34(b) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 1984

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(2A) Tax deducted under this section shall be deemed to be the minimum tax liability of the payee in respect of the income for which the deduction is made, and shall not be subject of refund or set off or an adjustment against a demand.]

1[(3) For the purpose of this section—

(i) ■specified person■ shall have the same meaning as in clause (a) of sub-section (2) of section 52 of this Ordinance; and

(ii) ■payment■ includes a transfer, a credit, an adjustment of payment or an order or instruction of making payment.]

2[57. (1) Where a person-

(a) fails to deduct or collect tax at source as required by or under the provisions of this Chapter; or

(b) deducts or collects tax at a lesser rate or in

lesser amount; or

(c) after deducting or collecting tax under this Chapter, fails to pay the same to the credit of the Government, or pays to the credit of the Government an amount lower than the collected or deducted amount; or

(d) fails to comply with any other provision of this Chapter;

such person shall be deemed to be an assessee in default, and without prejudice to any other consequences to which such Consequences of failure to deduct, collect, etc

1 Sub-section (3) was substituted by section 39 (b) of ■■■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■■■■■■■■■)■

2 Section 57 was substituted by section 33 of ■■■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■■■■■■■■■) (With effect from 1st July 2022). Income-tax Ordinance, 1984

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person may be liable, shall be liable to pay—

(i) the amount of tax that has not been deducted or collected; or

(ii) the amount which was required to be deducted or collected under this Chapter as reduced by the amount that has been actually deducted or collected; or

(iii) the amount that, after being collected and deducted, has not been paid to the credit of the Government; or

(iv) a penalty not exceeding Taka ten lakhs for being non-compliant in respect of cases other than the cases mentioned above.

(2) In addition to the amount as mentioned in sub-section (1), the person shall also be liable to pay an additional amount at the rate of two percent (2%) per month on the amount other than the penalty as mentioned in clauses (i), (ii) and (iii) of sub-section (1), as the case or cases may be, calculated for the period-

(i) in the case of failure to deduct or collect, or of the deduction or collection at lower rate or amount, from the due date of the deduction or collection to the date of the payment of the amount, as mentioned in sub-clauses or (ii) of clause (c) of sub-section (1), as the case may be, to the credit of the Government;

(ii) in the case of failure to deposit the amount

deducted or collected, from the date of deduction or collection to the date of payment of the amount, as mentioned in sub -clause (iii) of clause (c) of sub -section (1), to the credit of the Government.

(3) The period for which the additional amount under subsection (2) is calculated shall not exceed twenty -four months.

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(4) The Deputy Commissioner of Taxes shall take necessary action for the realisation of the amount and penalty as mentioned in sub -section (1) and the additional amount as mentioned in sub -section (2) from the person referred to in sub-section (1) after giving the person a reasonable opportunity of being heard.

(5) Where the person responsible for deductin g or collecting tax under this chapter is the Government, or any authority, corporation or body of the Government - including its units or a project or programme or activity where government has any financial or operational involvement-

(i) the individuals responsible for approving or allowing the payment; or

(ii) the individuals who is responsible for allowing, approving or granting any clearance, registration, license, permits, etc.

shall be jointly and severally liable to pay taxes, penalty or additional amount under this section.

(6) Where the person responsible for deducting or collecting tax under this chapter is a person other than the Government, or any authority, corporation or body of the Government- including its units or a project or programm e or activity where government has any financial or operational involvement-

(i) the organization itself; and

(ii) the individuals responsible for approving or allowing the payment shall be jointly and severally liable to pay taxes, penalty or additional amount under this section.

(7) No realisation of the amount mentioned in sub-section (1) shall be made if it is established that such amount has meanwhile been paid by the person from whom the deduction or collection was due.]

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Consequences
of the issuance
of certificate of
tax deduction or
collection
without actual
deduction,
collection or
payment

1[57A. (1) Where a person issues a certificate of deduction or collection of tax at source without actual deduction or collection or payment to the credit of the Government, without prejudice to any other consequences to which he may be liable, the person shall be personally liable to pay the amount not being deducted, collected or paid to the credit of the Government.

(2) The Deputy Commissioner of Taxes shall take necessary action for the collection of amount mentioned in sub-section (1) from the person so personally liable after giving the person a reasonable opportunity of being heard.]

Certificate of
deduction, etc.
of tax

2[58. (1) Every person who has deducted or collected any tax under this Chapter shall furnish, to the person from whom such deduction or collection has been made, a certificate of tax deduction or collection specifying therein-

- (a) the name and the Taxpayer's Identification Number, if any, of the person from whom tax has been deducted or collected;
- (b) the amount of deduction or collection of taxes;
- (c) section or sections under which tax has been deducted or collected;
- (d) the particulars of the payment of deducted or collected amount to the credit of the Government; and
- (e) such other particulars as may be prescribed.

(2) The Board may, by notification in the official Gazette, -

- (a) specify 3[the cases in which] the certificate of

1 Section 57A was inserted by section 41 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■

2 Section 58 was substituted by section 42 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■

3 The words ■the cases in which■ were substituted for the word ■that■ by section 20 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017). Income-tax Ordinance, 1984

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tax deduction or collection shall be generated or furnished electronically or in any other machine readable or computer readable media;

(b) specify the manner in which such electronic, machine readable or computer readable certificate shall be generated or furnished.

1[(3) Every person who has deducted or collected any tax under this Chapter shall furnish a statement to such income tax authority and in such manner as may be prescribed.]]

59. All sums deducted or collected as tax under the provisions of this Chapter shall be paid within the prescribed time by the person making the deduction or collection to the credit of the Government or as the Board may direct.

Payment to
Government of
tax deducted

60. Save as provided in this Ordinance, no person shall charge, withhold, deduct or collect any sum, directly or indirectly, as tax and, where any sum is so charged, withheld, deducted or collected, it shall be paid in the manner provided in section 59.

Unauthorised
deduction
prohibited

61. The power to levy tax by deduction or collection under this Chapter shall be without prejudice to any other mode of recovery.

Power to levy
tax without
prejudice to
other mode of
recovery

62. Any deduction or collection of tax made and paid to the account of the Government in accordance with the provisions of this Chapter shall be treated as a payment of tax on behalf of the person from whose income the deduction or collection was made, or of the owner of the security or of the shareholder, as the case may be, and credit shall be given to him therefore on the production of the certificate furnished 2[, along with the

Credit of tax
deducted or
collected at
source

1 Sub-section (3) was inserted by section 22 of ■■■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018).

2 The words and commas ■, along with the proof of payment of such tax to the account of the Government, ■ were inserted after the word ■furnished■ by section 43 of ■■■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) ■ Income-tax Ordinance, 1984

proof of payment of such tax to the account of the Government,] under section 58 in the assessment, if any, made for the following year under this Ordinance:

Provided that, if such person or such owner obtains, in accordance with the provisions of this Ordinance, a refund of any portion of the tax so deducted, no credit shall be given for the amount of such refund:

Provided further that where such person or owner is a person whose income is included under the provisions of sections 43(4) or (5) or section 104 or 105 or 106 in the total income of another person, such other person shall be deemed to be the person or owner on whose behalf payment has been made and to whom credit shall be given in the assessment for the following year.

1[* *]

2[* *]

Payment of tax
where no
deduction is
made

63. The tax under this Ordinance shall be payable by the assessee direct-

(a) in any case where tax has not been deducted or collected as required by, and in accordance with, the provisions of this Chapter;

(b) in any case where the amount deducted or collected is found, after regular assessment, to be less than the tax due from the assessee, to the extent of deficiency; and

(c) in the case of income in respect of which no provision has been made for deduction or collection of tax under the provisions of this Chapter.

Advance

payment of tax

64. 3[(1) Except as provided in sub-section (2), tax shall be payable by an assessee during each financial year by way of

1 The third proviso was omitted by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)|

2 Section 62A was omitted by section 39 of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011).

3 Sub-section (1) was substituted by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)| Income-tax Ordinance, 1984

Chapter if the total income of the assessee for the latest income year in respect of which he has been assessed by way of regular assessment or has been provisionally assessed under this Ordinance or the Income-tax Act, 1922 (XI of 1922), 1[exceeds 2[3[six] lakh taka]].]

(2) Nothing in sub -section (1) shall apply to any income classifiable under the heads ■Agricultural income■ and ■Capital gains■ 4[excluding gain from transfer of share of a company listed with a stock exchange].

65. (1) The 5[The minimum amount of advance tax] payable by an assessee in a financial year shall be the amount equal to the tax payable on his total income of the latest income year as assessed on regular basis or provisionally, as the case may be, as reduced by the amount of tax required to be deducted or collected at source in accordance with the preceding provisions of this Chapter.
Computation of
advance tax

(2) The tax payable under sub -section (1) shall be calculated at the rates in force in respect of the financial year referred to therein.

1 The words ■exceeds two lakh taka■ were substituted for the words ■exceeds one lakh taka■ by section 59 of A_© AvBb, 2001 (2001 mþbi 30 bs AvBb)|

2 The words "four lakh taka" were substituted for the words "three lakh taka" by section 52 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb) (with effect from 1st July, 2010).

3 The word ■six■ was substituted for the word ■four■ by section 35 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

4 The words "excluding gain from transfer of share of a company listed with a stock exchange" was inserted after word and mark "Capital gains" by section 52 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb) (with effect from 1st July, 2010).

5 The words ■The minimum amount of advance tax■ were substituted for the words ■The amount of advance tax■ by section 21 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017). Income-tax Ordinance, 1984

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Instalments of
advance tax

66. Advance tax shall be payable in four equal instalments on the fifteenth day of September, December, March and June of the financial year for which the tax is payable 1[:

Provided that, if before the fifteenth day of May of the year, an assessment of the assessee is completed in respect of an income year, later than that on the basis of which the tax was computed under section 65, the assessee shall pay in one

Estimate of
advance tax

(2) The assessee may furnish a revised estimate of such amount at any time before any of such instalments become payable and may thereby adjust any excess or deficiency, by reference to the amount already paid by him under this section, in any subsequent instalment or instalments payable in such financial year.

68. Any person who has not previously been assessed by way of regular assessment under this Ordinance or the Income-tax Act, 1922 (XI of 1922), shall before the fifteenth day of June in each financial year, if his total income, subject to section 64(2), of the period which would be the income year for the immediately following assessment year is likely to exceed 2[3[six] lakh taka],

2 The words "four la kh taka " were substituted for the words "three lakh taka " by section 53 of A_© AvBb, 2010 (2010 m±bi 33 bs AvBb) (with effect from 1st July, 2010).

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1[68A. (1) A manufacturer of cigarette shall pay advance tax
at the rate of three percent (3%) on net sale price in every month.
(2) The advance tax paid under sub -section (1) shall be
adjustable against the quarterly installments of advance tax
payable under section 66.

Explanation.- In this section, ■net sale■ shall be A - B, where, A is the gross sale and B is the value added tax and the supplementary duty, if any, on such gross sale.

Advance tax on
certain income

68B. (1) Every person owning a private motor car shall be deemed to have an income by which the motor car is maintained and shall pay advance income tax to be collected at the rate and in the manner as mentioned in sub-section (2).

(2) Subject to the provision of sub-section (3), the authority responsible for the registration and fitness renewal of motor car shall collect, on or before the date of registration or fitness renewal of the motor car, advance tax at the following rate-

2[Table

Serial
No.

Type and engine capacity of
motor car

Amount of tax
(in taka)

1

A car or a jeep, not exceeding
1500cc or 75kw

25,000/-

2

A car or a jeep, exceeding 1500cc or
75kw but not exceeding 2000cc or
100 kw

50,000/-

3

A car or a jeep, exceeding 2000cc or
100 kw but not exceeding 2500cc or
125 kw

75,000/-

Advance tax for
the owners of
private motor car

1 Sections 68A and 68B were inserted by section 44 of ■■■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

2 The Table was substituted by section 24(a) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance,

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Serial
No.

Type and engine capacity of
motor car

Amount of tax
(in taka)

4

A car or a jeep, exceeding 2500cc or
125 kw but not exceeding 3000cc or
150 kw

1,25,000/-

5

A car or a jeep, exceeding 3000cc or
150 kw but not exceeding 3500cc or
175 kw

1,50,000/-

6

A car or a jeep, exceeding 3500cc or
175 kw

2,00,000/-

7

A microbus

30,000/-:

Provided that the rate of tax shall be fifty percent (50%) higher
for each additional motor car if the owner has two or more motor
cars in his name or in joint names with other person or persons.

1[(2A) In case of registration or fitness renewal of motor car for
more than one year, advance tax under sub -section (2) shall be
collected on or before 30th June in every subsequent year or years
following the year in which registration or fitness renewal of
motor car has been done.

(2B) Where any person fails to pay advance tax in
accordance with sub -section (2A), the amount of advance tax
payable shall be calculated following A+B formula, where-

A = the amount of advance tax not paid in the previous

year or years; and

B= the amount of advance tax payable under sub - section (2) for the year in which an assessee is making the payment.]

(3) Advance tax under sub-section (2) shall not be collected if the motor car is owned by-

- (i) the government and the local government;
- (ii) a project, programme or activity under the government and the local government;

1 The new sub-sections (2A) and (2B) were added by section 24(b) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 1984

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- (iii) a foreign diplomat, a diplomatic mission in Bangladesh, United Nations and its offices;
- (iv) a development partner of Bangladesh and its affiliated office or offices;
- (v) an educational institution under the Monthly Payment Order of the Government;
- (vi) a public university;
- (vii) any entity that is not a person as defined under clause (46) of section (2) of this Ordinance;
- (viii) a gazetted war-wounded freedom fighter; or
- (ix) an institution that has obtained a certificate from the Board that advance tax shall not be collected from it.

(4) Where a person pays advance tax under sub-section (2), and the income from regular sources of the person results in a tax liability less than the said advance tax, the income of such person shall be deemed to be the amount that results a tax liability equal to the said advance tax.

(5) The advance tax paid under sub-section (2) shall not be refundable.

(6) In this section-

1[a] ■motor car■ includes a jeep or a microbus but does not include a motor vehicle mentioned in section 53Q and a motor cycle.]

(b) income from regular sources means income from any source other than the sources mentioned in sub-section (2) of section 82C.

69. Where, an assessee who is required to pay advance tax fails, to pay any instalment of such tax, as originally computed or as the case may be, estimated, on the due date, he shall be deemed to be an assessee in default in respect of such instalment.

Failure to pay
instalments of
advance tax

70. Where, in respect of an assessee who is required to pay advance tax, it is found in the course of regular Levy of interest for failure to pay

1 Clause (a) was substituted by section 34 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022). Income-tax Ordinance, 1984

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advance tax assessment that advance tax has not been paid in accordance with the provisions of this Chapter, there shall be added, without prejudice to the consequences of the assessee being in default under section 69, to the tax as determined on the basis of such assessment, simple interest thereon calculated at the rate and for the period specified in section 73.

Credit of
advance tax

71. Any sum, other than a penalty or interest, paid by or recovered from an assessee as advance tax, shall be treated as a payment of tax in respect of the income of the period which would be the income year for an assessment for the year next following the year in which it was payable and shall be given credit for in the assessment of tax payable by the assessee.

Interest payable
by Government
on excess
payment of
advance tax

72. (1) The Government shall pay simple interest at 1[ten per cent] per annum on the amount by which the aggregate sum of advance tax paid during a financial year exceeds the amount of tax payable by him as determined on regular assessment.

(2) The period for which interest under sub-section (1) shall be payable shall be the period from the 2[first day of July of the year of assessment] to the date of regular assessment in respect of the income of that year or a period of two years from the said 3[first day of July], whichever is shorter.

Interest payable
by the assessee
on deficiency in
payment of
advance tax

4[73. (1) Where in any financial year advance tax paid by an assessee together with the tax deducted or collected at source, if

any, under this Chapter is less than seventy-five percent (75%) of the amount of tax payable by him as determined on regular assessment, the assessee shall pay, in addition to the balance of tax payable by him, simple interest at the rate of ten percent (10%) per annum on the amount by which the tax so paid, deducted and collected falls short of the seventy five percent

1 The words "ten per cent" were substituted for the words "twelve per cent" by section 6 of A_© AvBb, 1994 (1994 mþbi 11 bs AvBb)|

2 The words "first day of July of the year of assessment" were substituted for the words "first day of July of the year in which the advance tax was paid" by section 6 of A_© AvBb, 1998 (1998 mþbi 14 bs AvBb)|

3 The words "first day of July" were substituted for the words "first day of April" by section 5 of A_© AvBb, 1997 (1997 mþbi 15 bs AvBb)|

4 Sections 73 and 73A were substituted by section 45 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 1984

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(75%) of the assessed tax:

Provided that the rate of interest shall be fifty percent (50%) higher if the return is not filed on or before the Tax Day.

(2) The period for which the interest under sub-section (1) is payable shall be the period from the first day of July next following the financial year in which the advance tax was applicable to the date of regular assessment in respect of the income of that year or a period of two years from the said first day of July, whichever is shorter.

(3) Notwithstanding anything contained in sub -sections (1) and (2), where-

(a) tax is paid under section 74; or

(b) provisional assessment has been made under section 81 but regular assessment has not been made, the simple interest shall be calculated in accordance with the following provisions-

(i) up to the date or dates on which tax under section 74 or as provisionally assessed, was paid;

(ii) thereafter, such simple interest shall be calculated on the amount by which the tax so paid falls short of the said seventy five percent (75%) of the assessed tax.

(4) Where as a result of appeal, revision or reference the amount on which interest was payable under sub-section (1) has been reduced, the amount of interest payable shall be reduced accordingly and the excess interest paid, if any, shall be refunded together with the amount of tax that is refundable.

Explanation.- For the removal of doubts, it is hereby declared that in this section, "regular assessment" includes 1[the acceptance of revised return or the assessment made as a result of

1 The words, figures and brackets ■the acceptance of revised return or the assessment made as a result of the audit under section 82BB (7)■ were substituted for the words, figures and brackets ■an assessment under section 82BB (3)■ by section 2 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017). Income-tax Ordinance, 1984

Delay Interest
for not filing
return on or
before the Tax
Day

Explanation.- In this section, the expression ■tax assessed on total income■ as mentioned in 1[***] sub-section (1) means-

(ii) where the return is not subject to assessment under section 82BB, tax on total income as assessed by the Deputy Commissioner of Taxes.

(a) where the return is filed, the date of filing the return;
(b) where the return is not filed, the date of regular assessment:

Provided further that the delay interest under this section shall not be payable by an assessee for whom the proviso of sub - section (5) of section 75 applies.]

2 Clause (i) was substituted by section 23(b) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With
effect from 1st July 1917). Income-tax Ordinance, 1984

74. 1[(1) Every person who is required to file a return under

(vi) a shareholder director or a shareholder employee of a company; or

(vii) a partner of a firm; or

(viii) an employee of the government or an authority, corporation, body or units of the government or formed by any law, order or instrument being in force, if the employee, at any time in the income year, draws a basic salary of taka sixteen thousand or more; or

1[(ix) an employee holding an executive or a management position in a business or profession; or]

2[(x) a Micro Credit Organisation having licence with Micro Credit Regulatory Authority; or

(xi) a non-resident having permanent establishment in Bangladesh.]

(d) if the person, not being an institution established solely for charitable purpose or a fund, has an income during the income year which is subject to tax exemption or lower tax rate under section 44; or

(e) if the person, at any time during the relevant income year fulfills any of the following conditions, namely:-

(i) owns a motor car; or

(ii) owns a membership of a club registered under 3[any law governing value added tax]; or

(iii) runs any business or profession having trade license from a city corporation, a paurashava or a union parishad; or

(iv) has registered with a recognized professional body as a doctor, dentist, lawyer, chartered accountant, cost and management accountant, engineer, architect or surveyor or any other similar profession; or

1 Sub-clause (ix) was added by section 24 (a (i) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017).

2 Sub-clause (x) and (xi) were inserted by section 36 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■

3 The words ■any law governing value added tax ■ were substituted for the words, comma, figures and brackets “■■■■■ ■■■■ ■■■■ ■■ ■■■■ , ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)” by section 24 (a) (ii) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017).

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(v) has registered with the Board as an income tax

practitioner; or

(vi) has a membership of a chamber of commerce and industries or a trade association or body; or

(vii) runs for an office of any paurashava, city corporation, or a Member of Parliament; 1[or]

(viii) participates in a tender floated by the government, semi-government, autonomous body or a local authority; or

(ix) serves in the board of directors of a company or a group of companies 2[; or

3[(x) participates in a shared economic activities by providing motor vehicle, space, accommodation or any other assets; or

(xi) owns any licensed arms; or]

4[(f) if such person is required to furnish proof of submission of return under section 184A:]

Provided that any non-resident Bangladeshi may file his return of income along with bank draft equivalent to the tax liability, if any, on the basis of such return, to his nearest Bangladesh mission and the mission will issue a receipt of such return with official seal and send the return to the Board.

5[(2) A return of income under sub-section (1) shall not be mandatory for-

(i) an educational institution that receives government benefits under Monthly Payment Order (MPO) and does not have English version curriculum; or

1 The word "or" was inserted after the semi-colon ";" by section 42 (a) (i) of the Income-tax Ordinance, 1984 (Amendment) Act, 2018.

2 Semi-colon and word (; or) were substituted for the colon (:) and thereafter item (x) was inserted by section 23 (a) of the Income-tax Ordinance, 1984 (Amendment) Act, 2018 (With effect from 1st July 2018).

3 Sub-clauses (x) and (xi) were substituted by section 42 (a) (ii) of the Income-tax Ordinance, 1984 (Amendment) Act, 2018.

4 Clause (f) was substituted by section 35 (a) of the Income-tax Ordinance, 1984 (Amendment) Act, 2022 (With effect from 1st July 2022).

5 Sub-section (2) was substituted by section 35 (b) of the Income-tax Ordinance, 1984 (Amendment) Act, 2022 (With effect from 1st July 2022). Income-tax Ordinance, 1984

(ii) a public university; or

(iii) a recognized provident fund, an approved gratuity fund, a pension fund, an approved superannuation fund; or

(iv) a non -resident individual having no fixed base in Bangladesh; or

(v) any class of persons which the Board may, by order in official gazette, exempt from filing the return.]

(3) Subject to the provision of sub -section (4), the return under sub-section (1) shall be-

(a) furnished in the prescribed form setting forth therein such particulars and information, and accompanied by such schedules, statements, accounts, annexures or documents as may be prescribed;

(b) signed and verified-

(i) in the case of an individual, by the individual himself; where the individual is absent from Bangladesh, by the individual concerned or by some person duly authorised by him in this behalf; and when the individual is mentally incapacitated from attending to his affairs, by his guardian or by any other person competent to act on his behalf;

(ii) in the case of a Hindu undivided family, by the Karta, and, where the Karta is absent from Bangladesh or is mentally incapacitated from attending to his affairs, by any other adult member of such family;

(iii) in the case of a company or a local authority, by the principal officer thereof;

(iv) in the case of a firm, by any partner thereof, not being a minor;

(v) in the case of any other association, by any member of the association or the principal officer thereof;

(vi) in the case of any other person, by that person or by any person competent to act on his behalf;

(c) accompanied by-

(i) in the case of individual, statements of assets, liabilities and life style as required under section 80;

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(ii) in the case of a company, an audited statement of accounts and a computation sheet explaining the difference between the profit or loss shown in the statement of accounts and the income shown in the return.

(4) The Board may, by notification in the official Gazette, -

- (a) specify that any return required to be filed under this section shall be filed electronically or in any other machine readable or computer readable media;
- (b) specify the form and the manner in which such electronic, machine readable or computer readable returns shall be filed.

(5) Every return under this section shall be filed, unless the date is extended under sub-section (6), on or before the Tax Day:

Provided that an individual being Government official engaged in higher [education or training on deputation or leave] or employed under lien outside Bangladesh shall file return or returns for the period of such deputation or lien, at a time, within three months from the date of his return to Bangladesh.

(6) The last date for the submission of a return for a person may be extended by the Deputy Commissioner of Taxes upon the application by the person in the prescribed form:

Provided that the Deputy Commissioner of Taxes may extend the date up to two months from the date so specified and he may further extend the date up to two months with the approval of the Inspecting Joint Commissioner.

75A. (1) Every person, being a company or a co-operative society or a non-government organization registered with NGO Affairs Bureau 2[a Micro Credit Organisation having licence with Micro Credit Regulatory Authority, 3[a university], a Return of withholding tax

1 The words ■education or training on deputation or leave■ were substituted for the words ■education on deputation■ by section 24 (b) of ■■■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017).

2 The words and commas ■a Micro Credit Organisation having licence with Micro Credit Regulatory Authority, a private university, a private hospital, a clinic, a diagnostic centre, a firm or an association of persons■ were inserted after the word ■Bureau■ by section 37 of ■■■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

3 The words ■a university■ were substituted for the words ■a private university■ by section 43(a) of ■■■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 1984

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private hospital, a clinic, a diagnostic centre, 1[an English medium school providing education following international curriculum, artificial juridical person, local authority,] a firm or an association of persons], shall file or cause to be filed, with the Deputy Commissioner of Taxes under whose jurisdiction he

is an assessee, a return of tax deducted or collected under the provisions of Chapter VII of this Ordinance.

- (2) The return under sub-section (1) shall be-
- (a) furnished in the prescribed form setting forth therein such particulars and information, and accompanied by such schedules, statements, accounts, annexures or documents as may be prescribed;
 - (b) signed and verified in the manner as specified in 2[clause (b)] of sub-section (3) of section 75;
 - (c) filed half-yearly by the following dates-

- (i) First return: by Thirty -first January of the year in which the deduction or collection was made;
- (ii) Second return: by Thirty-first July of the next year following the year in which the deduction or collection was made:

Provided that the last date for the submission of a return as specified in this sub -section may be extended by the Deputy Commissioner of Taxes upto fifteen days from the date so specified.

(3) The Board may, by notification in the official Gazette,-

- (a) specify 3[the cases in which the] return required to be filed under this section shall be filed electronically or in any other machine readable or computer readable media;

1 The symbols and words ■an English medium school providing education following international curriculum, artificial juridical person, local authority,■ were inserted after the words and symbol ■a diagnostic centre,■ by section 43(b) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■■■ ■■■■)■

2 The word, figure and brackets ■clause (b)■ were substituted for the word, figure and bracket ■clause (c)■ by section 25(a) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■■■ ■■■■) (With effect from 1st July 2017).

3 The words ■the cases in which the■ were substituted for the words ■that any■ by section 25(b) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■■■ ■■■■) (With effect from 1st July 2017). Income-tax Ordinance, 19

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- (b) specify the form and the manner in which such electronic, machine readable or computer readable returns shall be filed.

75AA. (1) The Deputy Commissioner of Taxes, with the approval of the 1[Commissioner], shall select a number of returns of withholding tax filed under section 75A for audit.

(2) The Deputy Commissioner of Taxes shall conduct the audit of the selected return in respect of the following matters-

- (a) whether the tax has been deducted or collected at the rate, in the amount and in the manner as provided in Chapter VII of this Ordinance and the

rules made thereunder;

(b) whether the tax collected or deducted has been paid to the credit of the Government, or has been paid in accordance with the manner and within the time as prescribed;

Audit of the
return of
withholding tax

(c) whether the certificate of tax deduction or collection has been furnished in accordance with the provisions of this Ordinance.

(3) Where an audit under sub-section (2) results in findings that the provisions of this Ordinance in respect of the matters mentioned in clauses (a), (b) or (c) of sub-section (2) have not complied with, the Deputy Commissioner of Taxes conducting the audit may take necessary actions under this Ordinance, including the actions under sections 57, 57A and 124.

(4) No return shall be selected for audit after the expiry of four years from the end of the year in which the return was filed.]

2[75B. (1) Government may , by notification in the official Gazette, require any person or group of persons responsible for registering or maintaining books of account or other documents containing a record of any specified financial transaction, under any law for the time being in force, to furnish an Annual Obligation to furnish Annual Information Return

1 The word ■Commissioner■ was substituted for the word ■Board■ by section 38 of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■)■

2 Section 75B was added after the section 75 by section 43 of the Finance Act, 2011 (Act No. XII of 2011).
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Information Return, in respect of such specified financial transaction.

(2) The Annual Information Return referred to in sub-section (1) shall be furnished to the Board or any other income tax authority or agency, in such form, manner and within such time as may be prescribed.]

Concurrent
jurisdiction

1[75C. Board may, by general or a special order in writing, direct that in respect of all or any proceedings relating to receiving of return of income and issuance of acknowledgement thereof in accordance with the provisions of section 75, 77, 78, 89(2), 91(3) or 93(1), the powers and functions of the Deputy

Commissioner of Taxes shall be concurrently exercised by such other authority as may be specified by the Board.]

2[***]

Notice of filing
return

77. 3[(1) The Deputy Commissioner of Taxes may, at any time after expiry of the date specified in section 75, by a notice in writing, require –

(a) any person, other than a company, to file a return of his total income as provided in that section if, in the opinion of the Deputy Commissioner of Taxes the total income of such person was, during the income year, of such amount as to render liable to tax;

(b) any company to file a return of its total income, if it is not filed.]

(2) The return under sub -section (1) shall be filed within such period, not being less than 4[twenty-one days], as may be specified in the notice or which such extended period as the Deputy Commissioner of Taxes may allow.

Filing of revised
return

78. Any person who has not filed a return as required by section 75 or 77 or who, having filed return, discovers any

1 Section 75C was added by section 44 of A_© AvBb, 2011 (2011 mṭbi 12 bs AvBb) (with effect from 1st July, 2011).

2 Section 76 was omitted by section 48 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■)■

3 Sub-section (1) was substituted by section 62 of A_© AvBb, 2001 (2001 mṭbi 30 bs AvBb)|

4 The words ■twenty-one days■ were substituted for the words ■thirty days■ by section 8 of A_© AvBb, 1992 (1992 mṭbi 21 bs AvBb)|

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omission or incorrect statement therein, may , without prejudice to any liability which he may have incurred on this account, file a return or a revised return, as the case may be, at any time before the assessment is made.

1[79. (1) The Deputy Commissioner of Taxes may by notice in writing require an assessee, who has filed a return under Chapter VIII or to whom a notice has been issued to file a return, to produce or cause to be produced such accounts, statements, documents, data or electronic records, not being

Production of
accounts and
documents, etc

(3) The accounts, statements, documents, data or electronic records shall be produced on or before the date as may be specified in the notice.

(a) **return** includes a revised return or an amended return;

[illegible]

1 Section 79 was substituted by section 26 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With
effect from 1st July 2017).

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(a) has, in the last date of the income year, a gross wealth exceeding taka forty lakh; or

(b) owns a motor car; or

(c) has made an investment in a house property or an apartment in the city corporation area.

(2) Every individual assessee who, under sub -section (1) is not required to submit the statement may voluntarily submit such statement.

(3) Every individual assessee, being a non -resident Bangladeshi, shall submit the statement referred in sub -section (1) only in respect of assets located in Bangladesh.

(4) Every individual assessee, being a non -Bangladeshi, shall submit the state ment referred in sub -section (1) only in respect of assets located in Bangladesh.

(5) Every individual assessee, whose total income does exceed Taka four lakh as on the last date of the income year shall furnish, in the forms and manners as prescribed, a statement of expenses relating to the life style of the person.

(6) Every individual assessee, being a shareholder director of a company, shall furnish, irrespective of the total income, in the forms and manners as prescribed, a statement of expenses relating to the life style of the person.

(7) Where any statement as mentioned in sub -section (1) or in sub -section (5) is not submitted by a person being an individual, the Deputy Commissioner of Taxes may require, by notice in writing, to submit the same by person within the time as mentioned in the notice.]

1 The words ■local and global■ were inserted after the words ■in respect of all■ by section 36 of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022).
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CHAPTER IX

ASSESSMENT

81. (1) The Deputy Commissioner of Taxes may, at any time after the first day of July of the year for which the assessment is to be made, proceed to make, in a summary

manner, a provisional assessment of the tax payable by the assessee on the basis of the return and the accounts and documents, if any, accompanying it and where no return has been filed, on the basis of the last assessment including an assessment under this section.

Provisional
assessment

(2) In making a provisional assessment under this section, the Deputy Commissioner of Taxes shall-

(a) rectify any arithmetical errors in the return, accounts and documents;

(b) allow, on the basis of the information available from the return, accounts and documents, such allowances as are admissible under the Third Schedule and any loss carried forward under section 38 or 39 or 41.

(3) For the purposes of payment and recovery, the tax as determined to be payable upon provisional assessment shall have effect as if it were determined upon regular assessment.

(4) The tax paid or deemed to have been paid under Chapter VII, in respect of any income provisionally assessed under sub-section (1), shall be deemed to have been paid towards the provisional assessment.

(5) Any amount paid or deemed to have been paid towards provisional assessment under this section shall be deemed to have been paid towards regular assessment; and the amount paid or deemed to have been paid towards provisional assessment in excess of the amount found payable after regular assessment shall be refunded to the assessee.

(6) Nothing done or suffered by reason or in consequence of any provisional assessment made under this section shall prejudice to the determination on merit of any issue which may arise in the course of regular assessment.

(7) There shall be no right of appeal against a provisional assessment under this section.

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Assessment on
correct return

1[82. Where a return or a revised return has been filed under Chapter VIII and the Deputy Commissioner of Taxes is satisfied, without requiring the presence of the assessee or the

production of any evidence, that the return is correct and complete, he shall assess the total income of the assessee and determine the tax payable by him on the basis of such return and communicate the assessment order to the assessee within thirty days next following:

Provided that-

- (a) such return shall be filed on or before the date specified in 2[sub-section (5)] of section 75;
- (b) the amount of tax payable shall be paid on or before the date on which the return is filed; 3[***]
- (c) such return does not show any loss or lesser income than the last assessed income, or assessment on the basis of such return does not result in refund 4[; and
- (d) such return shall mention twelve -digit Taxpayer's Identification Number.]]

Assessment
under simplified
procedure

5[82A. Where an assessee, other than a public company as defined in the Companies Act, 1913 (VII of 1913) or 1Kvúvbx AvBb, 1994 (1994 mþbi 18 bs AvBb), who has previously been assessed for any assessment year ended on or before the thirtieth day of June, 1995, files a return showing income for the income year relevant to the assessment year commencing on or after the first day of July, 1995 and ending on or before the thirtieth day of June, 1997 and the income shown in such return is higher by not less

1 Section 82 was substituted by section 26 of A_© AvBb, 2009 (2009 mþbi 10 bs AvBb) (with effect from 1st July, 2008).

2 The word, figure and brackets ■sub -section (5)■ were substituted for the words, figures and brackets ■clause (c) of sub -section (2)■ by section 28 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017).

3 The word ■and■ was omitted by section 37(a) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

4 The semi-colon and word ■; and■ were substituted for the full -stop ■.■ and thereafter clause (d) was added by section 37(b) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

5 Sections 82A and 82B were inserted by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)| Income-tax Ordinance, 1984

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than ten per cent over the last assessed income and has also increased by at least a further sum of ten per cent for each preceding assessment year in respect of which the assessment is pending, the return filed by the assessee shall be deemed to be correct and complete and the Deputy Commissioner of Taxes shall assess the total income of the assessee on the basis of such return and determine the tax payable by him 1[on the basis of such

assessment, and communicate the assessment order to the assessee within thirty days next following],

provided-

(a) he has, at the time of filing such return made payment of the tax on the basis of the return or taka twelve hundred, whichever is higher, and the assessment on the basis of such return shall not result in any refund; 2[***]

3[(b) the net accretion of his wealth, if he is not required to submit statement of assets and liabilities under 4[clause (c) of sub -section (3) of section 75], along with his disclosed family expenses and taxes paid during the year, shall not exceed the income disclosed for the year and the income or receipt, if any, exempted from tax 5[; and

(c) such return contains twelve -digit Taxpayer's Identification Number (TIN).]]

6[***]

- 1 The words and comma ■on the basis of such assessment, and communicate the assessment order to the assessee within thirty days next following■ were substituted for the words ■on the basis of such assessment■ by section 4 of A_© AvBb, 1996 (1996 mþbi 18 bs AvBb)|
- 2 The word ■and■ was omitted by section 38(a) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).
- 3 Clause (b) was substituted by section 4 of A_© AvBb, 1996 (1996 mþbi 18 bs AvBb)|
- 4 The words, figures and brackets ■clause (c) of sub -section (3) of section 75■ were substituted for the word, figures and brackets ■section 75 (2) (d)■ by section 29 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017).
- 5 The semi-colon and word ■; and ■ were substituted for the full -stop ■.■ and thereafter clause (c) was added by section 38(b) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).
- 6 Section (82B) was omitted by section 27 of A_© AvBb, 2009 (2009 mþbi 10 bs AvBb) (with effect from 1st July, 2008). Income-tax Ordinance, 1984

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Universal Self
Assessment

1[82BB. (1) Where an assessee files a return of income

mentioning twelve -digit Taxpayer's Identification Number (TIN) in compliance with the conditions and within the time specified in section 75 and pays tax in accordance with the provision of section 74, he s hall be issued by the Deputy Commissioner of Taxes or any other official authorised by him, an acknowledgment of receipt of the return and such acknowledgment shall be deemed to be an order of assessment of the Deputy Commissioner of Taxes.

(2) The Deputy Commissioner of Taxes shall process the return filed under sub -section (1) in the following manner, namely:-

(a) income shall be computed after making the adjustments in respect of any arithmetical error in the return or any incorrect claim which is ap parent from the existence of any information in the return or in any statement or document filed therewith;

(b) tax and any other amount payable under this Ordinance shall be computed on the basis of the income computed under clause (a); and

(c) the s um, payable by or refundable to the assessee, shall be determined after giving credit of the sum paid by way of advance tax including the tax paid at source and the tax paid under this Ordinance.

(3) Where the process of return results in a difference in the amount of income, tax or other material figures than the amount mentioned in the return filed under sub -section (1), the Deputy Commissioner of Taxes shall serve a notice to the assessee-

(a) communicating him about the difference and enclosing with the notice a sheet of computation of income, tax, refund or other related particulars that resulted from the process of return;

1 Section 82BB was substituted by section 30 of ■■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017). Income-tax Ordinance, 1984

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(b) giving him an opportunity to explain his position in writing within the time specified in the notice where the pro cess of return results in additional liability or in reduction of refund, as the case may be; and

(c) giving him an opportunity to-

(i) file an amended return, in the applicable cases, within the time specified in the notice,

addressing the difference mentioned in the notice; and

(ii) pay, within the time specified in the notice, the tax and any other amount that becomes payable as a result of the process;

(4) Where a notice under sub-section (3) is served, the Deputy Commissioner of Taxes shall-

(a) send a letter of acceptance of amended return within 1[ninety] days where all of the following conditions are fulfilled-

(i) an amended return is filed in accordance with the provision of clause (c) of sub-section (3);

(ii) any tax or any other amount, payable under this Ordinance as a result of the process, has been paid on or before the submission of the amended return; and

(iii) the difference mentioned in sub-section (3) has been duly resolved in the return;

(b) serve, after the expiry of the date of response of the assessee as mentioned in the notice under sub-section (3), a notice of demand along with a sheet of

1 The word "ninety" was substituted for the word "sixty" by section 24(a) (i) of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018). Income-tax Ordinance, 1984

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computation of income, tax, refund or other related particulars where any of the conditions mentioned in clause (a) is not fulfilled:

Provided that a notice of demand shall be served within 1[nine] months from the date of serving notice under sub-section (3).

(5) Where, after filing the return under sub-section (1), the assessee finds that owing to any unintentional mistake the tax or any other amount payable under this Ordinance has been paid short or computed short by reasons of underreporting of income or overreporting of rebate, exemption or credit or for any other reasons, he may file to the Deputy Commissioner of Taxes an amended return-

(a) attaching with the amended return a written statement mentioning the nature and the reason for the mistake;

(b) paying in full, on or before filing the amended return -

(i) the tax and any other amount that was paid short or computed short; and

(ii) an interest at the rate of two percent (2%) per month on the amount mentioned in sub-clause (i);

and if the Deputy Commissioner of Taxes is satisfied that the amended return is filed in compliance with the conditions mentioned in clause (a) and (b), he may allow the amended return:

Provided that no amended return shall be allowed-

(a) after the expiry of one hundred and eighty days from the date of filing the original return under sub-section (1); or

1 The word "nine" was substituted for the word "six" by section 24(a) (ii) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018). Income-tax Ordinance, 1984

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(b) after the original return has been selected for audit under sub-section (7).

(6) No notice under sub-section (3) shall be served after the expiry of twelve months from the date of the submission of return under sub-section (1) or amended return under sub-section (5), as the case may be.

(7) The Board or any authority subordinate to the Board, if so authorised by the Board in this behalf, may select, in the manner to be determined by the Board, a number of returns filed under sub-section (1) or of amended returns accepted under clause (a) of sub-section (4) or of amended returns allowed under sub-section (5), and refer the same to the Deputy Commissioner of Taxes for the purpose of audit:

Provided that a return filed or an amended return accepted or allowed under this section shall not be selected for audit where-

(a) such return or amended return [except the return of income of a financial institution] shows at least fifteen percent (15%) higher total income than the total income assessed in the immediately preceding assessment year; and

(b) such return or amended return-

(i) is accompanied by corroborative evidence in support of income exempted from tax;

(ii) is accompanied by a copy of bank statement or account statement, as the case may be, in support of any sum or aggregate of sums of

loan exceeding taka five lakh taken other than from a bank or financial institution;

(iii) does not show the receipt of gift during the year;

1 The words ■except the return of income of a financial institution■ were inserted after the words ■amended return■ by section 39 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 1984

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(iv) does not show any income which is subject to tax exemption or reduced tax rate under section 44; or

(v) does not show or result any refund 1[; and

(c) the assessee has complied with the provisions of sections 75A, 108 and 108A.]

(8) Where after conducting the audit the Deputy Commissioner of Taxes is satisfied that the affairs of the assessee has not been duly reflected in the return or the amended return or in statements and documents submitted therewith, he shall communicate the findings of the audit to the assessee and serve a notice requiring him to file a revised return reflecting the findings of the audit, and pay tax and any other applicable amount on the basis of the revised return on or before the filing of such revised return.

(9) Where a revised return is filed and the Deputy Commissioner of Taxes is satisfied that the findings of audit has been duly reflected in the revised return and the tax and any other applicable amount have been fully paid in compliance with the provision of sub-section (8), he may accept the revised return and issue a letter of acceptance to the assessee.

(10) Where after the service of notice under sub-section (8) no revised return is filed or the revised return that has been filed does not reflect the findings of the audit, or tax or other applicable amount has not been paid in compliance with the provisions of sub-section (8), the Deputy Commissioner of Taxes shall proceed to make assessment under section 83 or 84, whichever is applicable.

(11) In the case of a return submitted under sub-section (1), no question as to the source of initial capital of the business or profession of a new assessee shall be raised, if the assessee-

1 The semi-colon and word (; and) were substituted for the full-stop (.) and thereafter clause (c) was added by section 24 (b) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018). Income-tax Ordinance, 1984

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(a) shows income which exceeds the tax exemption threshold and which is not less than twenty percent (20%) of the initial capital invested in the business or profession;

(b) pays tax on such income at regular tax rate along with any other applicable amount on or before filing of return; and

(c) mentions in writing that the return falls under this sub-section.

(12) In the case of a return for which the provision of sub-section (11) applies, the minimum amount of capital maintained in the business or profession at the end of the income year and four subsequent income years shall be equal to the initial capital; and any amount of shortfall of the capital in any income year shall be deemed as "income from business or profession" for that income year and shall be included in total income of the assessee.

(13) For the purpose of this section-

(a) a return includes any statement required to be filed under section 80;

(b) ■an incorrect claim which is apparent from the existence of any information in the return or in any statement or document filed therewith■ shall mean a claim, on the basis of an entry, in the return or in the statement or document submitted with the return-

(i) of an item, which is inconsistent with another entry of the same, or some other item, in such return, statement or document; or

(ii) in respect of a deduction, exemption, rebate or credit, where such deduction, exemption, rebate or credit exceeds the specified statutory limit which may have been expressed as monetary amount, percentage, ratio or fraction;

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(c) ■regular tax rate■ means the rate of tax that would be applicable if the tax exemption or the reduced rate were not granted;

(d) in calculating fifteen percent (15%) higher total income, the income from the sources that are common between the assessment years for which the return under sub-section (1) has been filed and the immediately preceding assessment year shall be considered.]

Minimum Tax 1[82C. (1) Notwithstanding anything contained in any other provisions of this Ordinance, minimum tax shall be payable by an assessee in accordance with the provisions of this section.

(2) Minimum tax on income on sources from which tax has been deducted or collected under certain sections shall be the following-

(a) any tax deducted or collected at source under the provisions of sections mentioned in clause (b) shall be the minimum tax on income from the source or sources for which tax has been deducted or collected;

(b) the tax referred to in clause (a) shall be the tax deducted or collected under sections 52, 52A, 2[SL No. 1, 2 and 3[14] of the Table of sub-section (1) of section 52AA] 52AAA, 52B, 52C, 52D, 52JJ, 52N,

1 Section 82C was substituted by section 51 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■

2 The letters, words, symbols, numbers and brackets ■SL No. 1, 2 and 13A of the Table of sub-section (1) of section 52AA■ were substituted for the letters, words, symbols, numbers and brackets ■SL No. 1 of the Table of sub-section (1) of section 52AA■ by section 45(a)(i) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■

3 The number ■14■ was inserted for the number and letter ■13A■ by section 37(a)(i) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022). Income-tax Ordinance, 1984

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52O, 1[52Q], 52R, 53, 53AA, 53B, 53BB, 53BBB, 2[***] 53C, 53CCC, 53DDD 3[, 53E], 53EE, 53F, 53FF, 53G, 53GG, 53H, 53M, 53N 4[, 53P] 5[, 53Q, 53R] and 55:

Provided that the tax deducted or collected from the following sources shall not be the minimum tax for the purpose of this sub-section-

(i) tax collected under section 52 from the following persons-

a. a contractor of an oil company or a subcontractor to the contractor of an oil company as may be prescribed;

b. an oil marketing company and its dealer or agent excluding petrol pump station;

c. any company engaged in oil refinery;

d. any company engaged in gas transmission or gas distribution;

1 The number, letter and comma ■52Q■ were inserted after the number, letter and comma ■ 52O,■ by section 37(a)(ii) of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022).

2 The number, letter and comma ■53BBBB,■ were omitted by section 37(a)(iii) of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022).

3 The comma and figure ■, 53E■ were inserted after the figure ■53DDD■ by section 31(a)(i) of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017).

4 The comma, number and letters ■, 53P■ were inserted after the number and letter ■53N■ by section 40(a)(ii) of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

5 The number, letter and comma ■, 53Q, 53R■ were inserted after the number and letter ■53P■ by section 37(a)(iv) of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022). Income-tax Ordinance, 1984

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(ii) tax deducted under section 53 from import of goods by an industrial undertaking 1[,except an industrial undertaking engaged in producing cement, iron or iron products, 2[ferro alloy products, 3[perfumes and toilet waters, 4[beverage concentrate,]] as raw materials for its own consumption;

(iii) tax deducted under section 53F from a source other than the sources mentioned in clause (c) of sub-section (1) and sub-section (2) of that section;

(c) for the sources of income for which minimum tax is applicable, books of accounts shall be maintained in the regular manner in accordance with the provisions of section 35;

(d) income from any source, for which minimum tax is applicable under this sub-section, shall be determined in regular manner and tax shall be calculated by using 5[applicable rate] on such income. If the tax so calculated is higher than the minimum tax under clause (a), the higher amount shall be payable on such income:

1 The commas and words ■,except an industrial undertaking engaged in producing cement, iron or iron products,■ were inserted after the words ■industrial undertaking■ by section 40 (a) (iii) of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

2 The words and comma ■ferro alloy products,■ were inserted after the words and symbol ■iron products,■ by section 45 (a) (ii) of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

3 The Words and comma ■perfumes and toilet waters,■ were inserted for the words and comma ■ferro alloy products,■ by section 26 (a) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

4 The words and comma ■beverage concentrate,■ were in serted after the words and comma ■toilet waters,■ by section 37 (a) (v) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022).

5 The words ■applicable rate■ were substituted for the words ■regular rate■ by section 31 (a) (ii) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017). Income-tax Ordinance, 1984

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Provided that income shall be determined and tax shall be calculated for certain sources in the manner as specified in the following-

Serial
No.

Sources of
income as
mentioned in

Amount that
will be taken
as income

Rate or
amount of
tax

(1)

(2)

(3)

(4)

1.

section 52C

amount of
compensation
as mentioned in
section 52C

as mentioned
in section
52C

2. section 52D

amount of
interest as
mentioned in

section 52D

as mentioned
in section
52D
3.

section 53DDD

amount of
export cash
subsidy as
mentioned in
section 53DDD

as mentioned
in section
53DDD

4.

1[Serial No. 3
and 4 of the
Table of
section 53F(1)]

amount of
interest as
mentioned in
section 53F
as mentioned
in section
53F

1 The words, letter, number and symbol ■ Serial No. 3 and 4 of the Table of section 53F (1)■ were substituted for the words, letter, number and symbol ■ section 53F (1) (c) and (2)■ by section 37 (b) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022). Income-tax Ordinance, 1984

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5.

section 53H

deed value as
mentioned in
section 53H
1[less cost of
acquisition]

as mentioned
in section
53H and the
rule made
thereunder

2[6. section 53P any sum paid
by real estate
developer to
land owner
As
mentioned in
section 53P]

(e) income or loss computed in accordance with clause (d) or
the proviso of clause (d) shall not be set off with loss or
income, respectively, computed for any regular source.

(3) Where the assessee has income from regular source in
addition to the income from source or sources for which
minimum tax is applicable under sub-section (2)-

(a) regular tax shall be calculated on the income from regular
source;

(b) the tax liability of the assessee shall be the aggregate of
the tax as determined under sub-section (2) and the
regular tax under clause (a).

3[(4) Subject to the provision of sub-section (5), minimum
tax for an individual, a firm or a company shall be the
following—

(a) an assessee being—

1 The words "less cost of acquisition" were inserted after the numbers "53H" by section
40 (b) (i) of [REDACTED], [REDACTED] ([REDACTED] [REDACTED] [REDACTED] [REDACTED])

2 Serial No. 6 and entries were inserted by section 40 (b) (ii) of [REDACTED], [REDACTED] ([REDACTED] [REDACTED]
[REDACTED] [REDACTED])

3 The initial part of sub-section (4) and clause (a) were substituted by section 45 (b) of [REDACTED]
[REDACTED], [REDACTED] ([REDACTED] [REDACTED] [REDACTED] [REDACTED]) Income-tax Ordinance, 1984

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(i) an individual having gross receipts of taka three crore
or more; or

(ii) a firm having gross receipts of more than taka fifty
lakh; or

(iii) a company,

shall, irrespective of its profits or loss in an assessment year, for any reason whatsoever, including the sustaining of a loss, the setting off of a loss of earlier year or years or the claiming of allowances or deductions (including depreciation) allowed under this Ordinance, be liable to pay minimum tax in respect of an assessment year at the following rate—

Serial
No

Classes of assessee

Rate of minimum
tax

(1)

(2)

(3)

1.

Manufacturer of
cigarette, bidi, chewing
tobacco, smokeless
tobacco or any other
tobacco products

1% of the gross
receipts

2.

Mobile phone operator

2% of the gross
receipts

3.

Individual other than
individual engaged in
mobile phone operation
or in the manufacturing
of cigarette, bidi,
1[0.25%] of the
gross receipts

1 The figures and symbol 0.25% were substituted for the the figures and symbol 0.50% by section 26 (b) of Act No. 1 of 1984 (Act No. 1 of 1984) Income-tax Ordinance, 1984

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chewing tobacco,
smokeless tobacco or
any other tobacco
products, having gross
receipts taka 3 crore or
more

4.

Any other cases

0.60% of the gross
receipts:

Provided that such rate of tax shall be zero point one ze ro percent (0.10%) of such receipts for an industrial undertaking engaged in manufacturing of goods for the first three income years since commencement of its commercial production.]

(b) where the assessee has an income from any source that is exempted from tax or is subject to a reduced tax rate, the gross receipts from such source or sources shall be shown separately, and the minimum tax under this sub -section shall be calculated in the following manner-

(i) minimum tax for receipts from sources that are subject to regular tax rate shall be calculated by applying the rate mentioned in clause (a);

(ii) minimum tax for receipts from sources that enjoys tax exemption or reduced tax rate shall be calculated by applying the rate mentioned in clause (a) as reduced in proportion to the exemption of tax or the reduction of rate of tax;

(iii) minimum tax under this sub -section shall be the aggregate of the amounts calculated under sub - clauses (i) and (ii).

Explanation.- For the purposes of this sub-section, 'gross receipts' means-

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- (i) all receipts derived from the sale of goods;
- (ii) all fees or charges for rendering services or

giving benefits including commissions or discounts;

(iii) all receipts derived from any heads of income.

(5) Where the provisions of both sub-section (2) and sub-section (4) apply to an assessee, minimum tax payable by the assessee shall be the higher of

(a) the minimum tax under sub-section (2); or

(b) the minimum tax under sub-section (4).

(6) Minimum tax under this section shall not be refunded, nor shall be adjusted against refund due for earlier year or years or refund due for the assessment year from any source.

(7) Where any surcharge, additional interest, additional amount etc. is payable under provisions of this Ordinance, it shall be payable in addition to the minimum tax.

(8) Where the regular tax calculated for any assessment year is higher than the minimum tax under this section, regular tax shall be payable.

(9) In this section-

(a) ■regular source■ means any source for which minimum tax is not applicable under sub-section (2);

(b) ■regular tax■ means the tax calculated on regular income using the regular manner;

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(c) ■1[regular tax rate]■ means the rate of tax, that would be applicable if the tax exemption or the reduced rate were not granted.]

2[(8A) Where tax has been mistakenly deducted and collected in excess or deficit of the due amount (i.e. the amount to be deducted or collected in accordance with the provision of Chapter VII), minimum tax under this section shall be computed based on the due amount of deduction or collection, and provisions of this section shall apply accordingly.]

Spot assessment 3[82D. (1) Where a person is found to have taxable income or required to submit tax return or required to comply with any provision of the Ordinance and the person has failed to perform or comply with requirements of the Ordinance, the Deputy Commissioner of Taxes, empowered to this end, may assess the tax liability of such person on the spot.

(2) Where assessment of an assessee being individual having income from business or profession is made under this section applying regular rate and the assessee pays tax accordingly, no question as to the initial capital not exceeding five times of such assessed income shall be made.

(3) Commissioner of Taxes may empower any Deputy Commissioner of Taxes who is subordinate to him to conduct spot assessments within his jurisdiction.

(4) The Board shall issue guidelines as to the manner how assessment under this section shall be made.]

Assessment
after hearing

4[83. (1) Where a return or revised return has been filed under Chapter VIII and the Deputy Commissioner of Taxes is not satisfied without requiring the presence of the person who

1 The words ■regular tax rate■ were substituted for the words ■regular rate■ by section 31(b) of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■■ ■■■ ■■■■) (With effect from 1st July 2017).

2 Sub-section (8A) was inserted by section 25 of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■■ ■■■ ■■■■) (With effect from 1st July 2018).

3 Section 82D was substituted by section 38 of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■■ ■■■ ■■■■) (With effect from 1st July 2022).

4 Section 83 was substituted by section 6 of A_© AvBb, 1998 (1998 mþbi 14 bs AvBb)| Income-tax Ordinance, 1984

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filed the return or the production of evidence that the return is correct and complete, he shall serve on such person a notice requiring him, on a date to be therein specified, to appear before the Deputy Commissioner of Taxes, or to produce or cause to be produced before him or at his office, any evidence in support of the return.

(2) The Deputy Commissioner of Taxes shall, after hearing the person appearing, or considering the evidence produced in pursuance of the notice under sub-section (1) and also considering such other evidence, if any, as he may require on specified points, by an order in writing assess, within thirty days after the completion of the hearing or consideration, as the case may be, the total income of the assessee and determine the sum payable by him on the basis of such assessment, and communicate the order to the assessee within thirty days next following.]

3[83AAA. (1) Where a return or revised return is filed under Chapter VIII by an assessee being a company and the Board has reasonable cause to believe that the return or revised return is incorrect or incomplete, the Board may appoint a registered chartered accountant to examine the accounts of that assessee.

Assessment on
the basis of
report of a
chartered
accountant

(2) The chartered accountant appointed under sub-section (1) shall exercise the powers and functions of the Deputy Commissioner of Taxes as referred to in section 79 and clauses (a), (b), (c), (d) and (e) of section 113.

1 Section 83A was omitted by section 29 of A_© AvBb, 2009 (2009 mþbi 10 bs AvBb) (with effect from 1st July 2008).

2 Section 83AA was omitted by section 29 of A_© AvBb, 2009 (2009 mþbi 10 bs AvBb) (with effect from 1st July 2008).

3 Section 83AAA was inserted by section 73 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)| Income-tax Ordinance, 1984

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(3) The chartered accountant, after examination of the accounts of that assessee, shall submit a report in writing to the Board along with findings within a time as may be specified by the Board.

(4) On receipt of the report referred to in sub-section (3), the Board shall forthwith forward the report to the concerned Deputy Commissioner of Taxes for consideration.

(5) On receipt of the report under sub-section (4), the Deputy Commissioner of Taxes shall serve a notice upon the assessee under sub-section (1) of section 83.

(6) The Deputy Commissioner of Taxes shall, after hearing the person appearing and considering the evidences produced including the findings stated in the report received under sub-section (5) and also considering the other evidences, by an order in writing, assess within thirty days after the completion of hearing or consideration, as the case may be, the total income of an assessee and shall determine the sum payable by the assessee on the basis of such assessment, and communicate the said order to the assessee within thirty days from the date of such order.]

Best judgment

assessment

1[84. (1) Where any person fails-

(a) to file the return required by a notice under section 77 and has not filed a return or revised return under section 78; or

(b) to comply with the requirements of a notice under section 79 or 80; or

(c) to comply with the requirements of a notice under section 83(1);

the Deputy Commissioner of Taxes shall, by an order in writing, assess the total income of the assessee to the best of his judgement and determine the sum payable by the assessee on the basis of such assessment; 2[***], and communicate such order to the assessee within thirty days next following.

1 Section 84 was substituted by section 55 of A_© AvBb, 2002 (2002 m±bi 14 bs AvBb)|

2 The Semi-colon, words and commas ■; and in the case of firm, may refuse to register it or may cancel its registration if it is already registered,■ were omitted by section 49 of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015). Income-tax Ordinance, 1984

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(2) Where in the opinion of the Board a best judgement assessment made by a Deputy Commissioner of Taxes under sub-section (1) shows lack of proper evaluation of legal and factual aspects of the case which has resulted in an arbitrary and injudicious assessment, the action leading to such assessment made by the said Deputy Commissioner of Taxes shall be construed as misconduct.]

84A. [Presumptive Assessment.-Omitted by section 5 of the Finance Act, 1997 (Act No. XV of 1997).]

85. (1) Notwithstanding anything contained in this Ordinance, where the assessee is a firm and the total income of the firm has been assessed under sections 82, 83, or 84, as the case may be,-

Special
provisions
regarding
assessment of
firms

1[* * *]

(b) in the case of 2[a firm], the tax payable by the firm shall be determined on the basis of the total income of the firm.

(2) Whenever any determination is made in accordance

with the provisions of sub -section (1), the Deputy Commissioner of Taxes shall, by an order in writing, notify to the firm-

- (a) the amount of tax payable by it, if any;
- (b) the amount of the total income on which the determination has been based; and
- (c) the apportionment of the amount of 3[income] between the several partners.

86. (1) Where, at the time of assessment of a firm, it is found that a charge has occurred in the constitution of the firm, the assessment shall be made on the firm as constituted at the time of making the assessment:

Assessment in
case of change in
the constitution
of a firm

- 1 Clause (a) was omitted by section 6 of A_© AvBb, 1995 (1995 mṭbi 12 bs AvBb)|
- 2 The words ■a firm■ were substituted for the words ■an unregistered firm■ by section 6 of A_© AvBb, 1995 (1995 mṭbi 12 bs AvBb)|
- 3 The word ■income■ was substituted for the word ■tax■ by section 6 of A_© AvBb, 1995 (1995 mṭbi 12 bs AvBb)| Income-tax Ordinance, 1984

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Provided that-

(a) the income of the years shall, for the purpose of inclusion in the total income of the partners, be apportioned between the partners who, in such income year, were entitled to receive the same; and

(b) when the tax assessed upon a partner cannot be recovered from him, it shall be recovered from the firm as constituted at the time of making the assessment.

(2) For the purpose of this section, there is a change in the constitution of a firm-

(a) where all the partners continue with a change in their respective shares or in the shares of some of them, or

(b) where one or more persons who were partners continue to be so with a change by cessation of one or more partners or addition of one or more new partners.

Assessment in
case of

constitution of
new successor
firm

87. Where, at the time of assessment on a firm, it is found that a new firm has been constituted to succeed the firm to which the assessment relates and it cannot be covered by section 86 separate assessments shall be made on the predecessor firm and the successor firm in accordance with the provisions of section 88 relating to assessment in case of succession to business.

Assessment in
case of
succession to
business
otherwise than
on death

88. (1) Where, a person, carrying on any business or profession (in this section, referred to as predecessor), has been succeeded therein otherwise than on death by another person (in this section, referred to as the successor) continues to carry on that business or profession,-

(a) the predecessor shall be assessed, in respect of the income of the income year in which the succession took place, for the period up to the date of succession, and

(b) the successor shall be assessed, in respect of the income of the income year, for the period after the date of succession.

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(2) Notwithstanding anything contained in sub-section (1), where the predecessor cannot be found, the assessment of the income year in which the succession took place up to the date of succession and of the income year or years preceding that year shall be made on the successor in the like manner and to the same extent as it would have been made on the predecessor; and the provisions of this Ordinance shall, so far as may be, apply accordingly.

(3) Where any sum payable under this section in respect of the income of a business or profession cannot be recovered from the predecessor, the Deputy Commissioner of Taxes shall record a finding to that effect, and thereafter the sum payable by the predecessor shall be payable by, and recoverable from, the successor who shall be entitled to recover it from the predecessor.

89. (1) Without prejudice to the provision of section 87,

where any business or profession is discontinued in any financial year, and assessment may be made in that year, notwithstanding anything contained in section 16, on the basis of the total income of the period between the end of the income year and the date of such discontinuance in addition to the assessment, if any, made on the basis of the income year.

Assessment in
case of
discontinued
business

(2) Any person discontinuing any business or profession in any financial year shall give to the Deputy Commissioner of Taxes a notice of such discontinuance within fifteen days thereof; and such notice shall be accompanied by a return of total income in respect of the period between the end of the income year and the date of such discontinuance and that financial year shall be deemed to be the assessment year in respect of the income of the said period.

(3) Where, a person fails to give the notice required by sub-section (2), the Deputy Commissioner of Taxes may direct that a sum shall be recovered from him by way of penalty not exceeding the amount of tax subsequently assessed on him in respect of any income from the business or profession up to the date of its discontinuance.

(4) Where an assessment is to be made under sub-section (1), the Deputy Commissioner of Taxes may serve-
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(a) on the person whose income is to be assessed;

(b) in the case of a firm, on the person who was a partner of the firm at the time of discontinuance of the business or profession; and

(c) in the case of a company, on the principal officer of the company;

a notice to furnish within such time, not being less than seven days, a return of his total income giving such particulars and information as are required to be furnished with a return to be filed under section 75 along with such other particulars, records and documents as may be specified in the notice.

(5) The provisions of this Ordinance shall, so far as may be, apply to a notice under sub-section (4) for the purpose of assessment of tax as if it were a notice under section 77.

Assessment in
case of partition
of a Hindu

undivided
family

90. (1) A Hindu family hitherto assessed as a Hindu undivided family shall be deemed, for the purposes of this Ordinance, to continue to be a Hindu undivided family except where, and in so far as, a finding of partition has been given under this section in respect of that family.

(2) Where, at the time of an assessment of a Hindu undivided family, it is claimed by any member thereof that a partition has taken place amongst the members of the family, the Deputy Commissioner of Taxes shall make an enquiry thereinto after giving notice to all the members of the family.

(3) On the completion of the enquiry, the Deputy Commissioner of Taxes shall record a finding as to whether there has been a partition of the joint family property, and, if there has been such a partition, the date on which it has taken place.

(4) In the case of a finding under sub-section (3) that the partition of the undivided family took place after the expiry of the income year, the total income of the income year of the undivided family shall be assessed as if no partition has taken place; and each member or group of members of the family shall, in addition to any tax for which he or it may be separately liable, be jointly and severally liable for the tax on the income of the family so assessed.

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(5) In the case of finding under sub-section (3) that the partition of the undivided family took place during the income year, the total income of the undivided family in respect of the period up to the date of partition shall be assessed as if no partition had taken place; and each member or group of members of the family shall, in addition to any tax for which he or it may be separately liable, be jointly and severally liable for the tax on the income of that period as so assessed.

(6) Notwithstanding anything contained in this section, if the Deputy Commissioner of Taxes finds after completion of the assessment of a Hindu undivided family that the family has already effected a partition, the tax shall be recoverable from every person who was a member of the family before the partition; and every such person shall be jointly and severally liable for tax on the income of the family in so assessed.

(7) For the purposes of this section, the several liability of any member or group of members of a Hindu undivided family shall be computed according to the portion of the property of the undivided family allotted to him or it at the partition.

(8) The provisions of this section shall, so far as may be, apply in relation to the levy and collection of any penalty,

interest, fine or other sum in respect of any period up to the date of the partition of a Hindu undivided family as they apply in relation to levy and collection of tax in respect of any such period.

91. (1) Where it appears to the Deputy Commissioner of Taxes that any person may leave Bangladesh during the current financial year or shortly after its expiry and that he has no intention of returning, as assessment may be made in that year, notwithstanding anything contained in section 16, on the basis of the total income of such person-

Assessment in
case of persons
leaving
Bangladesh

(a) if he has been previously assessed, for the period from the expiry of the last income year of which income has been assessed to the probable date of his departure from Bangladesh; and

(b) if he has not been previously assessed, of the entire period of his stay in Bangladesh up to the probable date of his departure therefrom.

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(2) Assessment under sub-section (1) shall be made-

(a) in respect of each completed income year included in the period referred to in sub-section (1), at the rate at which tax would have been charged had it been fully assessed; and

(b) in respect of the period from the expiry of the last of the completed income years to the probable date of departure, at the rate in force for the financial year in which such assessment is made and that financial year shall be deemed to be the assessment year in respect of the income of the said period.

(3) For the purpose of making an assessment under this section, the Deputy Commissioner of Taxes may serve a notice upon the person concerned requiring him to file, within such time, not being less than seven days, as may be specified in the notice,-

(a) a return in the same form and verified in the same manner as a return under section 75 setting forth, along with such other particulars as may be required by the notice, his total income for each of the completed income years comprised in the relevant period referred to in sub-section (1); and

(b) an estimate of his total income for the period from the

expiry of the last of such completed in come year to the probable date of his departure from Bangladesh.

(4) All the provisions of this Ordinance shall, so far as may be, apply to the notice under sub -section (3) for purposes of assessment of tax as if it were a notice under section 77.

(5) Nothing in this section shall be deemed to authorise a Deputy Commissioner of Taxes to assess any income which has escaped assessment or has been under assessed or has been assessed at too low a rate or has been the subject of excessive relief unde r this Ordinance but in respect of which he is debarred from issuing a notice under section 93.

Assessment in
the case of
income of a
deceased person

92. (1) Where a person dies, his legal representative shall be liable to pay any tax or other sum pay able under this Ordinance which the deceased would have been liable to pay if he had not died, in the like manner and to the same extent as the deceased; and the legal representative of the deceased shall, for the purposes of this Ordinance, be deemed to be an assessee:

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Provided that before deeming the legal representative of the deceased to be an assessee, a notice to that effect shall be issued to him by the Deputy Commissioner of Taxes.

(2) For the purpose of making an assessment of the income of the deceased and recovery of tax,-

(a) any proceeding taken against the deceased before his death shall be deemed to have been taken against the legal representative and may be continued from the stage at which it stood on the date of the death of the deceased; and

(b) any proceeding which could have been taken against the deceased , if he had not died , may be taken against the legal representative;

and all the provisions of this Ordinance shall, so far as may be, apply accordingly.

(3) The liability of a legal representative under this Ordinance shall be limited to the extent to which the estate of the deceased is capable of meeting the liability.

(4) For the purposes of this section and other provisions of this Ordinance in which the rights, interests and liabilities of the deceased are involved, ■legal representative■ includes an executor, an administrator and any person administering the estate of the deceased.

1[93. (1) If, based on the information from an audit, assessment or any other proceeding under this Ordinance or from any other source, the Deputy Commissioner of Taxes has reason to believe that any sum payable by an assessee under this Ordinance has escaped payment in any assessment year, the Deputy Commissioner of Taxes may issue a notice in the form specified by the Board upon the assessee requiring him to-
Tax, etc.
escaping
payment

1 Section 93 was substituted by section 32 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017) Income-tax Ordinance, 1984

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(a) file for the relevant assessment year, within the time as specified in the notice, a return of his income along with the applicable statement and documents; and
(b) pay on or before the filing of the return the sum that has been escaped payment.

(2) The Deputy Commissioner of Taxes shall-

(a) send a letter of acceptance of the return where all of the following conditions are fulfilled-

(i) the return is filed within the time mentioned in the notice under sub-section (1) and in compliance with the provisions of that sub-section;

(ii) the sum that escaped payment has been paid on or before the filing of the return; and

(iii) the issue for which the sum escaped payment has been duly addressed in the return;

(b) proceed to make assessment under section 83 or 84, as the case may be, where any of the conditions mentioned in clause (a) is not fulfilled.

(3) The Deputy Commissioner of Taxes shall obtain the approval of the Inspecting Joint Commissioner in writing before issuing a notice under sub-section (1) where-

(a) return for the relevant assessment year was filed in compliance with the provision of sub-section (1) of section 82BB; or

the assessment of the relevant assessment year is completed under any other provision of this Ordinance.

(4) A notice under sub-section (1) may be issued by the Deputy Commissioner of Taxes-

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(a) at any time where, for the relevant assessment year, no return was filed and no assessment was made;

(b) within six years from the end of the relevant assessment year where, for the relevant assessment year, no return was filed but assessment is completed;

(c) within 1[six] years from the end of the relevant assessment year in any other cases:

2[***]

Provided 3[***] that in a case where a fresh assessment is made for any assessment year in pursuance of any provision under this Ordinance, the period referred to in this sub-section shall commence from the end of the year in which the fresh assessment is made.

(5) In computing the period of limitation for the purpose of making an assessment or taking any other proceedings under this Ordinance, the period, if any, for which such assessment or other proceedings has been stayed by any court, tribunal or any other authority, shall be excluded.

(6) Notwithstanding anything contained in sub-section (4), where an assessment or any order has been annulled, set aside, cancelled or modified, the concerned income tax authority may start the proceedings from the stage next preceding the stage at which such annulment, setting aside, cancellation or modification took place, and nothing contained in this Ordinance shall render necessary the re-issue of any notice which has already been issued or the re-furnishing or re-filing of

(■■■■ ■■■■ ■■ ■■ ■■■)■

2 First proviso was omitted by section 41(a)(ii) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■)■

3 The word ■further■ was omitted by section 41(a)(ii) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■)■ Income-tax Ordinance, 1984

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any return, statement or other particulars which has already been furnished or filed, as the case may be.

(7) An assessment under sub-section (2) of an assessee who was already assessed for the relevant year shall be confined to the issues that have been mentioned in the notice served under sub-section (1).

(8) The Deputy Commissioner of Taxes shall not be barred from taking proceedings under this section for an assessment year on the grounds that the proceeding under sub-section (2) is earlier concluded in respect of that assessment year.

(9) In this section-

(a) Any sum payable by an assessee under this Ordinance shall be deemed to have escaped payment if –

(i) the income or a part thereof has escaped assessment; or

(ii) the income has been understated; or

(iii) excessive loss, deduction, allowance or relief in the return has been claimed; or

(iv) the liability of tax or any other amount payable under this Ordinance has been shown or computed lower by concealment or misreporting of any income or by concealment or misreporting of any assets, expenditure or any other particulars in a statement submitted under section 80; or

(v) income chargeable to tax has been under-assessed, or income has been assessed at a lower than due tax rate; or

(vi) income that is subject to tax has been made the subject of tax exemption; or

(vii) income has been made the subject of excessive relief, or excessive loss or depreciation allowance or any other allowance under this Ordinance has been computed; or

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(viii) a tax or an amount, payable under this Ordinance,

has been computed or paid lower than due amount by reason of lower base.

(b) ■relevant assessment year■ is the assessment year for which any sum payable by an assessee under this Ordinance has escaped payment.]

94. 1[(1) Subject to the provisions of sub -sections (2) and (3), after the expiry of-
Limitation for
assessment

(a) two years from the end of the assessment year in which the income was first assessable if the assessment is to be made as a result of audit under section 82BB;

(b) three years from the end of the relevant assessment year in which the income was first assessable if the assessment is to be made under section 107C; or

(c) six months from the end of the assessment year in which the income was first assessable if the assessment is to be made in a case other than the cases mentioned in clause (a) or (b);

no order of assessment under the provisions of this Chapter, in respect of any income, shall be made.

(2) An assessment under section 93 may be made within two years from the end of the year in which the notice under sub-section (1) of section 93 was issued.]

(3) Notwithstanding anything contained in this section, limiting the time within which any action may be taken, or any order or assessment may be made, order or assessment, as the case may be, to be made on the assessee or any other person in

1 Sub-sections (1) and (2) were substituted for the sub-sections (1), (1A), (1B) and (2) by section 33 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017). Income-tax Ordinance, 1984

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consequence of, or to give effect to, any finding or direction contained in an order under 1[sections 120, 121A, 156, 159, 161 or 162] or, in the case of a firm, an assessment to be made on a partner of a firm in consequence of an assessment made on the firm, 2[or an agreement reached under section 152O, shall be made within thirty days from the date on which the order or the agreement] was communicated] 3[and communicate such revised order to the assessee within thirty days next following] 4[:

Provided that where an order of assessment has been set aside by any authority in that case the assessment shall be made within 5[sixty] days from the date on which the order was communicated to him.]

Explanation I. -Where by an order under 6[sections 120, 121A, 156, 159, 161 or 162], any income is excluded from the total income of the assessee for an assessment year, an assessment of such income for another assessment year shall, for the purposes of this section, be deemed to be one made in consequence of, or to give effect to, any finding or direction contained in the said order.

1 The words, figures and commas "sections 120, 121A, 156, 159, 161 or 162 " were substituted for the words, figures and commas "sections 120, 156, 159, 161 or 162 " by section 33(a) of A_© AvBb, 2009 (2009 mþbi 36 bs AvBb) (with effect from 1st July 2009).

2 The words and comma ■or an agreement reached under section 152O, shall be made within thirty days from the date on which the order or the agreement■ were substituted for the words ■ shall be made within thirty days from the date on which the order■ by section 39 of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022).

3 The words ■and communicate such revised order to the assessee within thirty days next following■ were inserted by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)|

4 The colon (:) was substituted for the full -stop (.) and thereafter the proviso was added by section 33 of A_© AvBb, 2004 (2004 mþbi 16 bs AvBb)|

5 The word ■sixty■ was substituted for the words ■forty five■ by section 26 of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018).

6 The words, figures and commas "sections 120, 121A, 156, 159, 161 or 162 " were substituted for the words, figures and commas "sections 120, 156, 159, 161 or 162 " by section 33(b) of A_© AvBb, 2009 (2009 mþbi 36 bs AvBb) (with effect from 1st July 2009). Income-tax Ordinance, 1984

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Explanation II. -Where by an order under 1[sections 120, 121A, 156, 159, 161 or 162], any income is excluded from the total income of one person and held to be the income of another person, an assessment of such income of such other person, shall, for the purposes of this section, be deemed to be one made in consequence of or to give effect to, any finding or direction contained in the said order.

2[(4) where the Deputy Commissioner of Taxes fails to give effect to any finding or direction contained in an order referred to in sub -section (3) within the period stipulated therein, such failure of the Deputy Commissioner of Taxes shall be construed as misconduct.]

94A. [Omitted by section 31 of the Finance Act, 2003 (Act

3[94B. (1) Notwithstanding anything contained in any provision of this Ordinance or in any other law for the time being in force, no authority save the authorities mentioned in section 3 or the courts and authorities mentioned in Chapter XIX shall have right to question any assessment made under this Chapter.

(2) Any action taken in violation of the provision of sub-section (1) shall be null and void and have no legal effect.]
Bar to question
assessment

CHAPTER X LIABILITY IN SPECIAL CASES

95. (1) Every person who is a representative of another person in respect of any income for the purpose of this section shall, in respect of such income,-

Liability of
representative in
certain cases

1 The words, figures and commas "sections 120, 121A, 156, 159, 161 or 162" were substituted for the words, figures and commas "sections 120, 156, 159, 161 or 162" by section 33(c) of A_© AvBb, 2009 (2009 mþbi 36 bs AvBb) (with effect from 1st July, 2009).

2 Sub-section (4) was added by section 56 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb)|

3 Section 94B was added after section 94A by section 40 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■■ ■■■ ■■■■) (With effect from 1st July 2022). Income-tax Ordinance, 1984

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(a) be subject to the same duties, responsibilities and liabilities as if such income were received by, or accruing to, or in favour of, him beneficially;

(b) be liable to assessment in his own name; and

(c) be deemed, subject to other provisions of this Chapter, to be the assessee for all purposes of this Ordinance.

(2) A person, who is assessed in pursuance of this section as a representative in respect of any income, shall not, in respect of the same income, be assessed under any other provision of this Ordinance.

(3) Nothing in this section shall prevent either the direct assessment of the person for whom, or on whose behalf or for whose benefit, the representative is entitled to receive any income or recovery from such person of the tax payable in respect of such income.

(4) For the purposes of this section,-

(a) the guardian, manager or trustee, who receives or is

entitled to receive any income for, or on behalf or for the benefit, of any minor, lunatic or idiot, shall be the representative in respect of such income;

(b) the Administrator -General, the Official Trustee, or any receiver, manager or other person, however designated, appointed by or under any order of a Court, who receives or is entitled to receive any income for, or on behalf or for the benefit, of any other person shall be the representative in respect of such income;

(c) the trustee or trustees appointed under a trust declared by a duly executed instrument in writing, whether testamentary or otherwise, including a legally valid deed of waqf, who receive or are entitled to receive any income for, or on behalf or for the benefit of any person shall be the representative in respect of such income; and

(d) a person who is treated under section 96 as an agent in relation to a non -resident, shall be the representative in respect of such income of the non -resident as is deemed to accrue or arise in Bangladesh under section 18.

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96. (1) For the purposes of this Ordinance, the following persons shall, subject to the provisions of sub -sections (2) and (3) be treated as agent in relation to a non-resident, namely:-
Persons to be treated as agent

(a) any person in Bangladesh-

(i) who is employed by, or on behalf of, the non - resident;

(ii) who has any business connection with the non - resident;

(iii) who holds, or controls the receipt or disposal of, any money belonging to the non-resident;

(iv) who is a trustee of the non-resident; or

(v) from or through whom the non -resident, is in receipt of any income, whether directly or indirectly;

(b) any person, whether a resident or non -resident, who has acquired, by means of transfer, a capital asset in Bangladesh from a person residing outside Bangladesh; and

(c) any person who, for any other reasonable cause, is declared or treated as an agent of the non-resident.

(2) An independent broker in Bangladesh, who in respect of any transaction, does not deal directly with, or on behalf of, a non-resident principal but deals with, or through, a non-resident broker, shall not be treated as an agent in relation to a non-resident in respect of such transaction if-

(a) the transaction is carried on in the ordinary course of business through the non-resident broker; and

(b) the non-resident broker is carrying on such transaction in the ordinary course of business.

(3) No person shall be treated under this Ordinance as an agent in relation to a non-resident unless he has been given by the Deputy Commissioner of Taxes an opportunity of being heard.

97. (1) A representative who, on account of his liability under section 95, pays any sum, shall be entitled to recover the Right of representative to

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recover tax paid sum so paid from the person on whose behalf it is paid, or to retain out of any moneys that may be in his possession or may come to him in his possession or may come to him in his capacity as a representative, an amount equivalent to the sum so paid.

(2) A representative, or any person who apprehends that he may be assessed as a representative, may retain, out of any money payable to the person (hereinafter referred to as ■the beneficiary■) on whose behalf he is liable to tax under section 95, a sum not exceeding his estimated liability.

(3) In the event of any disagreement between the beneficiary and the representative or, as the case may be, the person apprehensive of being assessed as representative, as to the amount to be retained under sub-section (2), such representative or person may secure from the Deputy Commissioner of Taxes a certificate stating the amount to be so retained pending the settlement of the liability and the certificate so obtained shall be the warrant for retaining that amount.

Liability of firm

or association for
unrecoverable
tax due from
partners or
members

98. (1) Where any tax payable by a partner of a firm or a member of a n association of persons in respect of his share of the income from the firm or association, as the case may be, cannot be recovered from him, the Deputy Commissioner of Taxes shall notify the amount of the tax to the firm or association.

(2) Upon no tification of the amount of tax under sub - section (1), the firm or association so notified shall, notwithstanding anything contained in any other law for the time being in force, be liable to pay the said tax and shall, for the purposes of recovery thereof , be deemed to be an assessee in respect of such tax; and the provisions of this Ordinance shall apply accordingly.

Liability of
partners, etc.,
for discontinued
business of a
firm, etc.

99. (1) Where any business or profession carried on by a firm or an association of persons has been discontinued, or where a firm or an association of persons is dissolved, assessment of the total income of the firm or association may be made as if no such discontinuance or dissolution had taken place; and all the prov isions of this Ordinance shall, so far as may be, apply accordingly.

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(2) Where an assessment is made under sub -section (1) in respect of a firm or an association of persons, every person who was a partner of the firm or member of the association at t he time of discontinuance of business, or as the case may be, dissolution of the firm or association, and the legal representative of any such person who is deceased, shall be jointly and severally liable for the amount of tax found payable by the firm or association upon such assessment and shall, for the purpose of recovery of such tax, including penalty and other sum payable, be deemed to be an assessee; and the provisions of this Ordinance shall apply accordingly.

100. (1) Where any private company is wound up 1[or has discontinued business for three successive years] and any tax assessed on the company, whether before, or in the course of, or after its liquidation, in respect of any income of any income year cannot be recovered, every person who wa s, at any time during the relevant income year, a director of that company, shall, notwithstanding anything contained in 2[the Companies

Act, 1913 (VII of 1913) or ■■■■■■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■)], be jointly and severally liable to pay the said tax and shall, for the purposes of recovery thereof, be deemed to be an assessee in respect of such tax; and the provisions of this Ordinance shall apply accordingly.

Liability of
directors for
unrecoverable
tax of private
companies

(2) Notwithstanding the provisions of sub -section (1), the liability of any person thereunder in respect of the income of a private company shall cease if he proves to the Deputy Commissioner of Taxes that non -recovery of tax from the company cannot be attributed to any gross neglect, misfeasance or breach of any duty on his part in relation to affairs of the company.

1 The words ■or has discontinued business for three successive years■ were inserted after the words ■company is wound up■ by section 41 of ■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022).

2 The words, commas, brackets and figures ■th e Companies Act, 1913 (VII of 1913) or ■■■■■■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■)■ were substituted for the words, comma, brackets and figures ■the Companies Act, 1913 (VII of 1913)■ by section 6 of ■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 1984

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Liability of
liquidator for
tax of private
companies
under
liquidation

101. (1) A liquidator of a private company which is wound up, whether under the orders of a court or otherwise, shall, within thirty days after he has become such liquidator, give notice of his appointment as such to the Deputy Commissioner o f Taxes having jurisdiction to assess the company.

(2) The Deputy Commissioner of Taxes shall, after making such enquiries or, calling for such information as he may consider necessary, notify to the liquidator, within three months of the date of receipt of the notice under sub-section (1) the amount which, in his opinion, would be sufficient to provide for any tax which is then, or is likely thereafter to become, payable by the company.

(3) On being notified under sub -section (2), the liquidator shall set aside an amount equal to the amount so notified and shall not, before he sets aside such amount, part with any of the assets, of the company except for the purpose of payment of tax payable by the company or for making payment to secure such cred itors as are entitled under the law to priority of payment over the debts

due to the Government on the date of liquidation.

(4) The liquidator shall be personally liable for payment of the tax on behalf of the company to the extent of the amount notified, if any, under sub-section (2), if he-

(a) fails to give notice as required by sub-section (1); or

(b) contravenes the provisions of sub-section (3).

(5) Where there are more liquidators than one, the obligations and liabilities of a liquidator under this section shall attach to all the liquidators jointly and severally.

(6) This section shall have effect notwithstanding anything to the contrary contained in any other law for the time being in force.

Explanation.- In this section, ■liquidator■ includes any person who has been appointed to be the receiver of the assets of the company under liquidation.

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1[102. (1) Notwithstanding anything contained in this Ordinance, where a non-resident carries on the business of operation of ships as the owner or charterer thereof (hereinafter in this section referred to as the principal) tax shall be levied and collected in respect of such business in accordance with the provisions of this section.

Liability to tax

in case of

shipping

business of non-

residents

(2) Before the departure from any port in Bangladesh of any ship, the master of the ship shall prepare and furnish to the Deputy Commissioner of Taxes a return showing-

(a) the amount paid or payable whether in or out of Bangladesh to the principal, or to any person on his behalf, on account of the carriage of passengers, livestock, mail or goods shipped at the port since the last arrival of the ship; and

(b) the amount received, or deemed to be received in Bangladesh by, or on behalf of, the principal on account of the carriage of passengers, livestock, mail or goods 2[shipped at any port] outside Bangladesh.

(3) On receipt of the return, the Deputy Commissioner of Taxes shall determine the aggregate of the amounts referred to in sub-section (2) and, for this purpose, may call for such particulars, accounts or documents, as he may require and the aggregate of the said amounts so determined shall be deemed to be income received in Bangladesh by the principal from the said business chargeable to tax under this Ordinance under the head ■Income from business or profession■ and tax thereon shall be charged at the rate of eight per cent of such income.

(4) Where the Deputy Commissioner of Taxes is satisfied that it is not possible for the master of the ship or the principal to furnish the return required under sub-section (2) before the departure of the ship from the port and the principal has made satisfactory arrangements for the filing of the return and payment of the tax by any other person on his behalf, the

1 Section 102 was substituted by section 12 of A_© AvBb, 1989 (1989 mþbi 36 bs AvBb)|

2 The words ■shipped at any port■ were substituted for the words ■at any port■ by section 27 of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018). Income-tax Ordinance, 1984

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Deputy Commissioner of Taxes may, if the return is filed within thirty days of the departure of the ship, deem the filing of the return by the person so authorised by the principal as sufficient compliance with sub-section (2) 1[:

Provided that where any charge mentioned in sub-section (8) is accrued after the expiry of said thirty days, the other person mentioned in this sub-section shall file a supplementary return in respect of such charge and pay tax thereon within next thirty days from the end of the month in which the charge has accrued.]

(5) No port clearance shall be granted to the ship until the 2[Commissioner of Customs], or any other officer duly authorised to grant the same, is satisfied that the tax payable under sub-section (3) has been duly paid or that satisfactory arrangements have been made for the payment thereof.

(6) Nothing contained in this Ordinance shall be so construed as to allow any expense against the aggregate amount of receipts as determined under sub-section (3).

(7) The tax paid under this section shall be deemed to be the final discharge of the tax liability of the assessee under this Ordinance, and the assessee shall not be required to file the return of total income under section 75 nor shall he be entitled to claim any refund or adjustment on the basis of such return.]

3[(8) For the purpose of this section, the amount referred to in sub-section (2) shall include the amount paid or payable by way of demurrage charge or handling charge or any other amount of similar nature.]

103. [Adjustment of liability to tax in case of shipping. -
Omitted by section 12 of A_© AvBb, 1989 (1989 mþbi 36 bs AvBb)]

1 The colon (:) was substituted for the full-stop (.) and the proviso was added by section 34 (a) of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017).

2 The words ■Commissioner of Customs■ were substituted for the words ■Collector of Customs■ by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|

3 Sub-section (8) was added by section 34 (b) of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017). Income-tax Ordinance, 1984

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1[103A. (1) Notwithstanding anything contained in this Ordinance, where a non-resident person carries on the business of operation of aircraft, as the owner or charterer thereof (hereinafter in this section referred to as the principal), and any aircraft owned or chartered by him calls on any airport in Bangladesh, the aggregate of the receipts arising from the carriage of passengers, livestock, mail or goods loaded at the said airport into that aircraft shall be deemed to be income received in Bangladesh by the principal from the said business chargeable to tax under the head ■Income from business or profession■ and tax thereon shall be charged at the rate of three per cent of such income.

Liability to tax
in case of air
transport
business of non-
residents

(2) The principal or an agent authorised by him in this behalf shall prepare and furnish to the Deputy Commissioner of Taxes, within forty-five days from the last day of each quarter of every financial year, that is to say, the thirtieth day of September, the thirty-first day of December, the thirty-first day of March and the thirtieth day of June, respectively, a return in respect of each quarter as aforesaid showing-

(a) the amount paid or payable whether in or out of Bangladesh to the principal, or to any person on his behalf, on account of the carriage of passengers, livestock, mail or goods loaded at the said airport; and

(b) the amount received, or deemed to be received, in Bangladesh by, or on behalf of, the principal on account of the carriage of passengers, livestock, mail or goods at any airport outside Bangladesh.

(3) On receipt of the return, the Deputy Commissioner of Taxes may, after calling for such particulars, accounts or documents, as he may require, determine the aggregate of the amounts referred to in sub-section (2) and charge tax as laid down in sub-section (1).

(4) Where the principal fails to pay the tax payable under sub-section (1), for more than three months, the Commissioner of Taxes may issue to the authority by whom clearance may be granted to that aircraft a certificate containing the name of the

1 Section 103A was inserted by section of A_© AvBb, 1989 (1989 mþbi 36 bs AvBb)| Income-tax Ordinance, 1984

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principal and the amount of tax payable by him; and on receipt of such certificate, the said authority shall refuse clearance from any airport in Bangladesh to any air craft owned or chartered by such person until the tax payable has been paid.

(5) Nothing contained in this Ordinance shall be so construed as to allow any expense against the aggregate amount of receipts as determined under sub-section (3).

(6) The tax paid under this section shall be deemed to be the final discharge of the tax liability of the assessee under this Ordinance, and the assessee shall not be required to file the return of total income under section 75 nor shall he be entitled to claim any refund or adjustment on the basis of such return.]

CHAPTER XI

SPECIAL PROVISIONS RELATING TO AVOIDANCE OF TAX

Avoidance of
tax through
transactions
with non-
residents

104. Where any business is carried on between a resident and a non -resident and it appears to the Deputy Commissioner of Taxes that, owing to the close connection between them, the course of business is so arranged that the business transacted between them produces to the resident either no profits or profits less than the ordinary profits which might be expected to yield in that business, the Deputy Commissioner of Taxes shall determine the amount of income which may reasonably be considered to have accrued to the resident from such business and include such amount in the total income of the resident.

Avoidance of
tax through
transfer of
assets

105. (1) Any income which becomes payable to a non - resident by virtue, or in consequence, of any transfer of assets, whether alone or in conjunction with associated operations, shall be deemed to be the income of the person who-

(a) has acquired, by means of such transfer or associated operations, any right by virtue, or in consequence, of which he has power to enjoy,

whether forthwith or in future, the income which becomes so payable to the non-resident, or

(b) has received or is entitled to receive at any time, for reasons attributable to such transactions or
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associated operations, any sum paid or payable by way of loan or repayment of loan or any other sum, not being a sum paid or payable as income or for full consideration of money or money's worth.

(2) The income which becomes payable to a non-resident and is deemed under sub-section (1), to be the income of the person referred to therein shall be so deemed for all purposes of this Ordinance, whether such income would or would not have been chargeable to tax apart from the provisions of this section.

(3) The provisions of this section shall not operate if it is shown to the satisfaction of the Deputy Commissioner of Taxes-

(a) that neither the transfer nor any associated operation had for its purpose, or for one of its purposes, the avoidance of liability to taxation; or

(b) that the transfer and all associated operations were bona fide commercial transaction and were not designed for the purpose of avoiding liability to taxation.

(4) Where any person has been charged to tax on any income which is deemed under sub-section (1) to be his income, that income shall not again be deemed to form part of his income for the purpose of this Ordinance if it is subsequently received by him whether as income or in any other form.

(5) A person shall, for the purposes of this section, be deemed to have power to enjoy the income payable to a non-resident if-

(a) such income is in fact so dealt with as to be calculated to ensure at any time for the benefit of such person in any form; or

(b) the receipt or accrual of such income operates to increase the value of any assets held by such person or for his benefit; or

(c) such person receives or is entitled to receive at any time any benefit provided or to be provided-

(i) out of such income; or
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(ii) out of moneys which are or will be, available for the purpose by reason of the effect or successive effects of associated operations on such income and on any assets representing the income; or

(d) such person has, by means of the exercise of any power of appointment, revocation or otherwise, power to obtain for himself, with or without the consent of any other person, the beneficial enjoyment of such income; or

(e) such person is able to control, directly or indirectly, the application of such income, in any manner whatsoever.

(6) In determining whether a person has power to enjoy income, regard shall be had to the substantial result and effect of the transfer and any associated operations, and to all benefits which may at any time accrue to such person as a result of the transfer and associated operations irrespective of the nature or form of the benefit.

Explanation.-For the purposes of this section,-

(a) **assets** includes property or rights of any kind and **transfer**, in relation to assets being rights, includes creation of those rights;

(b) **associated operation**, in relation to any transfer, means an operation of any kind effected by any person in relation to-

(i) any of the assets transferred; or

(ii) any income arising from such assets; or

(iii) any assets representing, directly or indirectly, any of the assets transferred, or the accumulation of the income arising from such assets;

(c) **benefit** includes a payment of any kind;

(d) references to assets representing any assets transferred, or any income or accumulation of income arising therefrom, includes references to shares in or obligation of any company to which, or the obligation of any other person to whom, any such assets or that income or accumulation of income is or has been transferred; and

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(e) any body corporate incorporated outside Bangladesh shall be treated as if it were a non - resident.

106. (1) Where the owner of any securities sells or transfers those securities and buys them back or reacquires them, or buys or acquires similar securities, and the result of the transactions is that any interest becoming payable in respect of the original securities sold or transferred by the owner is not receivable by the owner, the interest payable as aforesaid shall be deemed, for all purposes of this Ordinance, to be the income of such owner and not of any other person, whether the interest payable as aforesaid would or would not have been chargeable to tax apart from the provisions of this sub-section.

Avoidance of
tax by
transactions in
securities

(2) Where any person has had for any period during an income year any beneficial interest in any securities and the result of any transactions within that year relating to such securities or the income thereof is that no income is received by him, or that the income received by him is less than the sum which the income would have amounted to had the income from such securities accrued from day to day, and been apportioned to the said period, then the income from such securities for the said period shall be deemed to be the income of such person.

(3) Where , any person carrying on a business which consists wholly or partly in dealing in securities buys or acquires any securities from any other person and either sells back or re-transfers those securities, or sells or transfers similar securities, to such other person, and the result of the transactions is that the interest becoming payable in respect of the securities bought or acquired by him is receivable by him but is not deemed to be his income by reason of the provisions of sub-section (1), no account shall be taken of the transactions in computing for any of the purposes of this Ordinance any income arising from, or loss sustained, in the business.

(4) The Deputy Commissioner of Taxes may, by notice in writing, require any person to furnish him, within such time, not being less than twenty -eight days, as may be specified in the notice, such particulars in respect of all securities of which such person was the owner, or in which he had beneficial interest at any

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time during the period specified in the notice, as the Deputy Commissioner of Taxes may consider necessary for the purpose of

ascertaining whether tax has been borne in respect of the interest on all those securities and also for other purposes of this section.

Explanation.- For the purposes of this section,-

- (a) ■interest■ includes dividend;
- (b) ■securities■ includes stocks and shares; and
- (c) securities shall be deemed to be similar if they entitle their holders to the same right against the same persons as to capital and interest and the same remedies for the enforcement of these rights, notwithstanding any difference in the total nominal amounts of the respective securities or in the form in which they are held or in the manner in which they can be transferred.

Tax clearance
certificate
required for
persons leaving
Bangladesh

107. (1) Subject to such exceptions as the Board may make in this behalf, a person who is not domiciled in Bangladesh, or a person who being domiciled in Bangladesh at the time of his departure is not, in the opinion of an income tax authority likely to return to Bangladesh, shall not leave Bangladesh without obtaining from the Deputy Commissioner of Taxes authorised in this behalf by the Board:-

- (a) a tax clearance certificate, or
 - (b) if he has the intention of returning to Bangladesh, an exemption certificate which shall be issued only if the Deputy Commissioner of Taxes is satisfied that such person has such intention; and such exemption certificate may be either for a single journey or for all journeys within the period specified in the certificate.
- (2) The owner or charterer of any ship or aircraft, who issue any authority to any person referred to in sub-section (1) for travel by such ship or aircraft from any place in Bangladesh to any place outside Bangladesh unless such person has a certificate required by that sub-section, shall-

- (a) be liable to pay the amount of tax, if any, which has or may become due and payable by such person and also

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to a penalty which may extend to two thousand taka; and

- (b) be deemed, for the purposes of recovery of such tax and penalty, to be an assessee in default, and all the provisions of this Ordinance shall apply accordingly.

Explanation.-For the purposes of this section,-

(a) ■exemption certificate■, in relation to any person, means a certificate to the effect that such person is exempt from the requirement of having a tax clearance certificate for the purpose of the journey or journeys specified therein;

(b) ■owner■ or ■charterer■ includes any representative, agent or employee who may be empowered by the owner or charterer of a ship or aircraft to issue an authority to travel by the ship or aircraft; and

(c) ■Tax clearance certificate■, in relation to a person, means a certificate to the effect that such person has no liability under this Ordinance, the Income -tax Act, 1922 (XI of 1922), 1[the Gift-tax Act, 1963 (XIV of 1963) or `vb Ki AvBb, 1990 (1990 mþbi 44 bs AvBb)], or the Wealth-tax Act, 1963 (XV of 1963), or that satisfactory arrangements have been made for the payment of all or any of such taxes which are or may become payable by such person.

2[CHAPTER XIA Transfer Pricing

107A. In this Chapter, unless there is anything repugnant in the subject or context, -
Definitions

(1) "arm's length price" means a price in a transaction, the conditions (e.g. price, margin or profit split) of which

1 The words, commas, figures and brackets ■the Gift -tax Act, 1963 (XIV of 1963) or `vb Ki AvBb, 1990 (1990 mþbi 44 bs AvBb) ■ were substituted for the words, comma, figures and brackets ■the Gift -tax Act, 1963 (XIV of 1963)■ by section 6 of A_© AvBb, 19 99 (1999 mþbi 16 bs AvBb)|

2 "CHAPTER XIA" was inserted after "CHAPTER XI" by section 45 of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012). Income-tax Ordinance, 1984

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do not differ from the conditions that would have prevailed in a comparable uncontrolled transaction between independent entities carried out under comparable circumstances;

(2) "associated enterprise ", in relation to another enter prise, means an enterprise which, at any time during the income year, has the following relationship with the other enterprise-

(a) one enterprise participates, directly or indirectly, or through one or more intermediaries, in the management or control or capital of the other enterprise; or

(b) the same person or persons participate, directly or indirectly, or through one or more intermediaries, in the management or control or capital, of both enterprises; or

(c) one enterprise holds, directly or indirectly, shares carrying more than twenty five percent of the voting power in the other enterprise; or

(d) the same person or persons controls shares carrying more than twenty five percent of the voting power in both enterprises; or

(e) the cumulative amount of borrowings of one enterprise from the other enterprise constitutes more than fifty percent of the book value of the total assets of that other enterprise; or

(f) the cumulative amount of guarantees provided by one enterprise in favour of the other enterprise constitutes more than ten percent of the book value of the total borrowings of the other enterprise; or

(g) more than half of the board of directors or members of the governing board of one enterprise are appointed by the other enterprise; or

(h) any executive director or executive member of the governing board of one enterprise is appointed by, or is in common with the other enterprise; or

(i) the same person or persons appoint more than half of
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the board of directors or members in both enterprises;
or

(j) the same person or persons appoint any executive director or executive member in both enterprises; or

(k) one enterprise has the practical ability to control the decision of the other enterprise; or

(l) the two enterprises are bonded by such relationship of mutual interest as may be prescribed;

(3) "enterprise" means a person or a venture of any nature (including a permanent establishment of such person or venture);

(4) "independent enterprise" means an enterprise that is not an associated enterprise;

(5) "international transaction" means a transaction between associated enterprises, either or both of whom are non-residents, in the nature of purchase, sale or lease of tangible or intangible property, or provision of services, or lending or borrowing money, or any other transaction having a bearing on the profits, income, losses, assets, financial position or economic value of such enterprises, and includes-

(a) a mutual agreement or arrangement between two or more associated enterprises for the allocation or apportionment of, or any contribution to, any cost or expense incurred or to be incurred in connection with a benefit, service or facility provided or to be provided to any one or more of such enterprises;

(b) a transaction entered into by an enterprise with a person 1[irrespective of whether such other person is a non-resident or not] other than an associated enterprise, if there exists a prior agreement in relation to the relevant transaction between such other person and the associated enterprise, or the terms of the relevant transaction are determined in substance between such other person and the associated enterprise;

1 The words "irrespective of whether such other person is a non-resident or not" were inserted after the words "with a person" by section 42 of the Income-tax Ordinance, 1984

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1[***]

(7) "property" includes goods, articles, things or items, patent, invention, formula, process, design, pattern, know-how, copyright, trademark, trade name, brand name, literary, musical, or artistic composition, franchise, license or contract, method, program, software, database, system, procedure, campaign, survey, study, forecast, estimate, customer list, technical data, any aspects of advertising and marketing, any item which has substantial value, or any other intangible property;

(8) "record" includes electronically held information, documents and records;

(9) "Transfer Pricing Officer" means any income tax authority authorised by the Board to perform the function of a Transfer Pricing Officer;

(10) "transaction" includes an arrangement, understanding or

action between two or more parties, whether or not such arrangement, understanding or action is formal or in writing; or whether or not it is intended to be enforceable by legal proceeding;

(11) "uncontrolled transaction" means a transaction undertaken between enterprises not being the associated enterprises.

Determination
of income from
international
transaction
having regard to
arm's length
price

107B. Notwithstanding anything contained in Chapter XI of this Ordinance, the amount of any income, or expenditure, arising from an international transaction shall be determined having regard to the arm's length price.

Computation of
arm's length
price

107C. (1) The arm's length price in relation to an international transaction shall be determined by applying the

1 Clause (6) was omitted by section 28 of ■■■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018). Income-tax Ordinance, 1984

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most appropriate method or methods selected from the following methods based on the nature of transaction, the availability of reliable information, functions performed, assets employed, risks assumed or such other factors as may be prescribed, namely:-

- (a) comparable uncontrolled price method;
- (b) resale price method;
- (c) cost plus method;
- (d) profit split method;
- (e) transactional net margin method;
- (f) any other method where it can be demonstrated that-

(i) none of the methods mentioned in clause (a) to (e) can be reasonably applied to determine the arm's length price for the international transaction; and

(ii) such other method yields a result consistent with the arm's length price.

1[(1A) Where the most appropriate method applied is a method other than the method referred to in clause (d) or clause

(f) of sub -section (1) and the dataset of the arm's length price consists of six or more entries, an arm's length range beginning from the thirty percentile of the dataset and ending on the seventy per centile of the dataset shall be constructed and the arm's length price shall be-

i. if the price at which the international transaction has actually been undertaken is within the range referred as above, then the price at which such international transaction has actually been undertaken shall be deemed to be the arm's length price;

ii. if the price at which the international transaction has actually been undertaken is outside the arm's length range referred as mentioned above, the arm's length price shall be taken to be the median of the dataset

1 Sub-section (1A) was inserted by section 43 of ■■■■■■■■■■, ■■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 1

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In a case the dataset is less than six entries, the arm's length price shall be the arithmetical mean of all the values included in the dataset.]]

(2) The most appropriate method referred to in sub -section (1) shall be applied for determination of arm 's length price in the manner as may be prescribed:

Provided that the arm 's length price determined under this section shall not result in total income lower than the total income that would have been resulted if the price at which international transaction has actually been undertaken were taken as the price charged or paid in the said international transaction.

(3) Where in the course of any assessment under Chapter IX of this Ordinance, the Deputy Commissioner of Taxes is of the opinion that-

(a) the price charged or paid in an international transaction has not been determined by the assessee in accordance with sub-sections (1) and (2); or

(b) the assessee has failed to maintain the information, documents or records in accordance with the provisions of section 107E; or

(c) the information or data based on which the arm's length price was computed by the assessee is not reliable or correct;

the Deputy Commissioner of Taxes may determine the arm's length price in relation to the said international transaction in accordance with provisions of sub-sections (1) and (2) on the basis of information or documents or other evidence available to him.

(4) In determining the arm's length price under sub-section (3), the Deputy Commissioner of Taxes shall give an opportunity to the assessee by serving a notice calling upon him to show cause, on a date and time to be specified in the notice, why the arm's length price should not be so determined on the basis of information or documents or other evidence available to the Deputy Commissioner of Taxes.

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(5) Where an arm's length price is determined under sub-section (3) of this section or under sub-section (4) of section 107D, the Deputy Commissioner of Taxes shall, by an order in writing, proceed to compute the total income of the assessee having regard to the arm's length price so determined.

107D. (1) Notwithstanding anything contained in section 107C of this Ordinance,-

(a) the Deputy Commissioner of Taxes, with prior approval of the Board, may refer the determination of the arm's length price under section 107C to the Transfer Pricing Officer;

(b) the Transfer Pricing Officer, with prior approval of the Board, may proceed to determine the arm's length price in relation to any international transaction.

(2) Where a reference is made or any proceedings have been initiated under sub-section (1), the Transfer Pricing Officer shall serve a notice on the assessee requiring him to produce or cause to be produced on a date to be specified therein, any evidence on which the assessee may rely in support of his computation of the arm's length price in relation to the international transaction in question.

Reference to
Transfer Pricing
Officer

(3) The Transfer Pricing Officer shall, after considering the evidence produced before him or available to him including the evidence as he may require on any specified points from the assessee or from any other person, and after taking into account all relevant materials which he has gathered shall, by order in writing, determine the arm's length

price in relation to the international transaction in accordance with section 107C of this Ordinance and send a copy of his order to the Deputy Commissioner of Taxes.

(4) The Deputy Commissioner of Taxes, upon receipt of the order under sub -section (3), shall proceed to compute the total income of the assessee in conformity with the arm's

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length price so determined by the Transfer Pricing Officer 1[and in computing the income of a person that is exempted from tax or is subject to a reduced rate of tax, the adjustment made in conformity with the arm's length price so determined by the Transfer Pricing Officer shall be treated as income of such person and tax shall be payable on such income at the regular rate].

(5) The Transfer Pricing Officer may rectify any order passed by him under sub -section (3) so as to correct any mistake apparent from the record either of his own motion or on the mistake having been brought to his notice by the assessee or any other income tax authority, and the provisions of section 173 of this Ordinance shall, so far as may be, apply accordingly.

(6) Where any rectification is made under sub-section (5), the Transfer Pricing Officer shall send a copy of his order to the Deputy Commissioner of Taxes who shall thereafter proceed to amend the order of assessment in conformity with such order of the Transfer Pricing Officer.

Maintenance and
keeping of
information,
documents and
records

107E. (1) Every person who has entered into an international transaction shall keep and maintain such information, documents and records as may be prescribed.

(2) Without prejudice to the provisions of sub-section (1), the Board may prescribe the period for which the information, documents and records shall be kept and maintained.

(3) The Deputy Commissioner of Taxes may, by notice in writing, require any person to furnish any information, documents and records as prescribed under sub -section (1) within the period as may be specified in the notice.

1 The words and comma ■and in computing the income of a person that is exempted from tax or is subject to a reduced rate of tax, the adjustment made in conformity with the arm's length price so determined by the Transfer Pricing Officer shall be treated as income of such person and tax shall be payable on such income at the regular rate■

were added after the word ■Officer■ by section 44 of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 1984

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1[107EE. Every person who has entered into an international transaction shall furnish, along with the return of income, a statement of international transactions in the form and manner as may be prescribed.]

Statement of
international
transactions to
be submitted

2[107F. The Deputy Commissioner of Taxes may, by notice in writing, require that a person who has entered into international transaction or transactions the aggregate value of which, as recorded in the books of accounts, exceeds three crore taka during an income year shall furnish within the period as may be specified in the notice and in the form and manner as may be prescribed, a report from a Chartered Accountant or a Cost and Management Accountant regarding all or of a part of the information, documents and records furnished under section 107E.]

Report from an
accountant to be
furnished

107G. Where any person fails to keep, maintain or furnish any information or documents or records as required by section 107E of this Ordinance, without prejudice to the provisions of Chapter XV of this Ordinance, the Deputy Commissioner of Taxes may impose upon such person a penalty not exceeding one per cent of the value of each international transaction entered into by such person.

Penalty for failure
to keep, maintain
or furnish
information,
documents or
records to the
Deputy
Commissioner of
Taxes

107H. Where any person fails to comply with the notice or requisition under section 107C of this Ordinance, the Deputy Commissioner of Taxes may impose upon such person a penalty not exceeding one percent of the value of each international transaction entered into by such person.

Penalty for
failure to
comply with the
notice or
requisition
under section
107C

3[107HH. Where any person fails to comply with the

provision of section 107EE of this Ordinance, the Deputy
Penalty for
failure to
comply with the

1 Section 107EE was inserted by section 42 of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

2 Section 107F was substituted by section 50 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015).

3 Section 107HH was inserted by section 51 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015). Income-tax Ordinance, 1984

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provision of
section 107EE

Commissioner of Taxes may impose upon such person a penalty not exceeding two per cent (2%) of the value of each international transaction entered into by such person.]

Penalty for
failure to
furnish report
under section
107F

107I. Where any person fails to furnish a report 1[***] as required by section 107F of this Ordinance, the Deputy Commissioner of Taxes may impose upon such person a penalty of a sum not exceeding three lakh taka.

Applicability
of this Chapter

107J. The provisions of this Chapter shall come into force from the date specified by the Board through notification in the official Gazette.]

CHAPTER XII

REQUIREMENT OF FURNISHING CERTAIN INFORMATION

Information
regarding
payment of
salary

108. Every person responsible for making any payment constituting income classifiable under the head ■Salaries■ not being payment made by the Government, and the prescribed officer in cases where such payments are made by the Government, shall, before the first day of September each year, furnish to the Deputy Commissioner of Taxes, a statement prepared in the prescribed form and verified in the prescribed manner so as to give the following information, namely:-

(a) the name and address of every person to whom such payment has been made, or was due, during the preceding

financial year if the payment exceeds such amount as may be prescribed;

- (b) the amount of payment so made, or due;
- (c) the amount deducted as tax from such payment; and
- (d) such other particulars as may be prescribed :

Provided that the Deputy Commissioner of Taxes may extend the date for the delivery of the statement.

1 The words "from a Chartered Accountant" were omitted by section 52 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) ■ Income-tax Ordinance, 1984

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1[108A. (1) Every employee shall furnish the following information to the employer by the fifteenth day of April each year-

- (i) Taxpayer's Identification Number;
- (ii) Date of filing of the return of income; and
- (iii) The serial number provided by the income tax authority upon filing of the return of income.

(2) Any person responsible for making any payment which is an income of the payee classifiable under the head "Salaries", shall, by the thirtieth day of April of each year, furnish to such income tax authority and in such manner as may be prescribed, a statement containing the following information regarding the payee:-

- (i) The name, designation and the Taxpayer's Identification Number;
- (ii) Date of filing of the return of income;
- (iii) The serial number provided by the income tax authority upon filing of the return;

(3) Nothing in this section shall apply to a payment made by the Government.]
Information
regarding filing
of return by
employees

109. Every person responsible for making any payment of interest constituting income not classifiable under the head "Interest on securities" shall, if such payment exceeds 2[fifteen thousand taka], before the first day of September each year, furnish to a prescribed officer a statement prepared in the prescribed form and verified in the prescribed manner so as to give the following information, namely:-
Information

regarding
payment of
interest

(a) the name and address of every person to whom such payment has been made, or was due, during the preceding financial year;

1 Section 108A was inserted by section 29 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018).

2 The words ■fifteen thousand taka■ were substituted for the words ■five thousand taka■ by section 10 of the Finance Ordinance, 1986 (Ordinance No. XLV of 1986). Income-tax Ordinance, 1984

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(b) the amount of payment so made or due; and

(c) such other particulars as may be prescribed.

Information
regarding
payment of
dividend

110. The principal officer of every company shall, before the first day of September each year, furnish to the prescribed officer a statement prepared in the prescribed form and verified in the prescribed manner, so as to give the following information, namely:-

(a) the name and address of every shareholder, as entered in the register of shareholders, to whom a dividend or the aggregate of dividends has been paid or distributed during the preceding financial year if such payment exceeds such amount as may be prescribed;

(b) the amount of dividend or dividends so paid or distributed; and

(c) such other particulars as may be prescribed.

CHAPTER XIII

[REGISTRATION OF FIRMS.- Omitted by section 6 of the Finance Act, 1995 (Act No. XII of 1995).]

111. [Registration of firms. - Omitted by section 6 of the Finance Act, 1995 (Act No. XII of 1995).]

CHAPTER CHAPTER XIII A

1[Startup Sandbox]

Startup sandbox 2[111A. (1) Notwithstanding anything contained in this Ordinance, the provisions of this section shall have overriding effect over all other provisions of this Ordinance.

1 Chapter XIII A and section 111 A were added after omitted section 111 by section 42 of
■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022).

2 Chapter XIII A and section 111 A were added after omitted section 111 by section 42 of
■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022). Income-tax Ordinance, 1984

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(2) In determining ■income from business or profession■
of a startup registered under this section, sections 30 and 30B
shall not be applicable for growth years.

(3) Where in any growth year, any loss is incurred by a
startup registered under this section and the loss cannot be
wholly so set off, the amount of the loss not so set off shall be
carried forward to the next assessment year and so on for not
more than nine successive assessment years.

(4) The rate of minimum tax as provided in sub-section (4)
of section 82C for growth years of a startup registered under
this section shall be 0.1% (zero point one percent).

(5) Save as provided in section 75, a startup registered
under this section shall have no reporting obligation under this
Ordinance for growth years if the startup provides permanent
access to its system or books to the income tax authority.

(6) A startup, to enjoy the benefit of sandbox, shall be
registered with the Board in the manner as required by the
Board.

(7) A startup shall not be eligible for registration under
this section, if it –

(a) is incorporated prior to first day of July 2017; or

(b) is incorporated between first day of July 2017 and
thirtieth day of June 2022 and fails to get registration
by the thirtieth day of June 2023; or

(c) is incorporated on or after first day of July 2022 and
fails to get registration under this section by thirtieth
June of every year following the year of its
incorporation.

(8) For the purpose of this section-

(a) ■growth years■ means-

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(i) for the purpose of clause (b) of sub -section (7), a
period of three years that starts with first day of
July 2023 and ends with the thirtieth day of June
2026.

(ii) for the purpose of clause (c) of sub -section (7), a
period of five years that starts with first day of

July of the year following the year of incorporation.

(b) ■innovation■ means the process of creating value by offering novel solution or making a significant improvement to any prevailing solution to any significant problem or a set of problems.

(c) ■startup■ means a company with annual turnover not exceeding Taka 100 crore in any financial year and that-

(i) is incorporated under ■■■■■■■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■); and

(ii) works towards deployment or commercialization of new products, process or service driven by innovation, development and technology or intellectual property; and

(iii) is not a subsidiary of another company holding fifty percent or more of its shares; and

(iv) is not a resulting company of a scheme of amalgamation or demerger.

CHAPTER XIV POWERS OF INCOME TAX AUTHORITIES

Powers under this
Chapter not to
prejudice other
powers

112. The powers exercisable by income tax authorities under this Chapter shall not prejudice, unless otherwise provided in the provision thereof, the powers exercisable under the other provisions of this Ordinance.

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113. The Deputy Commissioner of Taxes, the Inspecting Joint Commissioner, 1[the Commissioner, the Director-General, Central Intelligence Cell,] 2[Directors-General of Inspection (Taxes),] or any other officer authorised in this behalf by the Commissioner or the Board may, for the purposes of this Ordinance, by notice in writing, require-

Power to call
for information

(a) any firm, to furnish him with a statement of the names and addresses of the partners and their respective shares;

(b) any Hindu undivided family, to furnish him with a statement of the names and addresses of the manager and the members of the family;

(c) any person, whom he has reason to believe to be a trustee, guardian or agent to furnish him with a statement of the names and addresses of the persons for or of whom he is trustee, guardian or agent;

(d) any assessee to furnish him with a statement of the names and addresses of all persons to whom he has paid in any income year any rent, interest, commission, royalty or brokerage, or any annuity, not being an annuity classifiable under the head ■Salaries■, amounting to more than three thousand taka, together with particulars of all such payment;

(e) any dealer, broker or agent, or any person concerned in the management of a Stock Exchange, to furnish a statement of the names and addresses of all persons to whom he or the Exchange has paid any sum in connection with the transfer of capital assets, or on whose behalf or from whom he or the Exchange has received any such sum, together with the particulars of all such payments and receipts; or

(f) any person, including a banking company, to furnish information in relation to such points or matters, or to

1 The words and commas ■the Commissioner, the Director -General, Central Intelligence Cell,■ were substituted for the words ■ the Commissioner■ by section 34 of A_© AvBb, 2004 (2004 mþbi 16 bs AvBb)|

2 The words, symbols and bracket ■Directors-General of Inspection (Taxes),■ were inserted for the words words and symbols ■Central Intelligence Cell,■ by section 26(b) of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■)| Income-tax Ordinance, 1984

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furnish such statement or accounts giving such particulars, as may be specified in the notice:

Provided that no such notice on a banking company shall be issued by the Deputy Commissioner of Taxes or the Inspector , without the approval of the Commissioner 1[***].

Automatic
furnishing of
information

2[113A. (1) The Board may, by a notice in official gazette, require any authority, person or entity to furnish in digital manner to the Board or any income tax authority specified by the Board, any information including information regarding assets, liabilities, income, expenses and transactions in respect of any class of persons.

(2) The information mentioned in sub -section (1) shall be

furnished in such digital manner as may be specified in the notice.

(3) For the purpose of this section, furnishing in digital manner includes-

- (a) uploading data in the system of the Board;
- (b) sharing data to the digital or electronic system of the Board; and
- (c) enabling digital or electronic access to the intended system.]

Power to
Inspect registers
of companies

114. The Deputy Commissioner of Taxes, the Joint Commissioner of Taxes or any person authorised in writing in this behalf by either of them, may inspect and, if necessary, take copies, or cause copies to be taken, of any register of the members, debenture-holders or mortgagees of any company or any entry in such register.

1 Commas and words ", the Director-General, Central Intelligence Cell, and by any other officer, without the approval of the board " were omitted by section 45 of A_© AvBb, 2009 (2009 mþbi 9 bs AvBb) (with effect from 1st July, 2007).

2 Section 113A was inserted by section 30 of A_© ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018). Income-tax Ordinance, 1984

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115. (1) For the purpose of survey of liability of any person to tax under this Ordinance, an income tax authority may, notwithstanding anything contained in other provisions of this Ordinance but subject to such directions or instructions as the Board may issue in this behalf, enter any place or premises within the limits of its jurisdiction and-

Power of survey

- (a) inspect any accounts or documents and check or verify any article or thing;
- (b) make an inventory of any cash, stock or other valuable articles or things checked or verified by it;
- (c) place marks of identification on or stamp the books of accounts or other documents inspected by it and make or cause to be made extracts or copies therefrom;
- (d) record the statement of any person which may be useful for, or relevant to, any proceeding under this Ordinance; and

(e) make such enquiries as may be necessary.

(2) Subject to the provisions of section 117, any income-tax authority exercising powers under sub-section (1), shall not remove or cause to be removed from any place or premises wherein he has entered, any books of account, or other documents, or any cash, stock or other valuable article or thing.

(3) Every proprietor, employee or other person who may be attending in any manner to, or helping in, the carrying on of any business or profession, or every person who may be residing in the place or premises in respect of which an income tax authority may be exercising power under sub-section (1), shall in aid of the exercise of such power,-

(a) afford the authority necessary facilities for inspection of books of accounts or other documents, or for checking or verifying the cash, stock or other valuable article or thing found in such place or premises; and

(b) furnish such information as the authority may require in respect of any matter which may be useful for, or relevant to, any proceeding under this Ordinance.

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Additional
powers of
enquiry and
production of
documents

116. (1) The 1[* * *] 2[Directors-General of Inspection], 3[the Commissioner, the Director-General, Central Intelligence Cell,] and the Inspecting Joint Commissioner may, without prejudice to other powers which they may have under other provisions of this Ordinance, make any enquiry which they consider necessary as respects any person liable, or believed by them to be liable, to assessment under this Ordinance, or 4[require any such person or any other person in relation to such enquiry to appear before him at the time and place as directed for providing any information or to produce or cause to be produced necessary documents, accounts or records including any electronic records and systems referred to in the Explanation of sub-section (2) of section 117 under the possession or control of such person or such other person].

(2) For the purpose of sub-section (1), the 5[* * *] 6[Directors-General of Inspection], 7[the Commissioner, the Director-General, Central Intelligence Cell,] and the Inspecting

AvBb, 1995 (1995 mþbi 12 bs AvBb)|

2 The words ■Directors -General of Inspection■ were substituted for the words ■Director of Inspection■ by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)|

3 The words and commas ■the Commissioner, the Director -General, Central Intelligence Cell,■ were substituted for the words ■the Commissioner■ by section 35 of A_© AvBb, 2004 (2004 mþbi 16 bs AvBb)|

4 The words , numbers, bracket and commas "require any such person or any other person in relation to such enquiry to appear before him at the time and place as directed for providing any information or to produce or cause to be produced necessary documents, accounts or records including any electronic records and systems referred to in the Explanation of sub-section (2) of section 117 under the possession or control of such person or such other person " were substituted for the words and comma "require any such person to produce, or cause to be produced, any accounts or documents which they may consider necessary " by section 27 of A_© AvBb, 2013 (2013 mþbi 25 bs AvBb) (with effect from 1st July, 2013).

5 The words and comma ■the Senior Commissioner,■ were omitted by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)|

6 The words ■Directors -General of Inspection■ were substituted for the words ■Director of Inspection■ by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)|

7 The words and commas ■the Commissioner, the Director -General, Central Intelligence Cell,■ were substituted for the words ■the Commissioner■ by section 35 of A_© AvBb, 2004 (2004 mþbi 16 bs AvBb)| Income-tax Ordinance, 1984

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Joint Commissioner shall have the same powers as the Deputy Commissioner of Taxes has under this Ordinance for the purposes of making enquiry or requiring the production of accounts or documents including the powers under section 117(2).

(3) 1[The Commissioner, the Director -General, Central Intelligence Cell,] the Inspecting Joint Commissioner, the Deputy Commissioner of Taxes or an Inspector, if he is so authorised in writing, may, for the purpose of making any enquiry which he considers necessary, enter the premises in which a person liable or believed by him to be liable to assessment, carries on his business or profession, and may call for and inspect any such person's accounts or any documents in his possession and may stamp any accounts or documents so inspected and may retain such accounts or documents for so long as may be necessary for examination thereof or for the purposes of a prosecution:

Provided that the Deputy Commissioner of Taxes or an Inspector shall not make any enquiries from any scheduled bank regarding any client of such bank except with the prior approval of the 2[* *] Commissioner.

3[116A. (1) Where, in the course of performing functions under this Ordinance, the Director -General, Central Intelligence Cell or the Commissioner has definite information in his hands that any person has concealed the particulars of income or investment, he may, by order in writing, require any person who is

in immediate possession or control of any money, bullion, jewellery, financial instrument, financial asset, valuable article or any other property not to remove, part with, or otherwise deal with it without obtaining previous permission of the concerned authority passing such order.

Power of giving
order for not
removing
property

1 The words and commas ■the Commissioner, the Director -General, Central Intelligence Cell,■ were substituted for the words ■the Commissioner■ by section 35 of A_© AvBb, 2004 (2004 mþbi 16 bs AvBb)|

2 The words ■Senior Commissioner or■ were omitted by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)|

3 Section 116A was inserted by section 28 of A_© AvBb, 2013 (2013 mþbi 25 bs AvBb) (with effect from 1st July, 2013). Income-tax Ordinance, 1984

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(2) Every such order shall cease to have effect after the expiry of a period of one year from the date of the order made under sub - section (1).

(3) The income tax authority mentioned in sub -section (1) may extend such period or periods with the approval of the Board:

Provided that the total period of extension shall in no case exceed one year.

(4) In computing the period referred to sub-section (2) and sub-section (3), the period, if any, for which the order under sub - section (1) has been stayed by any court, shall be excluded.]

Power of search
and seizure

117. (1) Where 1[* * *] the 2[Directors-General of Inspection] or 3[the Commissioner, the Director -General, Central Intelligence Cell,] or such other officer empowered in this behalf by the Board has, on account of information in his possession, reason to believe that-

(a) any person, to whom a summons or notice under this Ordinance has been or might be issued to produce, or cause to be produced , any books of accounts or other documents, 4[or electronic records and systems,] has failed to, or is not likely to, produce or cause to be produced such books of accounts or other documents, 4[or electronic records and systems,] or

(b) any person is in possession of any money, bullion, jewellery or other valuable article or thing which represents, wholly or partly, income or property which is required to be disclosed under this Ordinance but has not

- 1 The words "the Senior Commissioner or" were omitted by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)|
- 2 The words "Directors -General of Inspection" were substituted for the words "Director of Inspection" by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)|
- 3 The words and commas "the Commissioner, the Director -General, Central Intelligence Cell," were substituted for the words "the Commissioner" by section 36 of A_© AvBb, 2004 (2004 mþbi 16 bs AvBb)|
- 4 The words and comma "or electronic records and systems," were inserted by section 59 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb) (with effect from 1st July, 2010). Income-tax Ordinance, 1984

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been so disclosed, he may authorise any officer subordinate to him, being not below the rank of the 1[Assistant Commissioner of Taxes], to exercise the powers under sub-section (2).

(2) An officer authorised under sub-section (1) (hereinafter referred to as the authorised officer) may, notwithstanding anything contained in any other law for the time being in force,-

(a) enter and search any building, place, vessel, vehicle or aircraft where he has reason to suspect that any books of accounts, documents, 2[electronic records and systems,] money, bullion, jewellery or other valuable article or thing referred to in sub-section (1) are or have been kept;

(b) break-open the lock of any door, box, locker, safe, almirah or other receptacle for the purpose of the said entry, and search, if keys thereof are not available;

(c) search any person who has got out of, or is about to get, into, or is in, the building, place, vessel, vehicle or aircraft, if he has reason to suspect that such person has secreted about his person any such books of accounts, documents, 2[electronic records and systems,] money, bullion, jewellery or other valuable article or thing;

(d) seize any such books of accounts, documents, 2[electronic records and systems,] money, bullion, jewellery or other valuable article or thing found as a result of such search;

(e) place marks of identification on or stamp any books of accounts or other document or make or cause to be made extracts or copies therefrom;

(f) make a note or an inventory of any such money, bullion, jewellery or other valuable article or thing 3[;

1 The words "Assistant Commissioner of Taxes" were substituted for the words "Deputy Commissioner of Taxes " by section 46(a) of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012).

2 The words and comma "electronic records and systems," were inserted by section 59 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb)|

3 The semi -colon (;) was substituted for the full -stop (.) at the end of clause (f) and thereafter new clause (g) was added by section 47(a) of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011). Income-tax Ordinance, 1984

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(g) extract the data, images or any inputs stored in the electronic records and systems or enter the systems by breaking through password protection or copy or analyse the data, books of accounts, documents, images or inputs.]

1[Explanation.- For the purpose of this section, 'electronic records and systems' include data, record or data generated, image or sound stored, received or sent in an electronic form or micro film or computer generated micro fiche and also include an electronic device.]

(3) The authorised officer may requisition the services of any police officer or other officer of the Government 2[or any professional expert from outside the Government] to assist him for all or any of the purposes specified in sub -section (2); and it shall be the duty of every such officer 3[or professional expert] to comply with such requisition.

(4) The authorised officer may, where it is not practicable to seize any such books of accounts, documents, 4[electronic records and systems,] money, bullion, jewellery or other valuable article or thing, by order in writing, require the owner or the person who is in immediate possession or control thereof not to remove, part with or otherwise deal with it without obtaining his previous permission; and the authorised officer may take such steps as may be necessary for ensuring compliance with the order 5[:

1 "Explanation" was inserted after sub-section (2) of section 117 by section 46 (b) of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012).

2 The words "or any professional expert from outside the government" were inserted after the words "government" by section 47 (b) of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011).

3 The words "or professional expert" were inserted after the words "every such officer" by section 47 (b) of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011).

4 The words and comma "electronic records and systems," were inserted by section 59 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb)|

5 Colon (:) was substituted for the full -stop at the end of sub -section (4) and thereafter proviso was added by section 46 of A_© AvBb, 2009 (2009 mþbi 9 bs AvBb) (with effect from 1st July, 2007). Income-tax Ordinance, 1984

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Provided that if the owner or the person concerned, with out any reasonable cause, fails to comply with the provisions of this sub-section, the Deputy Director -General, Central Intelligence Cell or the Deputy Commissioner of Taxes may realize from him the money or the value of the bullion, jewellery, valuable article or thing, if any, removed, parted with or otherwise dealt with; and in such a case the said person shall be deemed to be an assessee in default under this Ordinance.]

(5) The authorised officer may, during the course of the search or seizure, examine on oath any person who is found to be in possession or control of any books of accounts, documents, 1[electronic records and systems,] money, bullion, jewellery or other valuable article or thing and any statement made by such person during the examination may thereafter be used in evidence in any proceeding under this Ordinance, or the Income -tax Act, 1922 (XI of 1922).

(6) Where any books of accounts, documents, 1[electronic records and systems,] money, bullion, jewellery or other valuable article o r thing is found in the possession or control of any person in the course of a search, it may be presumed that-

(a) the books of accounts, documents, 1[electronic records and systems,] money, bullion, jewellery, article or thing belongs to such person;

(b) the contents of 2[the books of accounts, documents, electronic records and systems] are true; and

(c) the signature on, or the handwriting in, any such books or documents is the signature or handwriting of the person whose signature or h and writing it purports to be.

1 The wrods and comma "electronic records and systems," were inserted by section 59(d) of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb)|

2 The words and commas "the books of accounts, documents, electronic records and systems" were substituted for the words "the books of accounts and documents " by section 59 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb)| Income-tax Ordinance, 1984

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(7) The person from whose custody any books of accounts or other documents 1[or electronic records and systems] are

seized under sub -section (2) may make copies thereof, or take extracts therefrom, in the presence of the authorised officer or any other person designated by him, at such place and time as the authorised officer may appoint in this behalf.

(8) The books of accounts or other documents 1[or electronic records and systems] seized under sub -section (2) shall not be retained by the authorised officer for a period exceeding one hundred and eighty days from the date of the seizure unless for reasons recorded in writing, approval of 2[* *] the Commissioner has been obtained for such retention:

Provided that 3[* * *] the Commissioner shall not approve such retention for a period exceeding thirty days after all the proceedings under this Ordinance in respect of the years for which the books of accounts or other documents, 4[electronic records and systems,] as are relevant, have been completed.

(9) If any person , legally entitled to the books of accounts or other documents 5[or electronic records and systems] seized under sub -section (2) objects to the approval given by the Commissioner under sub -section (8), he may make an application, stating therein the reasons for his objection, to the Board for the return of the books of accounts or other documents 1[or electronic records and systems]; and the Board may, after giving the applicant an opportunity of being heard, pass such orders thereon as it may think fit.

1 The words and comma "or electronic records and systems" were inserted by section 59 of A_© AvBb, 2010 (2010 mṭḃi 33 bs AvBb)|

2 The words ■the Senior Commissioner or■ were omitted by section 6 of A_© AvBb, 1995 (1995 mṭḃi 12 bs AvBb)|

3 The words ■the Senior Commissioner or■ were omitted by section 6 of A_© AvBb, 1995 (1995 mṭḃi 12 bs AvBb)|

4 The words and comma "electronic records and systems," were inserted by section 59 of A_© AvBb, 2010 (2010 mṭḃi 33 bs AvBb)|

5 The words "or electronic records and systems" were inserted by section 59 of A_© AvBb, 2010 (2010 mṭḃi 33 bs AvBb)| Income-tax Ordinance, 1984

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(10) Subject to the provisions of this Ordinance and the rules, if any, made in this behalf by the Board, the provisions of the Code of Criminal Procedure, 1898 (Act V of 1898), relating to search and seizure shall apply, so far as may be, to search and seizure under sub-section (2).

Explanation.- For the purposes of this section, the word ■proceeding■ means any proceeding in respect of any year under this Ordinance which may be pending on the date on which a search is authorised under this section or which may have been completed on or before such date and also includes all proceedings under this Ordinance which may be commenced after such date in respect of any year.

1[117A. (1) An authority, empowered in writing by the Commissioner of Taxes, Director General of Inspection or Director General of Intelligence Cell to verify deduction or collection of tax at source or to enforce the provisions of Chapter VII of this Ordinance, -

(a) shall have full and free access to the premises, places, products, books of accounts and records of economic activities maintained in any form or manner;

(b) shall have access to any information, code or technology which has the capability of retransforming or unscrambling encrypted data contained or available to such computers into readable and comprehensive format or text;

(c) may extract the data, images or any inputs stored in the electronic records and systems or enter the systems by breaking through password protection or copy or analyse the data, books of accounts, documents, images or inputs;

Power to verify
and enforce
deduction or
collection of tax

1 Section 117A was substituted by section 43 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022) Income-tax Ordinance, 1984

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(d) may place marks of identification on or stamp any books of accounts or other document or make or cause to be made extracts or copies therefrom;

(e) may impound and retain any such books of accounts, documents, electronic records and systems; and

(f) may require any person to perform or refrain from activities as directed.

(2) An authority empowered under sub-section (1), may be accompanied by experts, valuer or forces as he reasonably thinks fit.

(3) Where any authority empowered under sub-section (1) is obstructed, hindered or unassisted by any person, the person in whose premise or place the authority has entered or intended to enter shall be liable to a penalty not exceeding Taka fifty lakh.

(4) Where a person is found to be in default in respect of compliance of this section or Chapter VII of this Ordinance, the

Deputy Commissioner of Taxes shall, after recording explanation of the person so in default or ex parte where no explanation is found, proceed to recover the amount of taxes along with penalties by making an assessment thereof.]

Retention of
seized assets

118. (1) Where any money, bullion, jewellery or other valuable article or thing (hereinafter referred to as assets) is seized under section 117, the authorised officer shall, unless he himself is the Deputy Commissioner of Taxes, forward a report thereof, together with all relevant papers, to the Deputy Commissioner of Taxes.

(2) Where he has seized any assets under section 117 or, as the case may be, he has received a report under sub-section (1), the Deputy Commissioner of Taxes shall, after giving the person concerned a reasonable opportunity of being heard and making such enquiry as 1[* *] the 2[Directors-General of

1 The words ■the Senior Commissioner or■ were omitted by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)|

2 The words ■Directors -General of Inspection■ were substituted for the words ■Director of Inspection■ by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)| Income-tax Ordinance, 1984

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Inspection] or the Commissioner may direct, within ninety days of the seizure of the assets, and with the previous approval of the Commissioner-

(a) estimate the undisclosed income (including income from the undisclosed property), in a summary manner to the best of his judgement on the basis of such materials as are available with him;

(b) calculate the amount of tax payable under this Ordinance on the income so estimated; and

(c) specify the amount that will be required to satisfy any existing liability under this Ordinance, the Income tax Act, 1922 (XI of 1922), the Gift -tax Act, 1963 (XIV of 1963), and the Wealth-tax Act, 1963 (XV of 1963), in respect of which such person is in default or is deemed to be in default:

Provided that if, after taking into account the materials available with him, the Deputy Commissioner of Taxes is of the view that it is not possible to ascertain to which particular income year or years such income or any part thereof relates, he may calculate the tax on such income or part, as the case may be, as if such income or part were the total income chargeable to tax at the rates in force in the financial year in which the assets were seized.

Explanation.- In computing the period of ninety days for the purposes of sub -section (2), any period during which any proceeding under this section is stayed by an order or injunction of any Court shall be excluded.

(3) After completing the proceedings under sub -section (2), the Deputy Commissioner of Taxes shall, with the approval of the Commissioner, make an order requiring the person concerned to pay the aggregate of the amounts referred to in

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sub-section (2) (b) and (c) and shall, if such person pays, or makes satisfactory arrangement for the payment of, such amounts or any part thereof, release the assets seized under section 117 or such part thereof as he may deem fit in the circumstances of the case.

(4) Where the person concerned fails to pay, or to make satisfactory arrangements for the payment of, any amount required to be paid in pursuance of the order under sub -section (3) or any part thereof, he shall be deemed to be an assessee in default in respect of the amount or part, and the Deputy Commissioner of Taxes may retain in his custody the assets seized under section 117 or any part thereof as are in his opinion sufficient for the realisation of the said amount or, as the case may be, of such part thereof as has not been paid.

(5) If the Deputy Commissioner of Taxes is satisfied that the assets seized under section 117 or any part thereof were held by a person for or on behalf of any other person, he may proceed under this section against such other person, and all the provisions of this section shall apply accordingly.

(6) If any person objects, for any reason, to an order made under sub-section (3), he may, within thirty days of the date of such order, make an application, stating therein the reasons for his objection, to the Commissioner for appropriate relief in the matter; and the Commissioner may, after giving the applicant an opportunity of being heard, pass such orders thereon as he may think fit.

Application of
retained assets

119. (1) Where the assets retained under sub -section (4) of section 118 consist solely of money, or partly of money and partly of other assets-

(a) the Deputy Commissioner of Taxes shall first apply

such money towards payment of the amount in respect of which the person concerned is deemed to be an assessee in default under that sub -section; and thereupon such person shall be discharged of his liability to the extent of the money so applied; and

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(b) where, after application of the money under clause (a), any part of the amount referred to therein remains unpaid, the Deputy Commissioner of Taxes may recover the amount remaining unpaid, by sale of such of the assets as do not consist of money in the manner movable property may be sold by a Tax Recovery Officer for the recovery of tax; and for this purposes he shall have all the powers of a Tax Recovery Officer under this Ordinance.

(2) Nothing contained in sub-section (1) shall preclude the recovery of the amount referred to in section 118 (4) by any other mode provided in this Ordinance for the recovery of any liability of an assessee in default.

(3) Any assets or proceeds thereof which remain after the discharge of the liability in respect of the amount referred to in section 118(4) shall forthwith be made over or paid to the persons from whose custody the assets were seized.

1[120. (1) The Inspecting Joint Commissioner may call for and examine the record of any proceeding under this Ordinance if he considers that any order passed therein by the Deputy Commissioner of Taxes is erroneous in so far as it is prejudicial to the interests of the revenue, and may, after giving the assessee an opportunity of being heard , and after making or causing to be made, such inquiry as he thinks necessary, pass such order thereon as in his view the circumstances of the case would justify, including an order enhancing or modifying the assessment or cancelling the assessment and directing a fresh assessment to be made.

(2) Where the power of the Deputy Commissioner of Taxes is exercised by a higher income tax authority under the provision of section 10, the proceedings mentioned in sub - section (1) shall be taken by the Commissioner.

(3) No order shall be made under sub -section (1) after the expiry of four years from the date of the order sought to be revised.

Power of
Commissioner
or Inspecting
Joint
Commissioner

to revise the
erroneous order

1 Section 120 was substituted by section 35 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017). Income-tax Ordinance, 1984

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(4) Nothing in section 93 shall bar any proceeding under this section in applicable cases.

(5) In this section, an order shall be deemed to be erroneous if, in the opinion of the Commissioner or the Inspecting Joint Commissioner, as the case may be,-

(a) any income is misclassified in the order; or

(b) any provision of this Ordinance is misinterpreted in making the order; or

(c) the order is passed without making verification which should have been made; or

(d) the order is passed allowing any relief without inquiring into the claim; or

(e) the order, direction or instruction issued by the Board under section 8 has not been observed or followed in the order; or

(f) the order is erroneous for reasons apparent from the record.]

1[***]

Revisional
power of
Commissioner

2[121A. (1) The Commissioner may on an application made by the assessee, call for the record of any proceeding under this Ordinance in which an order has been passed by any authority subordinate to him and may make such enquiry or cause such enquiry to be made and, subject to the provisions of this Ordinance, may pass such order thereon, not being an order prejudicial to the assessee, as he thinks fit.

1 Section 121 was omitted by section 47 of A_© AvBb, 2009 (2009 mþbi 9 bs AvBb) (with effect from 1st July, 2007).

2 Section 121A was added by section 34 of A_© AvBb, 2009 (2009 mþbi 36 bs AvBb) (with effect from 1st July, 2009). Income-tax Ordinance, 1984

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(2) The application for revision of an order under this Ordinance passed by any authority subordinate to the Commissioner shall be made within sixty days of the date on which such order is communicated to the assessee or within such further period as the Commissioner may consider fit to

allow on being satisfied that the assessee was prevented by sufficient cause from making the application within the said sixty days.

(3) The Commissioner shall not exercise his power under sub-section (1) in respect of any order-

(a) Where an appeal against the order lies to the Appellate Joint Commissioner or to the Commissioner (Appeals) or to the Appellate Tribunal and the time within which such appeal may be made has not expired or the assessee has not waived his right of appeal; or

(b) where the order is pending on an appeal before the Appellate Joint Commissioner or it has been made the subject of an appeal to the Commissioner (Appeals) or to the Appellate Tribunal.

(4) No application under sub-section (1) shall lie unless-

(a) it is accompanied by a fee of two hundred taka; and

(b) the undisputed portion of the tax has been paid.

Explanation.-The "undisputed portion of the tax " means the tax payable under section 74.

(5) For the purposes of this section, an order by the Commissioner declining to interfere shall not be construed as an order prejudicial to the assessee.

(6) Notwithstanding anything contained in this Ordinance, an application for revision made under sub -section (1) shall be deemed to have been allowed if the Commissioner fails to make an order thereon within a period of sixty days from the date of filing the application.

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Explanation.-For the purposes of this section, the Appellate Joint Commissioner of Taxes shall be deemed to be an authority subordinate to the Commissioner to whom the Deputy Commissioner of Taxes, whose order was the subject - matter of the appeal order under revision, is subordinate.]

Power to take
evidence on
oath, etc.

122. (1) The Deputy Commissioner of Taxes, the Joint Commissioner of Taxes, the Commissioner, 1[the Director - General, Central Intelligence Cell,] 2[, the Commissioner (Appeals)] and the Appellate Tribunal shall, for the purposes of this Ordinance, have the same powers as are vested in a Court under the Code of Civil Procedure, 1908 (Act V of 1908), when trying a suit in respect of the following matters, namely:-

- (a) discovery and inspection;
- (b) enforcing the attendance of any person and examining him on oath or affirmation;
- (c) compelling the production of accounts or documents (including accounts or documents relating to any period prior or subsequent to the income year); and
- (d) issuing commissions for the examination of witnesses.

(2) The Deputy Commissioner of Taxes shall not exercise his powers under this section for the purpose of enforcing the attendance of an employee of a scheduled bank as a witness or compelling the production of books of account of such a bank except with the prior approval of the Commissioner.

(3) Any authority mentioned in sub-section (1) may impound and retain in its custody for such period as it considers fit, any books of accounts or other documents produced before it in any proceeding under this Ordinance.

1 The words and commas "the Director-General, Central Intelligence Cell ," were inserted after the words and comma "the Commissioner, " by section 60 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb) (with effect from 1st July, 2010).

2 The comma and words ■, the Commissioner (Appeals)■ were inserted by section of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)| Income-tax Ordinance, 1984

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(4) Any proceeding under this Ordinance, before any authority mentioned in sub-section (1), shall be deemed to be a judicial proceeding within the meaning of sections 193 and 228, and for the purposes of section 196, of the Penal Code (Act XLV of 1860).

CHAPTER XV IMPOSITION OF PENALTY

1[123. (1) Where any person, not having income from house property, has, without reasonable cause, failed to comply with the provisions of any order or rule made in pursuance of, or for the purposes of section 35(2), the Deputy Commissioner of

Taxes, may impose upon him a penalty at the rate of a sum not exceeding-
Penalty for not maintaining accounts in the prescribed manner

(a) one and a half times the amount of tax payable by him;

(b) one hundred Taka where the total income of such person does not exceed the maximum amount on which tax is not chargeable.

(2) Where any person, having income from house property, has, without reasonable cause, failed to comply with the provisions of any order or rule made in pursuance of, or for the purposes of section 35(2), the Deputy Commissioner of Taxes, 2[may] impose upon him a penalty of fifty percent of taxes payable on house property income or five thousand taka, whichever is higher.]

3[124. (1) Where any person has, without reasonable cause, failed to file a return of income required by or 4[under sections Penalty for failure to file return, etc.

1 Section 123 was substituted by section 44 of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

2 The word ■may■ was substituted for the word ■shall■ by section 31 of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018).

3 Section 124 was substituted by section 37 of A_© AvBb, 2004 (2004 mþbi 16 bs AvBb)|

4 The words, letters and commas “under sections 75, 77, 89, 91 or 93 ” were substituted for the words, letters, commas and brackets ■under sections 75, 77, 89(2), 91(3), 93(1) and or withholding tax required under section 75A■ by section 32(a) of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018). Income-tax Ordinance, 1984

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75, 77, 89, 91 or 93], the Deputy Commissioner of Taxes may impose upon such person a penalty amounting to ten per cent of tax imposed on last assessed income subject to a minimum of 1[taka one thousand], and in the case of a continuing default a further penalty of 2[taka fifty] for every day during which the default continues 3[:

Provided that such penalty shall not exceed-

(a) in case of an assessee, being an individual, whose income was not assessed previously five thousand taka;

(b) in case of an assessee, being an individual, whose income was assessed previously, fifty per cent

(50%) of the tax payable on the last assessed income or taka one thousand, whichever is higher.]

4[5[(2) Where any person has, without reasonable cause, failed to file or furnish any return, certificate, statement or information required under sections 58, 75A, 103A, 108, 108A, 109, or 110, the Deputy Commissioner of Taxes may impose upon such person-

(a) where the return, statement or information under sections 75A, 108 or 108A has not been filed or furnished, a penalty amounting to ten per cent of tax imposed on last assessed income or five thousand

1 The words "taka one thousand" were substituted for the words "taka two thousand five hundred " by section 48 of A_© AvBb, 2009 (2009 mþbi 9 bs AvBb) (with effect from 1st July, 2007).

2 The words "taka fifty" were substituted for the words "taka two hundred and fifty " by section 48 of A_© AvBb, 2009 (2009 mþbi 9 bs AvBb) (with effect from 1st July, 2007).

3 The colon (:) was substituted for the full -stop (.) at the end and thereafter proviso was inserted by section 52 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015).

4 Sub-sections (2) and (3) were substituted for sub -section (2) and proviso by section 32(b) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018).

5 Sub-section (2) was substituted by section 44 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022). Income-tax Ordinance, 1984

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taka, whichever is higher, and in the case of a continuing default, a further penalty of one thousand taka for every month or fraction thereof during which the default continues;

(b) in other cases of non -compliance, a penalty amounting to five thousand taka, and in the case of a continuing default, a further penalty of one thousand taka for every month or fraction thereof during which the default continues.]

(3) Where any person has, without any reasonable cause, failed to furnish information as required under section 113, the income tax authority requiring the information under section 113 may impose a penalty of twenty five thousand taka and in case of a continuing default a further penalty of five hundred taka for each day.]

1[124A. Where a person has, without reasonable cause, used Tax -payer's Identification Number (TIN) of another person or used fake TIN on a return of income or any other documents where TIN is required under this Ordinance, the Deputy Commissioner of Taxes may impose a penalty not exceeding taka twenty thousand on that person.
Penalty for
using fake Tax-

payer's
Identification
Number

2[***]

125. Where, in the course of any proceeding in connection with the assessment of tax under Chapter IX, the Deputy Commissioner of Taxes is satisfied that any person has-
Failure to pay
advance tax,
etc.

(a) without reasonable cause, failed to pay advance tax as required by section 64; or

(b) furnished under section 67 any estimate of tax payable by him which he knew, or had reason to believe, to be untrue,

1 Section 124A was inserted by section 61 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb) (with effect from 1st July, 2010).

2 Section 124AA was omitted by section 45 of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022) Income-tax Ordinance, 1984

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he may impose upon such person a penalty of a sum not exceeding the amount by which the tax actually paid by him falls short of the amount that should have been paid.

Penalty for non-
compliance with
notice

126. Where any person has, without reasonable cause, failed to comply with any notice issued under sections 79, 80 1[under sub -section (1) or (2) of section 83], the Deputy Commissioner of Taxes may impose on him a penalty not exceeding the amount of tax chargeable on the total income of such person.

Failure to pay
tax on the basis
of return

127. Where, in the course of any proceeding under this Ordinance, the Deputy Commissioner of Taxes is satisfied that any person has not paid tax as required by section 74, 2[***], he may impose upon such person a penalty of a sum not exceeding twenty-five per cent of the whole of the tax or, as the case may be, of such portion of the tax as has not been paid.

Penalty for
concealment of
income

128. (1) Where, in the course of any proceeding under this

Ordinance, the Deputy Commissioner of Taxes, the Appellate Joint Commissioner 3[, the Commissioner (Appeals)] or the Appellate Tribunal is satisfied that any person has, either in the said proceeding or in any earlier proceeding relating to an assessment in respect of the same income year,-

(a) concealed particulars of his income or furnished inaccurate particulars of such income; or

(b) understated the value of any immovable property in connection with its sale or transfer with a view to evading tax,

4[he or it shall impose upon such person a penalty of

1 The words, figures and brackets ■under sub -section (1) or (2) of section 83■ were substituted for the figure ■83■ by section 7 of A_© AvBb, 1991 (1991 mþbi 21 bs AvBb)|

2 The words and comma ■or the tax paid by him under that section is less than eighty per cent of the amount payable thereunder,■ were omitted by section 54 of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015).

3 The comma wo rds and brackets ■, the Commissioner (Appeals)■ were inserted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)|

4 The words "he or it shall impose upon such person a penalty of ten percent " were substituted for the words "he or it may impose upon suc h person a penalty of a sum not exceeding two and a half times the amount " by section 32 of A_© AvBb, 2009 (2009 mþbi 10 bs AvBb) (with effect from 1st July, 2008). Income-tax Ordinance, 1984

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1[fifteen percent]] of tax which would have been avoided had the income as returned by such person or, as the case may be , the value of the immovable property as stated by him been accepted as correct 2[:

3[Provided that if the concealment referred to in clause (a) and (b) of this sub -section or sub-section (2) is detected after a period of more than one year from the y ear in which the concealment was first assessable to tax, the amount of penalty shall increase by an additional 3[fifteen percent] for each preceeding assessment year.]]

(2) For the purpose of sub -section (1), concealment of particulars of income or furnishing of inaccurate particulars of income shall include,-

(a) the suppression of any item of receipt liable to tax in whole or in part, or

(b) showing any expenditure not actually incurred or claiming any deduction therefore.

(2A) [Omitted by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)]

(3) [Omitted by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)]

129. [Incorrect distribution of income by registered firm. -
Omitted by section 6 of A_© AvBb, 1998 (1998 mþbi 14 bs AvBb)]

1 The words ■fifteen per cent■ were substituted for the words ■ten percent■ by section 45 of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb)|

2 The colon (:) was substituted for the full stop (.) and thereafter the proviso was added by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|

3 Proviso was substituted by section 32 of A_© AvBb, 2009 (2009 mþbi 10 bs AvBb) (with effect from 1st July, 2008). Income-tax Ordinance, 1984

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Penalty for
incorrect or
false audit
report by
chartered
accountant

1[129A. Where, in the course of any proceeding under this Ordinance, the Deputy Commissioner of Taxes, the Appellate Joint Commissioner, the Commissioner of Taxes (Appeals) or the Appellate Tribunal is satisfied beyond reasonable doubt that the audit report-

2[(a) is not certified by a chartered accountant to the effect that the accounts are maintained and the statements are prepared and reported in accordance with the Bangladesh Accounting Standards (BAS) and the Bangladesh Financial Reporting Standards (BFRS), and are audited in accordance with the Bangladesh Standards on Auditing (BSA), or]

(b) is false or incorrect,

he shall impose upon such chartered accountant a penalty of a sum not less than fifty thousand taka but not more than two lakh taka.]

Penalty for
furnishing fake
audit report

3[129B. Where, in the course of any proceeding under this Ordinance, the Deputy Commissioner of Taxes, the Appellate Joint Commissioner, the Commissioner (Appeals) or the

Appellate Tribunal is satisfied beyond reasonable doubt that any audit report furnished by an assessee along with the return of income or thereafter for any income year is not signed by a chartered accountant or is believed to be false, such authority or the Tribunal, as the case may be, shall impose upon such assessee a penalty of a sum of one lakh taka for that income year.]

1 Section 129A was inserted by section 46 of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

2 Clause (a) was substituted by section 54 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■

3 The new section 129B was inserted after the section 129A by section 55 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015). Income-tax Ordinance, 1984

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130. No order imposing a penalty under this Chapter 1[or Chapter XIA] shall be made on any person unless such person has been heard or has been given a reasonable opportunity of being heard.

Bar to imposition
of penalty
without hearing

131. The Deputy Commissioner of Taxes shall not impose any penalty under this Chapter without the previous approval of the Inspecting Joint Commissioner except in the cases referred to in section 124 2[.

* * *]

Previous approval
of Inspecting Joint
Commissioner for
imposing penalty

131A. [Previous approval of the Board for imposing penalty.- Omitted by section 4 of A_© AvBb, 1996 (1996 mþbi 18 bs AvBb)]

Previous
approval of the
Board for
imposing penalty

3[132. The Appellate Tribunal or any income tax authority, not being the Deputy Commissioner of Taxes himself, making an order imposing any penalty under this Ordinance shall forthwith send a copy of the order to the Deputy Commissioner of Taxes, and thereupon all the provisions of this Ordinance relating to the recovery of penalty shall apply as if such order were made by the Deputy Commissioner of Taxes.]

Orders of penalty
to be sent to
Deputy
Commissioner of

Taxes

133. The imposition on any person of any penalty under this Chapter shall be without prejudice to any other liability which such person may incur, or may have incurred, under this Ordinance or under any other law for the time being in force.

Penalty to be
without prejudice
to other liability

4[133A. (1) Where a penalty imposed under this Chapter is directly related to the amount of income assessed under the Revision of
penalty based on

1 The words and figure ■or Chapter XIA■ were inserted after the words ■under this Chapter■ by section 56 of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015).

2 The full -stop (.) was substituted for the colon (:) and the proviso was omitted by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|

3 Section 132 was substituted by section 33 of ■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018).

4 Section 133A was inserted by section 37 of ■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017). Income-tax Ordinance, 1984

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the revised
amount of
income

provision of this Ordinance and the amount of income is revised subsequently by an order made under this Ordinance, the Deputy Commissioner of Taxes shall pass an order revising the order of penalty at the time of revising the income.

(2) No order of enhancement of penalty shall be made unless the parties affected thereby have been given a reasonable opportunity of being heard.

(3) Where, in the case mentioned in sub -section (1), an order of the revision of penalty is not issued despite the fact that the relevant assessment order has been revised, the parties affected can make an application to the Deputy Commissioner of Taxes requesting the revision of the amount of penalty and if no order has been made by within one hundred and eighty days from the receipt of such application, the amount of penalty shall be deemed to have been revised according to the revised amount of income and all the provisions of this Ordinance shall have effect accordingly.]

CHAPTER XVI RECOVERY OF TAX

Tax to include
penalty, interest,
etc.

134. For the purposes of this Chapter, ■tax■ includes any sum imposed, levied or otherwise payable under this Ordinance as penalty, fine, interest 1[, delay interest, additional amount,], fee or otherwise; and the provisions of this chapter shall accordingly apply to the recovery of any such sum.

Notice of
demand

135. (1) Where any tax is payable in consequence of any assessment made or any order passed under or in pursuance of this Ordinance, the Deputy Commissioner of Taxes shall serve upon the assessee (which expression includes any other person liable to pay such tax) a notice of demand in the prescribed form specifying therein the sum payable and the time within which, and the manner in which, it is payable, together with a copy of an assessment order.

1 The words and commas ■, delay interest, additional amount,■ were inserted after the word ■interest■ by section 55 of ■■■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 1984

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1[(1A) Where any amount of tax is refundable in consequence of any order, 2[***] the Deputy Commissioner of Taxes shall specify in the notice referred to in sub-section (1) the sum refundable to the assessee together with a copy of an assessment order and a refund voucher unless such refund is set off against tax as per provision of section 152.]

3[(1B) The Deputy Commissioner of Taxes shall not set off without giving the assessee an opportunity of being heard and in that case refund voucher for the amount due for refund, if any, shall be issued within a period not exceeding thirty days from the date of assessment.

(1C) Where the Deputy Commissioner of Taxes fails to issue refund voucher for any refund due to an assessee within the time specified in this section, such failure on the part of the Deputy Commissioner of Taxes shall be construed as misconduct.]

(2) Where the assessee upon whom a notice of demand has been issued under sub-section (1) makes an application in this behalf before the expiry of the date of payment specified in the notice, the Deputy Commissioner of Taxes may extend the time for payment or allow payment by instalments subject to such conditions, including payment of interest on the amount payable, as he may think fit in the circumstances of the case.

(3) If the sum payable is not paid within the time specified in the notice of demand issued under sub-section (1) or, as the case may be, within the time as extended under sub-section (2), the assessee shall be deemed to be in default:

1 Sub-section (1A) was inserted by section 74 of A_© AvBb, 2000 (2000 mṭbi 15 bs AvBb)|

2 The words, numbers and comma "except an order passed under section 83A and section 83AA in pursuance of this Ordinance, " were omitted by section 33 of A_© AvBb, 2009 (2009 mṭbi 10 bs AvBb) (with effect from 1st July 2008).

3 Sub-sections (1B) and (1C) were inserted by section 59 of A_© AvBb, 2002 (2002 mṭbi 14 bs AvBb)| Income-tax Ordinance, 1984

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Provided that where the assessee has presented an appeal under this Ordinance in respect of the assessment of imposition of the tax or of the amount thereof, 1[the Deputy Commissioner of Taxes shall] treat the assessee as not being in default for so long as such appeal is not disposed of.

(4) If, in a case where payment by instalment has been allowed under sub-section (2), the assessee commits default in paying any one of the instalments within the time fixed therefor, the assessee shall be deemed to be in default as to the whole of the amount then outstanding, and the other instalment or instalments shall be deemed to have been due on the same date as the instalment in respect of which default has actually been committed was due for payment.

(5) Where an assessee has been assessed in respect of income arising outside Bangladesh in a country the laws of which prohibit or restrict the remittance of money to Bangladesh, the Deputy Commissioner of Taxes shall not treat the assessee as in default in respect of that part of the tax which is due in respect of such amount of income as cannot, by reason of the prohibition or restriction, be brought into Bangladesh, and shall continue to treat the assessee as not in default in respect of such part of the tax until the prohibition or restriction is removed.

Explanation.-For the purposes of this section, income shall be deemed to have been brought into Bangladesh if it has been or could have been utilized for the purposes of any expenditure actually incurred by the assessee outside Bangladesh or if the income, whether capitalized or not, has been brought into Bangladesh in any form.

1 The words ■the Deputy Commissioner of Taxes shall■ were substituted for the words ■the Deputy Commissioner of Taxes may in his discretion■ by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)] Income-tax Ordinance, 1984

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137. (1) Where an assessee is in default or is deemed to be in default in making payment of tax , the Deputy Commissioner of Taxes may direct that, in addition to the amount of tax in arrears, a sum not exceeding that amount shall be recovered from the assessee by way of penalty.

Penalty for
default in
payment of tax

(2) Where, as a result of an y final order, the amount of tax, with respect to the default in the payment of which the penalty was levied, has been wholly reduced, the penalty levied shall be cancelled and the amount of penalty paid shall be refunded.

138. (1) When an assessee i s in default or is deemed to be in default in making payment of tax, the Deputy Commissioner of Taxes may forward to the Tax Recovery Officer a certificate for recovery of the tax, under his signature specifying the amount of arrears due from the assessee; and such certificate may be issued notwithstanding that proceedings for recovery of the arrears by any other mode have been taken.

Certificate for
recovery of tax

(2) A certificate under sub-section (1) may be forwarded to-

(a) the Tax Recovery Officer within whose jurisdiction the assessee carried on his business or profession or the principal place of business or profession of the assessee is situate; or

(b) the Tax Recovery Officer within whose jurisdiction the assessee resides or any m ovable or immovable property of the assessee is situate; or

(c) the Tax Recovery Officer who has jurisdiction in relation to the assessee whose income is assessable by the Deputy Commissioner of Taxes forwarding the certificate.

139. (1) Upon re ceipt of a certificate forwarded to him under section 138, the Tax Recovery Officer shall,

notwithstanding anything contained in any other law for the time being in force, proceed, in accordance with the rules made in this behalf by the Board, to recover from the assessee the amount specified in the certificate by one or more of the following modes, namely:-

Method of
recovery by Tax
Recovery
Officer

Income-tax Ordinance, 1984

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(a) attachment and sale, or sale without attachment, of any movable or immovable property of the assessee;

(b) arrest of the assessee and his detention in prison;

(c) appointment of a receiver for the management of the movable and immovable properties of the assessee.

1[(2) While recovering under sub -section (1) the amount specified in the certificate forwarded to him, the Tax Recovery Officer may also recover in the same manner from the assessee in default, in addition to such amount, any cost and charges, including expenses on the service of any notice or warrant, incurred in the proceedings for the recovery of the tax in arrears.]

(3) If the Tax Recovery Officer to whom a certificate is forwarded under section 138 is not able to recover the entire amount by the sale of movable and immovable properties of the assessee within his jurisdiction, but has information that the assessee has property within the jurisdiction of another Tax Recovery Officer, he may send the certificate to such other Tax Recovery Officer or to the Tax Recovery Officer within whose jurisdiction the assessee resides; and the Tax Recovery Officer to whom the certificate has been so sent shall proceed to recover under this Chapter the amount remaining un-recovered as if the certificate was forwarded to him by the Deputy Commissioner of Taxes.

Power of
withdrawal of
certificate and
stay of
proceeding

140. (1) Notwithstanding the issue of a certificate for recovery under section 138, the Deputy Commissioner of Taxes shall have power to withdraw, or correct any clerical or arithmetical error in the certificate by sending an intimation to that effect to the Tax Recovery Officer.

(2) Where the order giving rise to a demand of tax for which a certificate for recovery has been issued has been modified in appeal or other proceedings under this Ordinance

and, as a consequence thereof, the demand is reduced but the order is the subject-matter of further proceedings under this Ordinance, the Deputy Commissioner of Taxes shall stay the

1 Sub-section (2) was substituted by section 34 of A_© AvBb, 2009 (2009 mþbi 10 bs AvBb) (with effect from 1st July, 2008). Income-tax Ordinance, 1984

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recovery of such part of the amount of the certificate as pertains to the said reduction for the period for which the appeal or other proceedings remain pending.

(3) Where a certificate for recovery has been issued and subsequently the amount of outstanding demand is reduced as a result of appeal or other proceedings under this Ordinance, the Deputy Commissioner of Taxes shall, when the order, which was the subject-matter of such appeal or other proceeding, has become final and conclusive, amend the certificate or withdraw it, as the case may be.

(4) The Deputy Commissioner of Taxes shall communicate to the Tax Recovery Officer any orders of cancellation, correction, stay of proceeding, withdrawal or amendment, as the case may be, of a certificate for recovery.

141. When the Deputy Commissioner of Taxes forwards a certificate for recovery under section 138 to a Tax Recovery Officer, it shall not be open to the assessee to dispute before the Tax Recovery Officer the correctness of the assessment; and the Tax Recovery Officer shall not entertain any objection to the certificate on any ground whatsoever.

Validity of
certificate for
recovery not
open to dispute

142. (1) The Deputy Commissioner of Taxes may forward to the Collector of the District in which the office of the Deputy Commissioner of Taxes is situated or the district in which the assessee resides or owns property or carries on business or profession, a certificate under his signature specifying the amount of arrears due from an assessee, and the Collector, on receipt of such certificate shall proceed to recover, from such assessee the amount specified therein as if it were an arrear of land revenue.

Recovery of tax
through
Collector of
District

(2) Without prejudice to any other powers which the Collector of District may have in this behalf, he shall, for the purposes of recovery of the amount specified in the certificate for recovery forwarded to him under sub-section (1), have the

powers which a Civil Court has under the Code of Civil Procedure, 1908 (Act V of 1908), for the purposes of recovery of an amount due under a decree.

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(3) The Deputy Commissioner of Taxes may, at any time, recall from the Collector of District a certificate forwarded to him under sub-section (1) and upon such recall, all proceedings commenced in pursuance of the certificate shall abate:

Provided that the recall of a certificate shall not affect any recoveries made by the Collector before the recall as if the certificate had not, to the extent of such recovery, been recalled; nor shall the recall of a certificate issued at any time prevent the recovery, by issue of a fresh certificate, of any amount which was recoverable at the time the certificate so recalled was issued.

Recovery of tax
through Special
Magistrates

1[142A. (1) Without prejudice to the provisions of section 142, the Deputy Commissioner of Taxes may forward to a Magistrate of the First Class, specially empowered in this 2[* *] behalf by the Government, hereinafter referred to as the Special Magistrate, in whose territorial jurisdiction the office of the Deputy Commissioner of Taxes is situated, or the assessee resides, or owns property or carries on business or profession, a certificate under his signature specifying the amount of arrears due from the assessee, and the Special Magistrate shall, on receipt of such certificate, proceed to recover from the assessee the amount specified therein as if it were an arrear of land revenue and the Special Magistrate were a Collector of District.

(2) Without prejudice to any of her powers of a Collector of District which the Special Magistrate may have in this behalf, he shall, for the purposes of recovery of the amount specified in the certificate for recovery forwarded to him under sub-section (1), have the powers which a Civil Court has under the Code of Civil Procedure, 1908 (Act V of 1908), for the purpose of recovery of an amount due under a decree.

1 Section 142A was inserted by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)|

2 The words and commas ■in whose territorial jurisdiction the office of the Deputy Commissioner of Taxes is situated, or the assessee resides, or owns property or carries on business or profession,■ were omitted by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)| Income-tax Ordinance, 1984

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(3) The Deputy Commissioner of Taxes may, at any time, recall from the Special Magistrate a certificate forwarded to

him under sub-section (1) and upon such recall, all proceedings commenced in pursuance of the certificate shall abate:

Provided that the recall of a certificate shall not affect any recoveries made by the Special Magistrate before the recall as if the certificate had not, to the extent of such recovery, been recalled; nor shall the recall of a certificate issued at any time prevent the recovery, by issue of a fresh certificate of any amount which was recoverable at the time the certificate so recalled was issued.]

143. (1) Notwithstanding the issue of a certificate for recovery of tax under section 138 or section 142, the Deputy Commissioner of Taxes may also recover the tax in the manner provided 1[in sub-section (1A) or (2)].

Other modes of recovery

2[(1A) For the purpose of recovery of tax payable by an assessee which is not disputed in appeal to any appellate forum, the Deputy Commissioner of Taxes may, with the previous approval of the Commissioner, after giving the assessee an opportunity of being heard, stop movement of any goods and services from the business premises of such assessee and also shutdown such business premises till the recovery of the tax referred to above or any satisfactory arrangement has been made for the recovery of such tax.]

(2) For the purposes of recovery of any tax payable by an assessee, the Deputy Commissioner of Taxes may, by notice in writing, require any person.-

3[(a) from whom any money or goods is due or may become due to the assessee, or who holds, or

1 The words, brackets and figures ■in sub -section (1A) or (2)■ were substituted for the words, brackets and figure ■in sub -section (2)■ by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|

2 Sub-section (1A) was inserted by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|

3 Clause (a) was substituted by section 34 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018). Income-tax Ordinance, 1984

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controls the receipt or disposal of, or may subsequently hold, or control the receipt or disposal of, any money or goods belonging to, or on account of, the assessee, to –

(i) pay to the Deputy Commissioner of Taxes the sum specified in the notice on or before the date specified therein for such payment; or

(ii) stop the transfer of that goods to the assessee or the placement of that goods under the disposal of the assessee until the amount of tax mentioned in the notice has been paid or a satisfactory arrangement has been made with the Deputy Commissioner of Taxes for payment of such tax; or]

(b) Who is responsible for payment of any sum to the assessee classifiable as income of the assessee under the head ■Sala ries■, to deduct from any payment subsequent to the date of the notice, any arrear of tax due from the assessee, and to pay the sum so deducted to the credit of the Government 1[;]

2[(c) Who is responsible for supplying gas, electricity, water or any other services to disconnect or discontinue such supply within twenty one days from the date of receipt of such notice.]

(3) A person who has paid any sum as required by sub - section (2) (a) shall be deemed to have paid such sum under the authority of the assessee and the receipt by the Deputy Commissioner of Taxes shall constitute a good and sufficient discharge of the liability of such person to the assessee to the extent of the sum specified in the receipt.

1 The semi -colon (;) was substituted for the full -stop (.) at the end of clause (b) by section 46 of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022).

2 The clause (c) was added by section 46 of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022). Income-tax Ordinance, 1984

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(4) A person who has deducted any sum as required by sub-section (2) (b) shall be deemed to have deducted the tax under section 50 and the relevant provisions of Chapter VII shall apply accordingly.

(5) If the person to whom a notice under sub -section (2) is sent fails to make payme nt or to make deductions in pursuance of the notice, he shall be deemed to be an assessee in default in respect of the amount specified in the notice and proceedings may be taken against him for realisation of the amount as if it were an arrear of tax due from him; and the provisions of this Chapter shall apply accordingly.

(6) The Deputy Commissioner of Taxes may at any time amend or revoke any notice issued under sub -section (2) or

extend the time for making any payment in pursuance of such notice.

(7) In any area with respect to which the Commissioner has directed that any arrears may be recovered by any process enforceable for the recovery of an arrear of any municipal tax or local rate imposed under any enactment for the time being in force in any part of Bangladesh, the Deputy Commissioner of Taxes may proceed to recover the amount due by such process.

(8) The Commissioner may direct by what authority any powers or duties incident under any such enactment as aforesaid to the enforcement of any process for the recovery of a municipal tax or local rate shall be exercised or performed when that process is employed under sub-section (7).

Explanation.-For the removal of doubts it is hereby clarified that the several modes of recovery specified in this Chapter are neither mutually exclusive nor affect in any way any other law for the time being in force relating to the recovery of debts due to Government, and it shall be lawful for the Deputy Commissioner of Taxes, if for any special reasons to be recorded by him, to have recourse to any such mode of recovery notwithstanding that the tax due is being recovered from an assessee by any other mode.

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CHAPTER XVII DOUBLE TAXATION RELIEF

Agreement to
avoid double
taxation

144. (1) The Government may enter into an agreement with the Government of any other country for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income leviable under this Ordinance and under the corresponding law in force in that country, and may, by notification in the official Gazette, make such provisions as may be necessary for implementing the agreement.

(2) Where any such agreement as is referred to in sub-section (1) is made with the Government of any country, the agreement and the provisions made for implementing it shall, notwithstanding anything contained in any other law for the time being in force, have effect in so far as they provide for-

(a) relief from the tax payable under this Ordinance;

(b) determining the income accruing or arising, or deemed to be accruing or arising, to non-residents from sources within Bangladesh;

(c) where all the operations of business or profession are not carried on within Bangladesh, determining the income attributable to operations carried on within or outside Bangladesh, or the income chargeable to tax in Bangladesh in the hands of non-residents, including their agencies, branches or establishments in Bangladesh;

(d) determining the income to be attributable to any person resident in Bangladesh having any special relationship with a non-resident;

(e) recovery of tax leviable under this Ordinance and under the corresponding law in force in that country; or

(f) exchange of information for the prevention of fiscal evasion or avoidance of tax on income chargeable under this Ordinance and under the corresponding law in force in that country.

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(3) Any agreement made in pursuance of sub-section (1) may include provisions for relief from tax for any period before the commencement of this Ordinance or before the making of the agreement and provisions as to incomes which are not themselves subject to double taxation.

(4) The provisions of the Seventh Schedule shall have effect where an agreement under this section provides that the tax payable under the laws of the country concerned shall be allowed as a credit against the tax payable in Bangladesh.

145. If any person who is resident in Bangladesh in any year proves to the satisfaction of the Deputy Commissioner of Taxes that, in respect of any income which has accrued or arisen to him during that year outside Bangladesh, he has paid tax, by deduction or otherwise, in any country with which there is no reciprocal arrangement for relief or avoidance of double taxation, the Deputy Commissioner of Taxes may, subject to such rules as the Board may make in this behalf, deduct from the tax payable by him under this Ordinance a sum equal to the tax calculated on such doubly taxed income at the average rate of tax of Bangladesh or the average rate of tax of the said country, whichever is the lower.

Relief in respect
of income
arising outside
Bangladesh

Explanation.-The expression ■average rate of tax■ means the rate arrived at by dividing the amount of tax calculated on the total income by such income.

CHAPTER XVIII REFUNDS

146. (1) A person, who satisfies the Deputy Commissioner of Taxes or other authority appointed by the Government in this behalf that the amount of tax paid by him or on his behalf, or treated as paid by him or on his behalf, for any year exceeds the amount with which he is properly chargeable under this Ordinance for that year, shall be entitled to a refund of any such excess.

Entitlement to
refund

(2) Where the income of the person is included under any provision of this Ordinance in the total income of any other person, such other person alone shall be entitled to a refund under this Chapter in respect of such income.

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Claim of refund
for deceased or
disabled persons

147. Where through death, incapacity, insolvency, liquidation or other cause, a person, is unable to claim or receive any refund due to him, his legal representative, or the trustee, guardian or receiver, as the case may be, shall be entitled to claim or receive such refund for the benefit of such person or his estate.

Correctness of
assessment, etc.,
not to be
questioned

148. In any claim for refund under this Chapter, it shall not be open to the claimant to question the correctness or validity of any assessment or other matter which has become final and conclusive or to ask for a review of the same, and the claimant shall not be entitled to any relief on any such issue raised except refund of the tax paid in excess.

Refund on the
basis of orders
in appeal

149. Where, as a result of any order passed in appeal or

other proceeding under this Ordinance, refund of any amount becomes due to an assessee, the Deputy Commissioner of Taxes shall, 1[refund the amount, unless set off against tax or treated as payment of tax as per provisions of section 152,] to 2[the assessee, 3[within sixty days] from the date on which the refund has become due] without his having to make any claim in that behalf.

Form of claim
and limitation

150. (1) Every claim for refund 4[under sections 146 and 147] shall be made in such form and verified in such manner as may be prescribed.

(2) [Omitted by section 60 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb).]

Interest on
delayed refund

151. Where a refund due to an assessee is not paid within two months of the date of the 1[* * *] 2[claim for refund or

1 The words and commas ■refund the amount, unless set off against tax or treated as payment of tax as per provisions of section 152,■ were substituted for the words and commas ■except as otherwise provided in this Ordinance, refund the amount■ by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)|

2 The words and comma ■the assessee, within thirty days from the date on which the refund has become due■ were substituted for the words ■the assessee■ by section 8 of A_© AvBb, 1992 (1992 mþbi 21 bs AvBb)|

3 The words ■ within sixty days ■ were substituted for the words ■ within thirty days ■ by section 4 of A_© AvBb, 1996 (1996 mþbi 18 bs AvBb)|

4 The words and figures ■ under sections 146 and 147 ■ were substituted for the words and commas ■ under this Chapter ■ by section 5 of A_© AvBb, 1997 (1997 mþbi 15 bs AvBb)| Income-tax Ordinance, 1984

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refund becoming due consequent upon any order passed in appeal or other proceeding under this Ordinance] in interest at the rate of 3[seven and a half per cent] per annum shall be payable to the assessee on the amount of refund from the month following the said two months to the date of issue of the refund.

152. Where, under the provisions of this Ordinance, the Income-tax Act, 1922 (XI of 1922), the Gift -tax Act, 1963 (XIV of 1963), or the Wealth -tax Act, 1963 (XV of 1963), any refund or repayment is found to be due to any person, the amount to be refunded or repaid or any part thereof may be set off against the tax, payable by that person under this Ordinance 4[or treated, at the option in writing of that person, as payment of tax payable under section 64 or section 74 thereof].

Adjustment of
refund against
tax

CHAPTER XVIIIA

[SETTLEMENT OF CASES.- Omitted by section 61 of the Finance Act, 2002 (Act No. XIV of 2000), which was inserted by section of A_© AvBb, 1994 (1994 mþbi 11 bs AvBb).]

152A, 152B, 152C, 152D and 152E [Omitted by section 61 of the Finance Act, 2002 (Act No. XIV of 2000)]

1 The words ■relevant assessment order or■ were omitted by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)|

2 The words ■ claim for refund or refund becoming due consequent upon any order passed in appeal or other proceeding under this Ordinance■ were substituted for the words ■claim for refund■ by section 4 of A_© AvBb, 1996 (1996 mþbi 18 bs AvBb)|

3 The words ■seven and a half per cent■ were substituted for the words ■ten per cent■ by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)|

4 The words and commas ■or treated, at the option in writing of that person, as payment of tax payable under section 64 or section 74 thereof■ were inserted by section 8 of A_© AvBb, 1992 (1992 mþbi 21 bs AvBb)|
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1[CHAPTER XVIIIIB

Alternative Dispute Resolution

Alternative Dispute Resolution

152F. (1) Notwithstanding anything contained in Chapter XIX any dispute of an assessee lying with any income tax authority, Taxes Appellate Tribunal or Court may be resolved through Alternative Dispute Resolution (hereinafter referred to as ADR) in the manner described in the following sections of this Chapter and rules made thereunder.

(2) Board may, by notification in the official Gazette, specify the class or classes of assessee eligible for ADR or extend the area or areas in which these provisions may be applied.

Commencement of ADR

152G. The ADR as mentioned in this Chapter shall come into force on such date and in such class or classes of assessee as the Board may determine by notification in the official

Gazette.

Definition 152H. For the purposes of this Chapter, unless the context otherwise requires-

(a) "authorised representative" means an authorised representative mentioned in sub -section (2) of section 174;

(b) "bench" means bench of Taxes Appellate Tribunal;

(c) "Commissioner's Representative" means an officer or officers nominated by the Commissioner of Taxes from among the income tax authorities under section 3 to represent in the Alternative Dispute Resolution process under this Chapter;

(d) "court" means the Supreme Court;

(e) "dispute" means an objection of an assessee regarding-

(i) assessment of income above the income declared by him i n his return of in come for the relevant year, or

(ii) order of an appellate authority under chapter XIX which results in assessment of income which is above the declared amount in his return of income.

1 "CHAPTER XVIIIIB " was added by section 49 of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011). Income-tax Ordinance, 1984

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152I. (1) Notwithstanding anything contained in Chapter XIX an assessee, if aggrieved by an order of an income tax authority, may apply for resolution of the dispute through the ADR process.

(2) An assessee may apply for ADR of a dispute which is pending before any income tax authority, tribunal or court 1[;]

Application for
alternative
resolution of
disputes

2[Provided that where any dispute has already been filed in the form of Writ petition shall not be a subject of ADR.]

(3) All cases dealt with under sub -section (2) are subject to permission of the concerned income tax authority 3[, tribunal] or the court, as the case may be:

Provided that after obtaining such permission from the income tax authority, Tribunal or the court and upon granting

of such permission, the matter shall remain stayed during the ADR negotiation process.

(4) The application shall be submitted in such form, within such time, accompanied with such fees and verified in such manner as may be prescribed.

(5) The application is to be submitted to the respective Appellate Joint Commissioner of Taxes or Appellate Additional Commissioner of Taxes or Commissioner of Taxes (Appeals) or Taxes Appellate Tribunal, as the case may be.

4[(5A) The application may also be filed in such electronic, computer readable or machine readable form and in such manner as may be specified by the Board by order in writing.]

1 The semi-colon (;) was substituted for the full-stop (.) at the end of clause (b) by section 46 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022).

2 The proviso was inserted by section 47 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022).

3 The comma and word ■, tribunal■ were inserted after the words ■concerned income tax authority■ by section 58 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015).

4 Sub-section (5A) was inserted by section 38 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017). Income-tax Ordinance, 1984

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(6) In the case of a dispute pending before either Division of the Supreme Court, the assessee shall obtain the permission of the court prior to filing an application under sub -section (2), by filing an application before the court which, upon such an application being made before it, may pass an order allowing the matter to proceed to ADR, or otherwise as it deems fit.

Stay of
proceeding in
case of pending
appeal or
reference at
Appellate
Tribunal or
High Court
Division

1[152II. Where an assessee has filed an application for ADR for any income year and for the same income year, the Deputy Commissioner of Taxes has filed an appeal before the Appellate Tribunal or the Commissioner has made a reference before the High Court Division and no decision has been made in that respect by the Appellate Tribunal or High Court Division as the case may be, the proceeding of such appeal or reference shall remain stayed till disposal of the application for ADR.]

Eligibility for
application for
ADR

2[152J. An assessee shall not be eligible for application to ADR if he fails to pay tax payable under section 74 where the return of income for the relevant year or years has been submitted.]

Appointment of
Facilitator and
his duties and
responsibilities

152K. For the purposes of resolving a dispute in an alternative way, the Board may select or appoint Facilitator and determine his 3[fees,] duties and responsibilities by rules.

Rights and
duties of the
assessee for
ADR

152L. (1) Subject to sub -section (2), the assessee applying for ADR shall be allowed to negotiate himself personally or alongwith an authorized representative, with the Commissioner's Representative for the concerned dispute under the facilitation and supervision of the Facilitator.

(2) The Facilitator may exempt the applicant -assessee from personally attending the negotiation process and may be allowed to represent himself by an authorised representative, if he has sufficient reasons for his absence.

1 Section 152II was inserted by section 47 of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012).

2 Section 152J was substituted by section 56 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

3 The word and comma "fees," were inserted after the words "Facilitator and determine his" by section 48 of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012). Income-tax Ordinance, 1984

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(3) While submitting an application for ADR, the applicant-assessee shall submit all related papers and documents, disclose all issues of law and facts.

(4) The applicant-assessee shall be co-operative, interactive, fair and bonafide while negotiating for resolution.

(5) If the applicant-assessee makes any untrue declaration, submits any false document and obtains an order or assessment on that basis, the order or assessment shall be set aside, if so detected, and appropriate legal action be initiated against him.

(6) The applicant-assessee shall be liable to pay any taxes, if due as a result of negotiation with the time frame as decided in the ADR.

152M. (1) The respective Commissioner of Taxes may nominate any income tax authority subordinate to him, not below the rank of Deputy Commissioner of Taxes to represent him in the negotiation process of the ADR.

(2) The representative so nominated under sub-section (1) shall attend the meeting(s) of ADR negotiation process and sign the agreement of such negotiation process, where an agreement is reached.

Nomination and
responsibility of
the
Commissioner's
Representative
in ADR

152N. (1) Upon receiving the application of ADR, the Facilitator shall forward a copy of the application to the respective Deputy Commissioner of Taxes and also call for his opinion on the grounds of the application and also whether the conditions referred to in sections 152I and 152J have been complied with.

Procedures of
disposal by the
Alternative
Dispute
Resolution

(2) If the Deputy Commissioner of Taxes fails to give his opinion regarding fulfillment of the conditions within 1[five working days] from receiving the copy mentioned in clause (c) of sub-section (3), the Facilitator may deem that the conditions thereto have been fulfilled.

1 The words "five working days" were substituted for the words "fifteen days" by section 49 of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012). Income-tax Ordinance, 1984

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(3) The Facilitator may-

(a) notify in writing the applicant and the Commissioner of Taxes or the Commissioner's Representative to attend the meetings for settlement of disputes on a date mentioned in the notice;

(b) if he considers it necessary to do so, adjourn the meeting from time to time;

(c) call for records or evidences from the Deputy Commissioner of Taxes or from the applicant before or at the meeting, with a view to settle the dispute; and

(d) before disposing of the application, cause to make

such enquiry by any income tax authority as he thinks fit.

(4) The Facilitator will assist the applicant-assessee and the Commissioner's Representative to agree on resolving the dispute or disputes through consultations and meetings.

Decision of the
ADR

152O. (1) A dispute, which is subject to this Ordinance, may be resolved by an Agreement either wholly or in part where both the parties of the dispute accept the points for determination of the facts or laws applicable in the dispute.

(2) Where an agreement is reached, either wholly or in part, between the assessee and the Commissioner's Representative, the Facilitator shall record, in writing, the details of the agreement in the manner as may be prescribed.

(3) The recording of every such agreement shall describe the terms of the agreement including any tax payable or refundable and any other necessary and appropriate matter, and the manner in which any sums due under the agreement shall be paid and such other matters as the Facilitator may think fit to make the agreement effective.

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(4) The agreement shall be void if it is subsequently found that it has been concluded by fraud or misrepresentation of facts.

(5) The agreement shall be signed by the assessee and the Commissioner's Representative and the facilitator.

(6) Where no agreement, whether wholly or in part, is reached or the dispute resolution is ended in disagreement between the applicant -assessee and the concerned Commissioner's Representative for non-cooperation of either of the parties, the Facilitator shall communicate it, in writing recording reasons thereof, within fifteen days from the date of disagreement, to the applicant and the Board, the concerned court, Tribunal, appellate authority and income tax authority, as the case may be, about such unsuccessful dispute resolution.

(7) Where the agreement is reached, recorded and signed accordingly containing time and mode of payment of payable dues or refund, as the case may be, the Facilitator shall communicate the same to the assessee and the concerned Deputy Commissioner of Taxes for compliance with the agreement as per provisions of this Ordinance.

(8) No agreement shall be deemed have been reached if the

appeal, the time elapsed between the filing of the application and the decision or order of the ADR shall be excluded.

1[Explanation.- For the purpose of this section, ■prefer an appeal■ means the revival of the appeal with an intimation in writing to the respective appellate authority.]

1 Explanation was inserted by section 39 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■) (With effect from 1st July 2017). Income-tax Ordinance, 1984

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152R. (1) The Board may monitor the progress of disposal of the application for ADR in the manner as may be prescribed and ensure necessary support and coordination services.

(2) Copies of all agreement or matter of disagreement shall be sent by the Facilitator to the respective Commissioner and Board for verification and ascertainment of whether the agreement is legally and factually correct.

(3) After receiving the copy of agreement or matter of disagreement, if it appears to the Board that the alleged agreement is obtained by fraud, misrepresentation or concealment of fact causing loss of revenue, then such agreement shall be treated as void and the matter shall be communicated to the concerned authorities, Tribunal or court for taking necessary action.

Post verification
of the
agreement

152S. No civil or criminal action shall lie against any person involved in the ADR process before any court, tribunal or authority for any action taken or agreement reached in good faith.]

Bar on suit or
prosecution

CHAPTER XIX APPEAL AND REFERENCE

1[153. (1) Any person aggrieved by order of an income tax authority regarding the following matters may appeal to the respective appellate income-tax authority-

Appeal to
appellate
income tax
authority

- (i) assessment of income;
- (ii) computation of tax liability or refund;
- (iii) set off or carry forward of loss;
- (iv) imposition of any penalty or interest;

(v) charge and computation of surcharge or any other sum;

1 Section 153 was substituted by section 35 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018). Income-tax Ordinance, 1984

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(vi) credit of tax; and

(vii) payment of a refund.

(2) Subject to sub-section (3), an appeal in the following cases shall be made only to the Commissioner of Taxes (Appeals)-

(i) appeal by a company;

(ii) appeal against an order under section 120;

(iii) appeal against an order of adjustment or penalty involving international transactions as defined in 107A;

(iv) appeal against an order, in matters mentioned in sub-section (1), made by an income tax authority in the rank of a Joint Commissioner of Taxes or above.

(3) The Board may-

(i) assign any appeal to any appellate income -tax authority;

(ii) transfer an appeal from one appellate income -tax authority to another appellate income -tax authority.

(4) No appeal shall lie in respect of an income which is computed as a share of the taxed income.

(5) No appeal shall lie against any order of assessment in the following cases-

(i) Where the return of income was filed

if tax under section 74 has not been paid

(ii) Where no return of income was filed

if at least ten per cent of the tax as determined by the Deputy Commissioner of Taxes has not been paid:

Provided that where the tax on the basis of return has been paid by the appellant before filing the appeal and the appellate income-tax authority is convinced that the appellant was barred by sufficient reason from paying the tax before filing the return, it may allow the appeal for hearing.

Explanation.- In this section, appellate income -tax authority means the Commissioner of Taxes (Appeals) or the Appellate Joint Commissioner of Taxes, as the case may be.]

154. (1) Every appeal under section 153 shall be drawn up in such form and verified in such manner as may be prescribed and shall be accompanied by a fee of 1[two hundred taka].

2[(1A) The Board may, by notification in the official Gazette,-

(a) specify 3[the cases in which the appeal] shall be filed electronically or in any other machine readable or computer readable media;

(b) specify the form and manner in which such appeal shall be filed.]

Form of appeal and limitation

(2) Subject to sub-section (3), an appeal shall be presented within 4[forty five days],-

1 The words ■ two hundred taka■ were substituted for the words ■one hundred taka■ by section 7 of A_@ AvBb, 1993 (1993 mþbi 18 bs AvBb)|

2 Sub-section (1A) was inserted by section 58 of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■)■

3 The words ■the cases in which the appeal■ were substituted for the words ■that any appeal of any assessee or any class of assessee■ by section 41 of ■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017).

4 The words ■forty five days■ were substituted for the words ■sixty days■ by section 25 of ■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■)| Income-tax Ordinance, 1984

(a) if it relates to any assessment or penalty, from the date of service of the notice of demand relating to the assessment or penalty, as the case may be; and

(b) in any other case, from the date on which the intimation of the order to be appealed against is served.

(3) The Appellate Joint Commissioner 1[or the Commissioner (Appeals), as the case may be,] may admit an appeal after the expiration of the period of limitation specified in sub-section (2) if he is satisfied that the appellant was prevented by sufficient cause from presenting the appeal within that period.

Procedure in
appeal before
the Appellate
Joint
Commissioner
2[or the
Commissioner
(Appeals)]

155. (1) The Appellate Joint Commissioner 3[or the Commissioner (Appeals)] shall fix a day and place for the hearing of the appeal and give notice thereof to the appellant and the Deputy Commissioner of Taxes against whose order the appeal has been preferred.

(2) The appellant and the Deputy Commissioner of Taxes shall have the right to be heard at the hearing of the appeal either in person or by a representative.

(3) The Appellate Joint Commissioner 4[or the Commissioner (Appeals)] may, if he considers it necessary to do so, adjourn the hearing of the appeal from time to time.

(4) The Appellate Joint Commissioner 5[or the Commissioner (Appeals)] may, before or at the hearing of an

1 The words commas and brackets ■or the Commission (Appeals) , as the case may be, ■ were inserted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)|

2 The words and brackets in the marginal heading ■or the Commissioner (Appeals)■ were inserted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)|

3 The words and brackets ■or the Commissioner (Appeals)■ were inserted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)|

4 The words and brackets ■or the Commissioner (Appeals)■ were inserted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)|

5 The words and brackets ■or the Commissioner (Appeals)■ were inserted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)| Income-tax Ordinance, 1984

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appeal, allow the appellant to go into any ground of appeal not earlier specified in the grounds of appeal already filed if he is

satisfied that the commission of that ground from the form of appeal was not wilful or unreasonable.

(5) The Appellate Joint Commissioner 1[or the Commissioner (Appeals)] may, before or at the hearing of an appeal, make such enquiry as he thinks fit or call for such particulars as he may require respecting the matters arising in appeals or cause further enquiry to be made by the Deputy Commissioner of Taxes.

(6) While hearing an appeal the Appellate Joint Commissioner 2[or the Commissioner (Appeals)] shall not admit any documentary material or evidence which was not produced before the Deputy Commissioner of Taxes unless he is satisfied that the appellant was prevented by sufficient cause from producing such material or evidence before the Deputy Commissioner of Taxes.

156. (1) In disposing of an appeal, the Appellate Joint Commissioner 3[or the Commissioner (Appeals)] may-

(a) in the case of an order of assessment, confirm, reduce, enhance, set aside or annul the assessment;
Decision in
appeal by the
Appellate Joint
Commissioner
4[or the
Commissioner
(Appeals)]

(b) in the case of an order imposing a penalty, confirm, set aside or cancel such order or vary it so as either to enhance or to reduce the penalty; and

1 The words and brackets ■or the Commissioner (Appeals)■ were inserted by section 8 of A_© AvBb, 1990 (1990 m±bi 45 bs AvBb)]

2 The words and brackets ■or the Commissioner (Appeals)■ were inserted by section 8 of A_© AvBb, 1990 (1990 m±bi 45 bs AvBb)]

3 The words and brackets ■or the Commissioner (Appeals)■ were inserted by section 8 of A_© AvBb, 1990 (1990 m±bi 45 bs AvBb)]

4 The words and brackets in the marginal heading ■or the Commission (Appeals)■ were inserted by section of A_© AvBb, 1990 (1990 m±bi 45 bs AvBb)]. Income-tax Ordinance, 1984

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(c) in any other case, pass such order as he thinks fit 1[

Provided that an order of assessment or penalty shall not be set aside except in a case where the Appellate Joint Commissioner

or the Commissioner (Appeals) is satisfied that a notice on the assessee has not been served in accordance with the provisions of section 178.]

(2) The Appellate Joint Commissioner 2[or the Commissioner (Appeals)] shall not enhance as assessment or a penalty or reduce the amount of refund unless the appellant has been given a reasonable opportunity of showing cause against such enhancement or reduction.

(3) The order of the Appellate Joint Commissioner 3[or the Commissioner (Appeals)] disposing of an appeal shall be in writing and shall state the points for determination, the decision thereon and the reasons for the decision.

(4) Where, as a result of an appeal, any charge is made in the assessment of a firm or an association of persons, the Appellate Joint Commissioner 4[or the Commissioner (Appeals)] may direct the Deputy Commissioner of Taxes to amend accordingly any assessment made on any partner of the firm or any member of the association.

(5) On the disposal of an appeal, the Appellate Joint Commissioner 5[or the Commissioner (Appeals)] shall communicate the order passed by him to the appellant, the Deputy Commissioner of Taxes and the Commissioner 6[within

1 The proviso was added by section 6 of the A_© AvBb, 1994 (1994 mþbi 11 bs AvBb)|

2 The words and brackets ■or the Commissioner (Appeals)■ were inserted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)|

3 The words and brackets ■or the Commissioner (Appeals)■ were inserted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)|

4 The words and brackets ■or the Commissioner (Appeals)■ were inserted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)|

5 The words and brackets ■or the Com missioner (Appeals)■ were inserted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)|

6 The words ■within thirty days of the passing of such order■ were inserted by section 6 of A_© AvBb, 1994 (1994 mþbi 11 bs AvBb)| Income-tax Ordinance, 1984

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1[thirty days] of the passing of such order].

(6) Notwithstanding anything contained in this Ordinance, an appeal to the Appellate Joint Commissioner 2[or the Commissioner (Appeals)] shall be deemed to have been allowed if the Appellate Joint Commissioner 3[or the Commissioner (Appeals)] fails to make an order thereon within 4[5[one hundred and fifty days from the end of the month] on which the appeal was filed].

157. Any person aggrieved by an order of the Tax Recovery Officer under section 139 may, within thirty days from the date of service of the order, appeal to the Inspecting Joint Commissioner to whom the Tax Recovery Officer is subordinate, and the decision of the Inspecting Jo int

Commissioner on such appeal shall be final.
Appeal against
order of Tax
Recovery
Officer

158. (1) An assessee may appeal to the Appellate Tribunal
if he is aggrieved by an order of-
Appeal to the
Appellate
Tribunal

(a) an Appellate Joint Commissioner or the
Commissioner (Appeals), as the case may be,
under section 128 or 156;

7[* *]

1 The words "thirty days" were substituted for the words "fifteen days" by section 49 of A_© AvBb, 2009 (2009 mþbi 9 bs AvBb) (with effect from 1st July, 2007).

2 The words and brackets ■or the Commissioner (Appeals)■ were inserted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)|

3 The words and brackets ■or the Commissioner (Appeals)■ were inserted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)|

4 The words ■ninety days from the date on which the appeal was filed■ were substituted for the words ■a period of one year from the end of the month in which the appeal was filed■ by section 62 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb)|

5 The words "one hundred and fifty days from the end of the month " were substituted for the words "ninety days from the end of the month" by section 35 of A_© AvBb, 2009 (2009 mþbi 36 bs AvBb) (with effect from 1st July, 2009).

6 The words, brackets and commas ■or the Commissioner (Appeals), as the case may be,■ were inserted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)|

7 Clauses (b) and (c) were omitted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)| Income-tax Ordinance, 1984

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1[(2) No appeal under sub -section (1) shall lie against an
order of the Appellate Joint Commissioner or the
Commissioner (Appeals), as the case may be, unless the
assessee has paid 2[ten per cent] of the amount representing the
difference between the tax as determined on the basis of the
order of the Appellate Joint Commissioner or the
Commissioner (Appeals), as the case may be, and the tax
payable under section 74 3]:

Provided that on an application made in this behalf by the
assessee, the Commissioner of Taxes, may reduce, the
requirement of such payment if the grounds of such application
appears reasonable to him 4[and shall pass such order in this
regard as he thinks fit within thirty days from date of the receipt
of such application].]

5[(2A) The Deputy Commissioner of Taxes may, 6[with the
prior approval of the Commissioner of Taxes], prefer an appeal
to the Appellate Tribunal against the order of an Appellate Joint

Commissioner, or the Commissioner (Appeals) under section 156.]

(3) [Omitted by section 63 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb)]

1 Sub-section (2) was substituted by section 39 of A_© AvBb, 2004 (2004 mþbi 16 bs AvBb)|

2 The words "ten percent" was substituted for the words "five percent" by section 50(a) of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011).

3 The colon (:) was substituted for the full-stop (.) and thereafter the proviso was added by section 50(b) of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011).

4 The words ■and shall pass such order in this regard as he thinks fit within thirty days from date of the receipt of such application■ were inserted after the words ■reasonable to him■ by section 47 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■ ■■■■■)■

5 Sub-section (2A) was inserted by section 33 of A_© AvBb, 2003 (2003 mþbi 17 bs AvBb)|

6 The words "with the prior approval of the Commissioner of Taxes" were substituted for the words "with the prior approval of th e Board " by section 35 of A_© AvBb, 2009 (2009 mþbi 10 bs AvBb) (with effect from 1st July, 2008). Income-tax Ordinance, 1984

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1[(4) Every appeal under 2[sub-section (1) or sub -section (2A)] 3[* * *] shall be filed within sixty days of the date on which the order sought to be appealed against is communicated to the assessee or to the commissioner, as the case may be:

Provided that the Appellate Tribunal may admit an appeal after the expiry o f sixty days if it is satisfied that there was sufficient cause for not presenting the appeal within that period.]

(5) An appeal to the Appellate Tribunal shall be in such form and verified in such manner as may be prescribed 4[and shall, except in th e case of an appeal under sub -section (2A)] 5[* * *] be accompanied by a fee of 6[one thousand] taka.

7[(6) The Board may, by notification in the official Gazette,-

(a) specify 8[the cases in which the appeal] shall be filed electronically or in a ny other machine readable or computer readable media;

(b) specify the form and manner in which such appeal shall be filed.]

- 1 Sub-section (4) was substituted by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|
- 2 The words, figures and brackets ■sub -section (1) or sub -section (2A)■ were substituted for the words, figure and bracket ■sub -section (1)■ by section 33 of A_© AvBb, 2003 (2003 mþbi 17 bs AvBb)|
- 3 The words, figure and bracket ■or sub -section (3)■ were omitted by section 63 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb)|
- 4 The words, figure and bracket ■and shall, except in the case of an appeal under sub -section (2A)■ were substituted for the words ■and shall■ by section 33 of A_© AvBb, 2003 (2003 mþbi 17 bs AvBb)|
- 5 The words, bracket, figure and comma ■except in the case of an appeal under sub -section (3),■ were omitted by section 63 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb)|
- 6 The words "one thousand" were substituted for the words "five hundred" by section 50 of A_© AvBb, 2009 (2009 mþbi 9 bs AvBb) (with effect from 1st July, 2007).
- 7 Sub-section (6) was added by section 59 of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■)■
- 8 The words ■the cases in which the appeal■ were substituted for the words ■that any appeal of any assessee or any class of assessee■ by section 42 of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017). Income-tax Ordinance, 1984

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Disposal of
appeal by the
Appellate
Tribunal

159. (1) The Appellate Tribunal may, after giving both the parties to the appeal an opportunity of being heard, pass such orders on the appeal as it thinks fit.

(2) Before disposing of any appeal, the Appellate Tribunal may call for such particulars as it may require respecting the matters arising in the appeal or cause further enquiry to be made by the Deputy Commissioner of Taxes.

(3) Where, as a result of the appeal, any change is made in the assessment of a firm or association of persons, or a new assessment of a firm or association of person, is ordered to be made, the Appellate Tribunal may direct the Deputy Commissioner of Taxes to amend accordingly any assessment made on any partner of the firm or any member of the association.

(4) The Appellate Tribunal shall communicate its order on the appeal 1[to the assessee and to the Commissioner within 2[thirty days] from the date of such order].

(5) Save as hereafter provided in this Chapter, the orders passed by the Appellate Tribunal on appeal shall be final.

3[(6) Notwithstanding anything contained in this Ordinance an appeal filed by an assessee to the Appellate Tribunal shall be deemed to have been allowed if the Appellate Tribunal fails to make an order thereon within a period of 4[5[six months] from

- 1 The words ■to the assessee and to the Commissioner within one hundred and twenty days from the date of such order■ were substituted for the words ■to the assessee and to the Commissioner■ by section 5 of A_© AvBb, 1997 (1997 mþbi 40 bs AvBb)|
- 2 The words "thirty days" were substituted for the words "fifteen days" by section 51 of

A_© AvBb, 2009 (2009 mþbi 9 bs AvBb) (with effect from 1st July, 2007).

3 Sub-section (6) was inserted by section 7 of A_© AvBb, 1991 (1991 mþbi 21 bs AvBb)|

4 The words ■six months from the end of the month in which the appeal was filed■ were substituted for the words ■two years from the end of the year in which the appeal was filed■ by section 64 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb)|

5 The words "six months" were substituted for the words "four months" by section 51 of A_© AvBb, 2009 (2009 mþbi 9 bs AvBb) (with effect from 1st July, 2007). Income-tax Ordinance, 1984

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the end of the month in which the appeal was filed 1[, and where a case is heard by two members and an additional member is appointed for hearing the case because of the difference of decision of the two members, the period shall be eight months from the end of the month in which the appeal was filed]]:

Provided that the provisions of this sub -section shall not apply to an appeal filed by an assessee at any time before the 1st day of July, 1991 2[:

Provided further that the provisions of this sub -section shall, in relation to an appeal filed by an assessee at any time during the period between the first day of July, 1995 and the thirtieth day of June, 1996 (both days inclusive), have effect as if for the words ■two years■ the words ■three years■ were substituted on the day on which section 21 of A_© AvBb, 1991 (1991 mþbi 21 bs AvBb) came into force 3[:

Provided further that the provisions of this sub -section shall, in relation to an appeal filed by an assessee on or after the first day of July, 1999, have effect as if for the words ■two years from the end of the year■ the words ■two years from the end of the month■ were substituted 4[:

Provided further that the provisions of this sub -section shall, in relation to an appeal filed by an assessee before the

1 The comma and words ■, and where a case is heard by two members and an additional member is appointed for hearing the case because of the difference of decision of the two members, the period shall be eight months from the end of the month in which the appeal was filed■ were inserted after the words ■appeal was filed■ by section 43 of ■■■■■■■■■■, ■■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017).

2 The colon was substituted for the full -stop and thereafter the proviso was added by section 6 of A_© AvBb, 1998 (1998 mþbi 14 bs AvBb)|

3 The colon (:) was substituted for the full stop (.) and thereafter the proviso was added by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|

4 The colon (:) was substituted for the full stop (.) and thereafter the provisos were inserted by section 64 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb)| Income-tax Ordinance, 1984

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first day of July, 2002, have effect as if the words ■six months from the end of the month in which appeal was filed■ were substituted by the words ■one year from the end of the year in which appeal was filed:

Provided further that the appeals filed by the Deputy Commissioner of Taxes on or before the thirtieth day of June, 2002 on which no order was passed by the Appellate Tribunal till that date shall be deemed to have been withdrawn from first of July, 2002.]]

Reference to the
High Court
Division

160. (1) The assessee or the Commissioner may, 1[within ninety days] from the date of receipt of the order of the Appellate Tribunal communicated to him under section 159, by application in the prescribed form, accompanied, in the case of an application by the assessee, by a fee of 2[two thousand taka], refer to the High Court Division any question of law arising out of such order 3[:

4[Provided that no reference under sub -section (1) shall lie against an order of the Taxes Appellate Tribunal, unless the assessee has paid the following tax at the rate of-

(a) 5[fifteen per cent] of the difference between the tax as determined on the basis of the order of the Taxes

1 The words ■within ninety days■ were substituted for the words ■within sixty days■ by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|

2 The words ■two thousand taka■ were substituted for the words ■one hundred taka■ by section 65 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb)|

3 The colon (:) was substituted for the full stop (.) and thereafter the proviso s were added by section 37 of A_© AvBb, 2009 (2009 mþbi 36 bs AvBb) (with effect from 1st July, 2009).

4 Proviso was substituted by section 51 of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb)|

5 The words "fifteen per cent" were substituted for the words "twenty five per cent " by section 30(a) of A_© AvBb, 2013 (2013 mþbi 25 bs AvBb) (with effect from 1st July, 2013). Income-tax Ordinance, 1984

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Appellate Tribunal and the tax payable under section 7 4 where tax demand does not exceed one million taka;

(b) 1[twenty five per cent] of the difference between the tax as determined on the basis of the order of the Taxes Appellate Tribunal and the tax payable under section 74 where tax demand exceeds one million taka:]

Provided further that the Board may , on an application made in this behalf modify or waive, in any case, the requirement of such payment.]

(2) An application under sub -section (1) shall be in

triplicate and shall be accompanied by the following documents, namely:-

(a) certified copy, in triplicate, of the order of the Appellate Tribunal out of which the question of law has arisen;

(b) certified copy, in triplicate, of the order of the Deputy Commissioner of Taxes, the Inspecting Joint Commissioner or the Appellate Joint Commissioner 2[or the Commissioner (Appeals)], as the case may be, which was the subject-matter of appeal before the Appellate Tribunal; and

(c) certified copy, in triplicate, of any other document the contents of which are relevant to the question of law formulated in the application and which was produced before the Deputy Commissioner of Taxes, the Inspecting Joint Commissioner, the Appellate Joint Commissioner 3[or the Commissioner (Appeals)] or the Appellate Tribunal, as the case may be, in the course of any proceedings relating to any order referred to in clause (a) or (b).

(3) Where the assessee is the applicant, the Commissioner shall be made a respondent; and where the Commissioner is the applicant the assessee shall be made a respondent:

1 The words "twenty five per cent" were substituted for the words "fifty per cent" by section 30(b) of A_© AvBb, 2013 (2013 mþbi 25 bs AvBb) (with effect from 1st July, 2013).

2 The words and brackets ■or the Commissioner (Appeals)■ were inserted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)|

3 The words and brackets ■or the Commissioner (Appeals)■ were inserted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)| Income-tax Ordinance, 1984

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Provided that where an assessee dies or is succeeded by another person or is a company which is being wound up, the application shall not abate and may, if the assessee was the applicant, be continued by, and if he was the respondent, be continued against, the executor, administrator or successor or other legal representative of the assessee, or by or against the liquidator or receiver, as the case may be.

(4) On receipt of the notice of the date of hearing of the application, the respondent shall, at least seven days before the date of hearing submit in writing a reply to the application; and he shall therein specifically admit or deny whether the question of law formulated by the applicant arises out of the order of the Appellate Tribunal.

(5) If the question formulated by the applicant is, in the opinion of the respondent, defective, the reply shall state in what particular the question is defective and what is the exact question of law, if any, which arises out of the said order; and the reply shall be in triplicate and be accompanied by any documents which are relevant to the question of law formulated

in the application and which were produced before the Deputy Commissioner of Taxes, the Inspecting Joint Commissioner, the Appellate Joint Commissioner 1[, the Commissioner (Appeals)] or the Appellate Tribunal, as the case may be, in the course of any proceedings relating to any order referred to in sub-section (2)(a) or (b).

(6) Section 5 of the Limitation Act, 1908 (IX of 1908), shall apply to an application under sub-section (1).

Decision of the
High Court
Division

161. (1) Where any case has been referred to the High Court Division under section 160, it shall be heard by a Bench of not less than two judges and the provisions of section 98 of the Code of Civil Procedure, 1908 (V of 1908), shall, so far as may be, apply in respect of such case.

(2) The High Court Division shall, upon hearing any case referred to it under section 160, decide the questions of law raised thereby and shall deliver its judgment thereon stating the grounds on which such decision is founded and shall send a

1 The comma, words and brackets ■, the Commissioner (Appeals)■ were inserted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)| Income-tax Ordinance, 1984

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copy of such judgment under the seal of the Court and the signature of the Registrar to the Appellate Tribunal which shall pass such orders as are necessary to dispose of the case in conformity with the judgment.

(3) The costs in respect of a reference to the High Court Division under section 160 shall be in the discretion of the Court.

(4) Notwithstanding that a reference has been made under section 160 to the High Court Division, tax shall be payable in accordance with the assessment made in the case unless the recovery thereof has been stayed by the High Court Division.

162. (1) An appeal shall lie to the Appellate Division from any judgment of the High Court Division delivered under section 161 in any case which the High Court Division certifies to be a fit one for appeal to the Appellate Division 1[:

Appeal to the
Appellate
Division

2[* * *]]

(2) The provisions of the Code of Civil Procedure, 1908 (Act V of 1908), relating to appeals to the Appellate Division shall, so far as may be, apply in the case of appeals under this section in like manner as they apply in the case of appeals from decrees of the High Court Division:

Provided that nothing in this sub-section shall be deemed to affect the provision of section 161(2) or (4):

Provided further that the High Court Division may, on petition made for the execution of the order of the Appellate Division in respect of any costs awarded thereby, transmit the order for execution to any Court subordinate to the High Court Division.

1 The colon (:) was substituted for the full -stop (.) and thereafter the proviso was added by section 5 of A_© AvBb, 1990 (1990 mþbi 3 bs AvBb)|

2 The provisos were omitted by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)| Income-tax Ordinance, 1984

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(3) Where the judgment of the High Court Division is varied or reversed in appeal under this section, effect shall be given to the order of the Appellate Division in the manner provided in section 161 (2) and (4) in respect of a judgment of the High Court Division.

(4) The provisions of sub-section (3) and sub-section (4) of section 161 relating to costs and payment of tax shall apply in the case of an appeal to the Appellate Division as they apply to a reference to the High Court Division under section 160.

CHAPTER XX PROTECTION OF INFORMATION

Statements,
returns, etc. to
be confidential

163. (1) Save as provided in this section, all particulars or information contained in the following shall be confidential and shall not be disclosed, namely:-

(a) any statement made, return furnished or accounts or documents produced under the provisions of this Ordinance;

(b) any evidence given, or affidavit or deposition made, in the course of any proceedings under this Ordinance other than proceedings under Chapter XXI;

(c) any record of any assessment proceedings or any proceeding relating to the recovery of demand under this Ordinance.

(2) Notwithstanding anything contained in the Evidence Act, 1872 (I of 1872), or any other law for the time being in force, no Court or other authority shall, save as provided in this Ordinance, be competent to require any public servant to produce before it any return, accounts or documents contained in, or forming a part of, the records relating to any proceeding under this Ordinance or to give evidence before it in respect thereof.

(3) The prohibition under sub-section (1) shall not apply to the disclosure of-

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(a) any particulars, or in respect of any statement, return, accounts, documents, evidence, affidavit or deposition required for the purposes of prosecution of an offence under this Ordinance, the Penal Code (XLV of 1860), or the Foreign Exchange Regulation Act, 1947 (VII of 1947);

(b) any particulars or information which is necessary for the purposes of this Ordinance to any person acting in the execution of this Ordinance, or of any particulars to any person being an expert whose services have been placed at the disposal of the Government by any international organisation of which Bangladesh is a member;

(c) any particulars or information which is occasioned by the lawful employment under this Ordinance of any process for the service of any notice or the recovery of any demand;

(d) any particulars of the amount due from an assessee under this Ordinance by the Board or any officer authorised by it, or by the Commissioner, to any department of the Government, local authority, bank, corporation or other organisation for the purpose of the recovery of any demand;

(e) any particulars to a Civil Court in any suit which relates to any matter arising out of any proceeding under this Ordinance and to which Government is a party;

(f) any particulars to the Comptroller and Auditor-General of Bangladesh for the purpose of enabling him to discharge his functions under the Constitution;

(n) so much of any such particulars, to the appropriate authority as may be necessary to establish whether a person has or has not been assessed to income tax in any

particular year or years, where, under the provisions of any law for the time being in force, such fact is required to be established;

1 Clause (m) was substituted by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|

2 The commas, words, figures and brackets ■, ■■■■■■ ■■■■ ■■■■ ■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■■■ ■■■■) or ■■■■■■ ■■■■ ■■■■ ■■■■ ■■■■ ■■■■ ■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■■■ ■■■■) were substituted for the words, comma, figures and brackets ■or ■■■■■■ ■■■■ ■■■■ ■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■■■ ■■■■) by section 44 of ■■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■■■ ■■■■) (With effect from 1st July 2017). Income-tax Ordinance, 1984

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(o) any such particulars to the Bangladesh Bank as are required by that Bank to enable it to discharge its functions under the foreign exchange control laws or to compile financial statistics of international investments and balance of payments;

(p) any such information as may be required by any officer or department of the Government for the purpose of investigation into the conduct and affairs of a public servant; 1[***]

2[(pp) any such information as may be required for the purpose of investigation relating to money laundering and terrorist financing if the information is requested by the authority responsible for giving approval to a prosecution relating to money laundering and terrorist financing;]

(q) any such particulars as may be required by any order made under section 19(2) of the Foreign Exchange Regulation Act, 1947 (VII of 1947) 3[; 4[***]

5[(r) a list of highest taxpayers or distinguished taxpayers in accordance with rules made or guidelines issued by the board on this behalf;] 6[;

(s) the particulars of any assessee mentioned in the certificate issued under section 184B to any person or authority mentioned in sub -section (1) of section 184A for the purpose of verifying the authenticity of the twelve-digit Taxpayer's Identification Number (TIN) 7[; or

1 The word ■or■ was omitted by section 6 of A_© AvBb, 1994 (1994 mþbi 11 bs AvBb)|

2 Clause (pp) was inserted by section 60 of ■■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■■■ ■■■■)■

3 The semi-colon and the word ■; or■ were substituted for the full -stop (.) and thereafter sub-clause (r) was added by section 6 of A_© AvBb, 1994 (1994 mþbi 11 bs AvBb)|

4 The word ■or■ was omitted by section 36(a) of ■■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■■■ ■■■■)

(With effect from 1st July 2018).

5 Clause (r) was substituted by section 36(b) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018).

6 The Semi-colon ■;■ was substituted for the full -stop (.) and there after the sub -clause (s) was added by section 47 of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

7 Semi-colon and word ■; or■ were substituted for the full -stop (.) and clause (t) was added by section 36 (c) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018). Income-tax Ordinance, 1984

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(t) any information required to furnish under section 108A.]]]

(4) Nothing in this section shall apply to the production by a public servant before a Court of any document, declaration or affidavit filed, or the record of any statement or deposition made in a proceeding under section 90 or 111, or to the giving of evidence by a public servant in respect thereof.

(5) Any person to whom any information is communicated under this section, and any person or employee under his control, shall in respect of that information, be subject to the same rights, privileges, obligations and liabilities as if he were a public servant and all the provisions of this Ordinance shall, so far as may be, apply accordingly.

(6) This section shall not be construed as prohibiting the voluntary disclosure of any particulars referred to in sub - section (1) by the person by whom the statement was made, return furnished, accounts or documents produced, evidence given or affidavit or deposition made, as the case may be.

CHAPTER XXI

OFFENCES AND PROSECUTION

Punishment for
non-compliance
of certain
obligations

164. A person is guilty of an offence punishable with imprisonment for a term which may extend to one year, or with fine, or with both, if he, without reasonable cause,-

(a) fails to deduct 1[or collect] and pay any tax as required under the provisions of Chapter VII except advance payment of tax or fails to deduct and pay tax as required under section 143(2);

(b) fails to produce, or cause to be produced, on or before the date mentioned in any notice under Chapter VIII, or under section 83, such accounts, documents or statements as are referred to in such notice;

1 The words "or collect" were inserted by section of A_© AvBb, 1989 (1989 mþbi 36 bs AvBb)| Income-tax Ordinance, 1984

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(c) fails to furnish, in due time, the return of income which he is required to furnish under section 75, or by notice given under section 77 or 93;

1[(cc) refuses to furnish such information as may be necessary under section 113;]

(d) refuses to permit inspection or to allow copies to be taken in accordance with the provisions of section 114;

(e) fails to afford necessary facilities or to furnish the required information to an income tax authority exercising powers under section 115; 2[***

(ee) fails to comply with the requirement under sub - section (1) of section 116;

(eee) fails to comply with the order made under sub - section (1) of section 116A; or]

(f) refuses to permit or in any manner obstructs the exercise of powers under section 117 by an Income tax authority.

165. A person is guilty of an offence punishable with imprisonment for a term which may extend to three years, 3[but shall not be less than three months] or with fine, or with both, if he-

(a) makes a statement in any verification, etc. in any return or any other document furnished under any provisions of this Ordinance which is false 4[* * *];

Punishment for
false statement
in 5[verification,
etc.]

1 Clause (cc) was inserted by section 52 (a) of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011).

2 The word " or" was omitted and the reafter the clauses (ee) and (eee) were inserted by section 31 of A_© AvBb, 2013 (2013 mþbi 25 bs AvBb) (with effect from 1st July, 2013).

3 The words "but shall not be less than three months" were inserted by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|

4 The words "and which he either knows or believes to be false or does not believe to be

true■ were omitted by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|
5 The words and comma ■verification, etc.■ were substituted for the word ■verificat ion■
by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)| Income-tax Ordinance, 1984

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(b) knowingly and wilfully aids, abets, assists, incites or includes another person to make or deliver a false return, account, statement, certificate or declaration under this Ordinance, or himself knowingly and wilfully makes or delivers such false return, account, statement, certificate or declaration on behalf of another person 1[;

(c) signs and issues any certificate mentioned in the 2[proviso of] section 82 which he either knows or believes to be false or does not believe to be true 3[;

(d) refuses to furnish such information as may be necessary for the purpose of survey under section 115.]]

Punishment for
improper use of
Tax-payer's
Identification
Number

4[165A. A person is guilty of an offence punishable with imprisonment for a term which may extend to three years or with fine up to taka fifty thousand or both, if he deliberately uses or used a fake Tax -payer's Identification Number (TIN) or a Tax-payer's Identification Number (TIN) of another person.]

Punishment for
furnishing fake
audit report

5[165AA. A person is guilty of an offence punishable with imprisonment for a term which may extend to three years, but shall not be less than three months, or with fine upto taka one lakh, or both, if he furnishes along with the return of income or thereafter any audited statement of accounts which is false or does not conform with signature of a chartered accountant purported to be signatory to such statement.]

Punishment for
obstructing an

6[165B. A person who obstructs an income tax authority in

- 1 The semi -colon (;) was substituted for the full stop and thereafter clause (c) was inserted by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)|
- 2 The words ■proviso of■ were substituted for the words ■first or second proviso to■ by section 45 of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■)■
- 3 The semi -colon (;) was substituted for the full stop (.) and thereafter clause (d) was added by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|
- 4 Section 165A was inserted by section 62 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb) (with effect from 1st July, 2010).
- 5 The new section 165AA was inserted after the section 165A by section 60 of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015).
- 6 Section 165B was inserted by section 53 of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with

effect from 1st July, 2011). Income-tax Ordinance, 1984

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discharge of functions under this Ordinance shall commit an offence punishable with imprisonment for a term not exceeding one year, or with a fine, or with both.]

income tax
authority

1[165C. A person is guilty of an offence punishable with imprisonment for a term which may extend to three years, but shall not be less than three months, or with fine up to taka five lakh, or both, if he employs or allows to work any individual not being a Bangladeshi citizen without prior approval from 2[appropriate authority of the Government].]

Punishment for
unauthorised
employment

166. A person is guilty of an offence punishable with imprisonment which may extend to five years 3[but shall not be less than three months], or with fine, or with both, if he conceals the particulars, or deliberately furnishes inaccurate particulars, of his income.

Punishment for
concealment of
income, etc.

4[166A. A person is guilty of an offence punishable with imprisonment which may extend to three years or with fine, or with both, if he is in possession of any information in relation to an assessee and after being required to furnish the information to an income tax authority under this Ordinance -

(a) conceals the information; or

(b) deliberately furnishes inaccurate information.]

Punishment for
providing false
information, etc

167. The owner of any property, or a person acting on his behalf or claiming under him, is guilty of an offence punishable with imprisonment for a term which may extend to five years, or with fine, or with both, if he sells, mortgages, charges, leases or otherwise so deals with the property after the receipt of a

Punishment for
disposal of
property to
prevent
attachment

1 The new section 165C was inserted after the section 165B by section 61 of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015).

2 The words ■appropriate authority of the Government■ were substituted for the words and comma ■Board of Investment or any competent authority of the Government, as the case may be■ by section 46 of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

3 The words "but shall not be less than three months" were inserted by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)]

4 Section 166A was inserted by section 37 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018). Income-tax Ordinance, 1984

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notice from the Tax Recovery Officer as to prevent its attachment by that officer.

Punishment for disclosure of protected information

168. A public servant, or any person assisting, or engaged, by any person acting in the execution of this Ordinance, is guilty of an offence punishable with imprisonment f or a term which may extend to six months, or with fine, if he discloses any particulars or information in contravention of the provisions of section 163.

Sanction for prosecution

169. (1) No prosecution for an offence punishable under any provisions o f this Chapter shall be instituted except with the previous sanction of the Board.

(2) [Omitted by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)]

Further enquiry and investigation, etc. for prosecution

1[169A. The Deputy Commissioner of Tax es, with prior approval of the Commissioner of Taxes, may make such enquiry and investigation, in addition to the enquiry already made under this Ordinance, as may be necessary for the purpose of prosecution of an offence under this Chapter or a tax related offence (■■ ■■■■■■■■■■ ■■■■■■) under ■■■■ ■■■■■■■■■■ ■■■■■■■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■).]

Power to compound offences

170. 2[The Board may], either before or after the institution of any proceedings or prosecution for an offence punishable under this Chapter, compound such offence.

Trial by Special Judge

171. (1) Notwithstanding anything contained in the Code of Criminal Procedure, 1898 (Act V of 1898), or in any other law for the time being in force, an offence punishable under this Chapter, other than an offence under section 168, shall be tried by a Special Judge appointed under the Criminal Law Amendment Act, 1958 (XL of 1958), as if such offence were an offence specified in the Schedule to that Act.

1 Section 169A was inserted by section 38 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018).

2 The words "The Board may" were substituted for the words "The Commissioner may " by section 36 of A_© AvBb, 2009 (2009 mþbi 10 bs AvBb) (with effect from 1st July, 2008). Income-tax Ordinance, 1984

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(2) A Special Judge shall take cognizance of , and have jurisdiction to try, an offence triable by him under sub -section (1) only upon a complaint in writing made, after obtaining the sanction under section 169, by the Deputy Commissioner of Taxes-

(a) who is competent to make assessment under this Ordinance in the case to which the offence alleged to have been committed relates, and

(b) whose office is situated within the territorial limits of the jurisdiction of the Special Judge.

CHAPTER XXII MISCELLANEOUS

172. Where the income of an assessee is assessable at a rate higher than that at which it would otherwise have been assessed by reason of-
Relief when
salary, etc. is
paid in arrear or
advance

(a) any portion of his salary being paid in arrears or in advance, or

(b) his having received in any one financial year salary for more than twelve months, or

(c) his having received a payment which is a profit in lieu of salary, or

(d) his having received in arrears in one income year any portion of his income from i nterest on securities relatable to more income years than one;

the Deputy Commissioner of Taxes may, on an application made to him in this behalf, determine the tax payable as if the salary, payment or interest had been received by the assessee during the income year or years to which it relates and may

refund the amount of tax, if any, paid in excess of the tax so determined.

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Correction of errors

173. 1[(1) Where an income tax authority or the Appellate Tribunal finds by own motion or based on written application from the assessee or information from any other source that an error apparent from record has been made in any order passed by it, the income tax authority or the Appellate Tribunal may amend the error by order in writing:

Provided that no amendment under this sub-section shall be made after the expiration of four years from the date of the order sought to be amended.

(1A) Where an assessee, by an application in writing in relation to an assessment year, brings to the notice of the Deputy Commissioner of Taxes of the claim that-

(a) a sum payable under this Ordinance has been paid in amount higher than the due amount, or

(b) the due credit of a sum paid under this Ordinance has not been given,

the Deputy Commissioner of Taxes shall give credit of the amount in the assessment year in which the sum was to be given credit if the claim of the assessee is found valid and correct after due verification.]

(2) No amendment under sub-section (1) which has the effect of enhancing an assessment or reducing a refund or otherwise increasing the liability of the assessee shall be made unless the parties affected thereby have been given a reasonable opportunity of being heard.

(3) Where any such error as is referred to in sub-section (1) is brought to the notice of the authority concerned by the assessee and no amendment is made by such authority within the financial year next following the date in which the error is

1 Sub-sections (1) and (1A) were substituted for the sub-section (1) by section 45 (a) of ■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017). Income-tax Ordinance, 1984

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brought to its notice, the amendment under that sub-section

shall be deemed to have been made so as to correct the error and all the provisions of this Ordinance shall have effect accordingly.

1[***]

(5) Where in respect of any completed assessment of a partner in a firm it is found on the assessment of the firm or on any reduction or enhancement made in the income of the firm under sections 120, 2[121A], 156, 159, 161 or 162 that the share of the partner in the profit or loss of the firm has not been included in the assessment of the partner, or, if included, is not correct, the inclusion of the share in the assessment or the correction thereof, as the case may be, shall be deemed to be correction of an error apparent from the record within the meaning of this section, and the provisions of sub-section (1) shall apply thereto accordingly, the period of four years referred to in sub-section (4) being computed from the date of the final order passed in the case of the firm.

(6) Where as a result of proceedings initiated under section 93, a firm or an association of persons is assessed, and the Deputy Commissioner of Taxes concerned is of opinion that it is necessary to compute the total income of a partner in the firm or a member of the association of persons, as the case may be, the Deputy Commissioner of Taxes may proceed to compute the total income and determine the sum payable on the basis of such computation as if the computation is a correction of an error apparent from the record within the meaning of this section, and the provisions of sub-section (1) shall apply accordingly, the period of four years specified in sub-section (4) being reckoned from the date of the final order passed in the case of the firm or association of persons, as the case may be.

(7) Subject to the provisions of sub-section (3) where an amendment is made under this section, an order shall be passed

1 Sub-section (4) was omitted by section 45(b) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017).

2 The number ■121A■ was substituted for the number ■121■ by section 48 of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).
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in writing by the income tax authority concerned or the Appellate Tribunal, as the case may be.

Place of
assessment

1[173A. (1) Where an assessee carries on a business,

profession or vocation at any place, he shall be assessed by the Deputy Commissioner of Taxes of the area in which that place is situate or, where the business, profession or vocation is carried on in more places than one, by the Deputy Commissioner of Taxes of the area in which the principal place of his business, profession or vocation is situate.

(2) In all other cases, an assessee shall be assessed by the Deputy Commissioner of Taxes of the area in which he resides.

(3) Where any question arises under this section as to place of assessment, such question shall be determined by the Commissioner, or, where the question is between places in areas within the jurisdiction of more Commissioners than one, by the Commissioners concerned, or, if they are not in agreement, by the National Board of Revenue:

Provided that, before any such question is determined, the assessee shall have had an opportunity of representing his views.

(4) No person shall be entitled to call in question the jurisdiction of a Deputy Commissioner of Taxes after he has made the return of total income or where he has not made such return, after the time allowed by the notice served on him for making such return has expired.]

Appearance by
authorised
representative

174. (1) Any assessee, who is entitled or required to appear before any income tax authority or the Appellate Tribunal in connection with any proceedings under this Ordinance, may, except when required under section 122 to attend personally, appear by an authorised representative.

(2) For the purpose of this section, ■authorised representative■ means a person, authorised in writing by the assessee to appear on his behalf, being-

1 Section 173A was inserted by section 8 of A_© AvBb, 1987 (1987 mþbi 27 bs AvBb)| Income-tax Ordinance, 1984

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(a) a relative of the assessee who is his parent, spouse, son, daughter, brother or sister;

(b) a whole time regular employee of the assessee;

1[* * *]

(d) a legal practitioner who is entitled to practice in a Civil Court in Bangladesh;

(e) a chartered accountant or a cost and management accountant or a member of an association of accountants recognised in this behalf by the Board; or

(f) an income tax practitioner registered as such by the Board in accordance with the rules made in this behalf and subject to such conditions as may be laid down in those rules 2[

Provided that such an income tax practitioner shall be a member of any registered Taxes Bar Association.]

(3) Notwithstanding anything contained in sub-section (1), the following persons shall not be qualified to represent an assessee under that sub-section, namely:-

(a) a person who has been dismissed from Government service;

(b) a legal practitioner, or a chartered accountant, a cost and management accountant, or other accountant mentioned in clause (e) of sub-section (2), or an income-tax practitioner, who, having been found guilty of misconduct in his professional capacity-

(i) by any authority empowered to take disciplinary action against him, or

(ii) by the 3[Board], in connection with any income-tax

1 Clause (c) was omitted by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)|

2 The colon (:) was substituted for the full-stop (.) and thereafter the proviso was added by section 27 of A_© AvBb, 2006 (2006 mþbi 22 bs AvBb)|

3 The word ■Board■ was substituted for the word ■Commissioner■ by section 8 of A_© AvBb, 1992 (1992 mþbi 21 bs AvBb)| Income-tax Ordinance, 1984

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proceeding, and, on account of that finding, he stands disqualified from practising his profession for so long as such disqualification continues 1[

Provided that no person shall be disqualified under this sub-clause unless he is given a reasonable opportunity of being heard:

3[Provided further that any person disqualified under this sub -clause may, within one month of his disqualification, appeal to the Government to have the disqualification removed:

Provided further that no disqualification under this sub-clause shall take effect until one month from the date of such disqualification has elapsed or, when an appeal is preferred, until the disposal of the appeal;]

(c) a person who has become insolvent for so long as the insolvency continues;

(d) a person who has been convicted of any offence connected with any income tax proceeding under this Ordinance unless the Commissioner, with the approval of the Board, by order, remove his disqualification under this sub-section; and

(e) any Government servant in the Income -tax Department who has resigned or retired from such service, for a period of three years from the date of acceptance of resignation or a period of one year from the date of retirement, as the case may be.

Tax to be
calculated to
nearest taka

175. In the determination of the amount of tax or of a refund payable under this Ordinance, fractions of a taka, less than fifty poisha, shall be disregarded and fractions of a taka equal to or exceeding fifty poisha shall be regarded as one taka.

1 The colon (:) was substituted for the semi -colon (;) and thereafter the proviso was inserted by section 8 of A_© AvBb, 1988 (1988 mþbi 33 bs AvBb)|

2 Second and third provisos were omitted by section 8 of A_© AvBb, 1992 (1992 mþbi 21 bs AvBb)|

3 The provisos were inserted by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)| Income-tax Ordinance, 1984

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176. A receipt shall be given for any money paid or recovered under this Ordinance.

Receipts to be
given

177. (1) In computing the period of limitation prescribed for an appeal or application under this Ordinance, the day on which the order complained of was served, or, if the assessee was not furnished with a copy of the order when the notice of the order was served upon him, the time requisite for obtaining the copy of the order shall be excluded.

Computation of
the period of
limitation

(2) Where the period of limitation prescribed for an appeal or application under this Ordinance expires on a day which is a closed holiday, the appeal or application may be made on the day next following such holiday.

178. 1[(1) A notice, an assessment order, a form of computation of tax or refund or any other document may be served on the person named therein 2[by registered post or by sending from the official electronic mail of the sender to the specified electronic mail address of the person] or in the manner provided for service of a summons issued by a Court under the Code of Civil Procedure, 1908 (Act V of 1908):
Service of
notice

Provided that where a notice, an assessment order, a form of computation of tax or refund or any other document is received by an authorized representative as referred to in section 174, such receipt by the authorized representative, shall be construed as valid service on that person.]

3[* *]

(1A) [Omitted by section 5 of A_© AvBb, 1997 (1997 mþbi 15 bs AvBb)]

1 Sub-section (1) was substituted by section 52 of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012).

2 The words ■by registered post or by sending from the official electronic mail of the sender to the specified electronic mail address of the person■ were substituted for the words ■either by registered post■ by section 39(a) of ■■■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018).

3 The Explanation was omitted by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)| Income-tax Ordinance, 1984

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(2) A notice may be addressed-

(a) in the case of a firm or a Hindu undivided family, to any member of the firm, or the manager or any adult male member of the family;

(b) in the case of a local authority or a company, to the principal officer thereof;

(c) in the case of other body or association of persons, to the principal officer or any member thereof;

(d) in a case where a firm or association of persons is

dissolved, to any person who was a member of the firm or association, as the case may be, immediately before such dissolution;

(e) in a case where a business or profession is discontinued to which section 89 applies, if the business or profession discontinued was-

(i) that of an individual, to the person whose income is to be assessed;

(ii) that of a company, to the principal officer thereof; and

(iii) that of a firm or association of persons, to any person who was a partner of such firm or a member of such association, as the case may be, at the time of the discontinuance;

(f) in a case where a finding of partition has been recorded under section 90 in respect of a Hindu undivided family, to the person who was the last manager of the family or, if such person is dead, to all adult male persons who were members of the family immediately before the partition; and

(g) in any other case, not being an individual, to the person who manages or controls the affairs of the person or institution concerned.

(3) The validity of any notice or of the service of any notice shall not be called in question after the return in response to the notice has been filed or the notice has been complied with.

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1[(4) In this section-

(a) **electronic mail** shall have the same meaning as assigned to "**electronic mail**" by **the Income Tax Act, 1961**, **section 2(37)** (**Income Tax Act, 1961**);

(b) **official electronic mail of the sender** means the electronic mail designated by the Board to the income tax authority serving the notice;

(c) **specified electronic mail address of the person** means the electronic mail address –

(i) that has been mentioned in the return of income of the person submitted for the respective income year;

(ii) that has been specified by a person, in writing, to the income tax authority, as the electronic mail address of such person.]

2[Explanation.- In this section, ■notice■ includes order or requisition made or issued under this Ordinance.]

3[178A. A notice, order, requisition, certificate, communication, letter or an acknowledgment of receipt generated by computer or electronic system specified by the Board shall have the same meaning and effect of the notice, order, requisition, certificate, communication, letter or an acknowledgment of receipt issued or served under this Ordinance.

System
generated notice,
order, etc

178B. Where any return, statement, application or document is to be filed to an income tax authority or the Taxes Appellate Tribunal under any provision of this Ordinance, the Electronic filing,
etc

1 Sub-section (4) was inserted by section 39(b) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018).

2 The Explanation was added by section 7 of A_@ AvBb, 1993 (1993 mþbi 18 bs AvBb)|

3 Sections 178A and 178B were inserted by section 46 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017). Income-tax Ordinance, 1984

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return, statement, application or document may be filed in such electronic, computer readable or machine readable form and manner as may be specified by the Board.]

Certain errors
not to vitiate
assessment, etc.

179. No assessment, order, notice, warrant or other document made, issued or executed, or purporting to be made, issued or executed, under this Ordinance, shall be void or otherwise inoperative, merely for want of form, or for an error, defect or omission therein, if such want of form, error, defect or omission is not of a substantial nature prejudicially affecting the assessee.

Proceeding
against
companies under
liquidation

180. Notwithstanding anything contained in section 171 of the Companies Act, 1913 (VII of 1913), leave of the Court shall not be required for continuing any proceeding, or commencing any proceeding, under this Ordinance against a company in respect of which a winding up order has been made or

provisional liquidator appointed.

Indemnity 181. Every person deducting, retaining or paying any tax in pursuance of this Ordinance in respect of income belonging to another person is hereby indemnified for the deduction, retention or payment thereof.

Bar of suits and prosecution, etc.

182. (1) No suit shall be brought in any Civil Court to set aside or modify any assessment made under this Ordinance.

(2) No suit, prosecution or other proceedings shall lie against any officer of the Government for anything in good faith done or intended to be done under this Ordinance.

Ordinance to have effect pending legislative provision for charge of tax

183. If, on the first day of July in any year provision has not been made by Act of Parliament for the charging of income tax for that year, this Ordinance shall nevertheless have effect until such provision is made, as if the provision in force in the preceding year, or the provision proposed in the bill which may then be before the Parliament, whichever is more favourable to the assessee, were actually in force.

184. [Restriction on registration of documents. - Omitted by section 8 of A_© AvBb, 1992 (1992 mþbi 21 bs AvBb)]

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1[184A. (1) Notwithstanding anything contained in this Ordinance, a person shall be required to furnish a proof of submission of return in the cases mentioned in sub-section (3).

(2) The proof of submission of return shall be-

(a) an acknowledgment receipt of return prescribed by the Board; or

(b) a system generated certificate containing name and Taxpayer's Identification Number (TIN) of the person and the year for which return has been submitted; or

(c) a certificate issued by the Deputy Commissioner of Taxes containing name and TIN of the person and the year for which return has been submitted.

(3) The proof of submission of return shall be furnished in the cases of –

- (i) applying for a loan exceeding Taka five lakh from a bank or a financial institution;
 - (ii) becoming a director or a sponsor shareholder of a company;
 - (iii) obtaining or continuing an import registration certificate or export registration certificate;
 - (iv) obtaining or renewal of a trade license in the area of a city corporation or paurashava;
 - (v) obtaining registration of co-operative society;
 - (vi) obtaining or renewal of license or enlistment as a surveyor of general insurance;
- Proof of
submission of
return required
in certain cases

1 Section 184A was substituted by section 48 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)
(With effect from 1st July 2022). Income-tax Ordinance, 1984

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- (vii) obtaining registration, by a resident, of the deed of transfer, baynanama or power of attorney or selling of a land, building or an apartment situated within a city corporation or a paurashava of a district headquarter or cantonment board, where the deed value exceeds Taka ten lakh;
- (viii) obtaining or maintaining a credit card;
- (ix) obtaining or continuing the membership of the professional body as a doctor, dentist, lawyer, chartered accountant, cost and management accountant, engineer, architect or surveyor or any other similar profession;
- (x) obtaining and retaining a license as a Nikah Registrar under the Muslim Marriages and Divorces (Registration) Act. 1974 (LII of 1974);
- (xi) obtaining or continuing the membership of any trade or professional body;

(xii) obtaining or renewal of a drug license, a fire license, environment clearance certificate, BSTI licenses and clearance;

(xiii) obtaining or continuing commercial and industrial connection of gas in any area and obtaining or continuing residential connection of gas in city corporation area;

(xiv) obtaining or continuing a survey certificate of any water vessel including launch, steamer, fishing trawler, cargo, coaster and dumb barge etc., plying for hire;

(xv) obtaining the permission or the renewal of permission for the manufacture of bricks by Deputy Commissioner's office in a district or Directorate of Environment, as the case may be;

(xvi) obtaining the admission of a child or a dependent in an English medium school providing education under international curriculum or english version of national curriculum, situated in any city corporation, district headquarter or paurashava;

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(xvii) obtaining or continuing the connection of electricity in a city corporation or cantonment board;

(xviii) obtaining or continuing the agency or the distributorship of a company;

(xix) obtaining or continuing a license for arms;

(xx) opening a letter of credit for the purpose of import;

(xxi) opening postal savings accounts of Taka exceeding five lakhs;

(xxii) opening and continuing bank accounts of any sorts with credit balance exceeding Taka ten lakhs;

(xxiii) purchasing savings instruments (Sanchayapatra) of Taka exceeding five lakhs;

(xxiv) participating in any election in upazilla, paurashava, zilla parishad, city corporation or Jatiya Sangsad;

(xxv) participating in a shared economic activities by providing motor vehicle, space, accommodation

or any other assets.

(xxvi) receiving any payment which is an income of the payee classifiable under the head "Salaries" by any person employed in the management or administrative function or in any supervisory position in the production function;

(xxvii) receiving any payment which is an income of the payee classifiable under the head "Salaries" by an employee of the government or an authority, corporation, body or units of the government formed by any law, order or instrument being in force, if the employee, at any time in the income year, draws a basic salary of taka sixteen thousand or more;

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(xxviii) receiving any commission, fee or other sum in relation to money transfer through mobile banking or other electronic means or in relation to the recharge of mobile phone account;

(xxix) receiving any payment by a resident from a company on account of any advisory or consultancy service, catering service, event management service, supply of manpower or providing security service;

(xxx) receiving any amount from the Government under the Monthly Payment Order (MPO) if the amount of payment exceeds taka sixteen thousand per month;

(xxxi) registration or renewal of agency certificate of an insurance company;

(xxxii) registration, change of ownership or renewal of fitness of a motor vehicle of any types excluding two and three wheeler;

(xxxiii) releasing overseas grants to a non-government organisation registered with NGO Affairs Bureau or to a Micro Credit Organisation having licence with Micro Credit Regulatory Authority;

(xxxiv) selling of any goods or services by any digital platforms to consumers in Bangladesh.

(xxxv) submitting application for the membership of a club registered under ■■■■■■■■■■■■ ■■■■, ■■■■

(■■■■■ ■■■■■ ■■ ■■ ■■■■) and Societies
Registration Act, 1860 (Act No. XXI of
1860);

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(xxxvi) submitting tender documents by a resident
for the purpose of supply of goods,
execution of a contract or rendering a
service;

(xxxvii) submitting a bill of entry for import into or
export from Bangladesh;

(xxxviii) submitting plan for construction of building
for the purpose of obtaining approval from
Rajdhani Unnayan Kartripakkha (Rajuk),
Chittagong Development Authority (CDA),
Khulna Development Authority (KDA) and
Rajshahi Development Authority (RDA) or
other concerned authority in any city
corporation or paurashava;

(4) The Board may, by a general or special order, exempt
any person from furnishing proof of submission of return.

(5) The person responsible for processing any application
or nomination, or approving any licence, certificate,
membership, permission, admission, agency or distributorship,
sanctioning any loan, issuing any credit card, allowing
connection or operation, executing registration or making any
payment shall not so process, approve, sanction, issue, allow,
execute or make payment, as the case may be, unless the proof
of submission of return is furnished as required under the
provision of sub-section (1) or the person who is required to
furnish the proof of submission of return provides a certificate
from the Board that he is exempted from furnishing such proof.

(6) The person to whom the proof of submission of return is
furnished shall verify the authenticity of it in the manner as may
be specified by the Board.

(7) Where the person responsible for processing any
application or nomination, or approving any license, certificate,
membership, permission, admission, agency or distributorship,

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sanctioning any loan, issuing any credit card, allowing
connection or operation, executing registration or making any
payment, as the case may be, fails to comply with sub-sections
(5) and (6), shall be deemed to be an assessee in default and be

liable to pay a penalty not exceeding Taka ten lakh as imposed by the Deputy Commissioner of Taxes.

(8) No penalty under this section shall be imposed upon a person without giving a reasonable opportunity of being heard.

(9) A person not being an individual shall, instead of furnishing a proof of submission of return, furnish a system generated certificate containing name and Taxpayer's Identification Number (TIN)–

(a) in the year of incorporation, registration or formation, as the case may be, under any law or instruments having the force of law; and

(b) in the year following the year of incorporation, registration or formation, as the case may be, under any law or instruments having the force of law.]

1[Twelve-digit]
Tax-payer's
identification
number (TIN)
in certain
documents, etc.

2[184AA. The Board may, with the prior approval of the Government and by notification in the official Gazette, specify any class of documents where a 3[twelve-digit Tax-payer's Identification Number] (TIN) is to be mentioned.]

Tax-payer's
identification

4[184B. 5[(1) Every assessee or any person who applies manually or electronically for a Taxpayer's Identification Number

1 The words, and brackets ■Twelve-digit■ in the marginal heading were inserted before the words, word summarize ■Taxpayer's Identification Number (TIN) ■ by section 50(a) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

2 Section 184AA was inserted by section 78 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)|

3 The words ■twelve-digit Taxpayer's Identification Number■ were substituted for the words ■tax-payer's identification number■ by section 50(b) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

4 Section 184B was substituted by section 55 of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011).

5 Sub-section (1) was substituted by section 51(a) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014). Income-tax Ordinance, 1984

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will be issued a certificate containing twelve -digit Taxpayer's Identification Number and such other particulars in such manner

as may be prescribed:

Provided that twelve -digit Tax-payer's Identification Number may be issued without any application where any income tax authority has found a person having taxable income during the year and possesses such necessary information of that person for issuance of twelve-digit Tax-payer's Identification Number.]
number

(2) Board may, by general or special order in writing, direct any person or classes of persons who already hold a Tax -payer's Identification Number to furnish such information or documents for the purpose of re -registration and thereafter issue a new 1[twelve-digit] Tax-payer's Identification Number.]

2[(3) Every existing assessee having ten -digit Tax -payer's Identification Number or a Temporary Registration Number (TRN) shall have to obtain twelve -digit Tax-payer's Identification Number (TIN) before the last date of submission of return of income as required under section 75.]

3[184BB. Every person required to deduct or collect tax under Chapter VII of this Ordinance shall be given a tax collection account number in such manner as may be prescribed.]
Tax collection
account number

4[***]

5[184BBBB. Temporary Registration Number (TRN) may be given to a person who has been found having taxable income
Issuance of
Temporary

1 The words ■twelve-digit■ were inserted after the words ■thereafter issue a new■ by section 51(b) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

2 Sub-section (3) was added by section 51(c) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

3 Section 184BB was inserted by section 67 of A_© AvBb, 2001 (2001 mþbi 30 bs AvBb)|

4 Section 184BBB was omitted by section 41 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)
(With effect from 1st July 2018).

5 Section 184BBBBB was inserted by section 54 of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012). Income-tax Ordinance, 1984

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Registration
Number
(TRN)

in any year and has failed to apply for Tax-payer's Identification Number (TIN) under section 184B.]

1[Explanation.- For the removal of doubts, it is hereby declared that nothing in this Ordinance shall limit the authority of the Deputy Commissioner of Taxes in imposing the liability to pay any sum under this Ordinance on a person who has been given a Temporary Registration Number (TRN) for the reason that the person has failed to apply for the Tax -payer's Identification Number (TIN).]

Displaying
proof of
submission of
return

2[184C. (1) An assessee having income from business or profession shall submit his return of income as required in section 75 and display the proof of submission of return as defined in section 184A at a conspicuous place of such assessee's business premises.

(2) Where an assessee fails to comply with the provision of sub-section (1), he shall be liable to pay a penalty of Taka not less than five thousand and not exceeding twenty thousand as imposed by the Deputy Commissioner of Taxes empowered to this end.]

Requirement of
mentioning
twelve-digit
Taxpayer's
Identification
Number in
certain
documents

3[184CC. Notwithstanding anything contained in any other law for the time being in force where any document relating to the transfer of land, building or apartment situated within a city corporation, or cantonment board, or a paurashava of a district headquarters, deed value of which exceeds taka one lakh and required to be registered under the Registration Act, 1908 (XVI of 1908), such document shall contain twelve -digit Taxpayer's Identification Number of both the seller and the purchaser.]

Reward to
officers and
employees of
the Board and

4[5[184D. (1) Notwithstanding anything contained in this Ordinance or any other law for the time being in force, the Board may, in such manner and in such circumstances and to such extent as may be prescribed, grant reward to the following

1 Explanation was added by section 42 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018).

2 Section 184C was substituted by section 49 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)
(With effect from 1st July 2022).

3 Section 184CC was inserted by section 48 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

4 Section 184D was inserted by section 80 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)|

5 Section 184D was substituted by section 65 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb)
(with effect from 1st July, 2010). Income-tax Ordinance, 1984

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persons:-

(a) an officer or employee of taxes department for
outstanding performance 1[, collection] of taxes and
detection of tax evasion;
its sub-ordinate
income-tax
officers 2[***]

(b) any other person for furnishing information leading to
detection of tax evasion.]

(2) The Board may, in addition to the reward mentioned in
sub-section (1) grant reward to officers and employees of the
Board and its subordinate tax officers for a financial year for
collection of revenue in excess of revenue target as may be
prescribed.]]

3[184E. All officers and staff of Government and semi -
government organizations, law enforcement agencies,
autonomous bodies, statutory bodies, financial institutions,
educational institutions, private organizations, local government
and non-government organizations shall assist the income tax
authorities in the discharge of their functions under this
Ordinance.]

Assistance to
income tax
authorities

4[184F. Notwithstanding anything contained in any other
law for the time being in force, the provisions of this Ordinance
or any proceedings thereunder shall prevail over any other law
in respect of 5[the imposition and the collection of tax, the
exemption of any income from tax, the reduction of the rate

Ordinance to
override other
laws

1 The comma and word ■ , collection■ were substituted for the words ■in collection■ by
section 53(b) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

2 The words in the marginal heading ■for collection and detection of evasion of taxes ■ were omitted by section 53(a) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

3 Section 184E was added by section 66 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb) (with effect from 1st July, 2010).

4 Section 184F was added after the section 184E by section 56 of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011).

5 The words and commas ■the imposition and the c ollection of tax, the exemption of any income from tax, the reduction of the rate of tax, the calling for any information for the purpose of taxation, and the protection of information under this Ordinance■ were substituted for the words ■tax on income and exemption of tax thereof■ by section 62 of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 1984

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of tax, the calling for any informati on for the purpose of taxation, and the protection of information under this Ordinance].]

Power to
condone or
extend, etc

1[184G. (1) Notwithstanding anything contained contrary to any provision of this Ordinance, the Board may, with prior approval of the Government, by an order, and in public interest,—

(a) condone the period of epidemic, pandemic, or any other acts of God, and war in computing the time limits specified in any provision of this Ordinance; or

(b) extend the time limits specified in a ny provision of his Ordinance to such extent as the Board may think fit, due to such epidemic, pandemic, or any other acts of God, and war.

(2) The order under sub -section (1) may be issued with retrospective effect.]

CHAPTER XXIII RULES AND REPEAL

Power to make
rules

185. (1) The Board may, by notification in the Official Gazette, make rules for carrying out the purposes of this Ordinance; and any such rules may, in so far as they do not impose, or have the effect of imposing, any criminal liab ility, be given retrospective effect.

(2) In particular, and without prejudice to the generality of foregoing power, such rules may provide for all or any of the following matters, namely:-

(a) the ascertainment and determination of the classification of any income in respect of which the provisions of this Ordinance are not clear;

(b) the manner ² [, extent and scope] in which, and the procedure by which, the income and the tax payable thereon shall be determined in the case of-

(i) non-residents, and

(ii) income derived in part from agriculture and in part from business;

1 Section 184G was inserted by section 49 of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■■■■■■■■■)■

2 The comma and words ■, extent and scope■ were inserted after the words ■ the manner■ by section 50 of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■■■■■■■■■) (With effect from 1st July 2022). Income-tax Ordinance, 1

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(c) the ascertainment and determination of any income or class of income to be included in the total income of an assessee;

(d) the determination of the value of any perquisites and benefits and of the allowances permissible under this Ordinance in respect of any head of income or total income;

(e) the procedure for the grant of exemption of income of industrial undertakings or tourist industries and any other matter connected with or incidental thereto;

(f) the manner in which, and the procedure by which, self-assessment may be made;

(g) the procedure for, and any other matter connected with or incidental to, the issue of exemption certificate or tax clearance certificate under section 107;

(h) the procedure to be followed on application for refund;

(i) registration of income tax practitioners, qualifications for registration conditions and limitations subject to which income-tax practitioners may act as authorised representative under this Ordinance, cancellation of registration or other disciplinary measures in respect of income tax practitioners;

(j) fees and other charges to be paid in respect of any services rendered or in respect of any matter for which

fees and charges are payable under this Ordinance; and

(k) any other matter which is to be provided for by rules, or which is to be or may be prescribed under this Ordinance.

(3) In cases coming under sub -section (2)(b), the rules may prescribe methods by which an estimate of such income may be made, and prescribe the proportion which shall be deemed to be income classifiable under the head ■Agricultural income■ or ■income from business or profession■, and an assessment based on such estimate or proportion, as the case may be, shall be deemed to be duly made in accordance with the provisions of this Ordinance.

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(4) The power to make rules under this section shall, except on the first occasion of the exercise thereof, be subject to the condition of previous publication¹:

Provided that where previous publication of the draft of any proposed rules or of any amendment to any existing rules is made pursuant to the provisions of this sub -section, giving therewith a notice soliciting objections and suggestions to such draft within the period specified in the notice and if no objection or suggestion is received within the period specified, the previous publication of such draft shall be deemed to be the final publication of the proposed rules or amendment, as the case may be.]

Power to issue
circular,
clarification, etc

2[185A. The Board may, by order, issue circular, clarification, explanation and directives relating to the scope and application of any provision under this Ordinance and the rules and orders made thereunder.]

Repeal and
Savings

186. (1) The Income -tax Act, 1922 (XI of 1922) is hereby repealed.

(2) Notwithstanding the repeal, the Income tax Act, 1922 (XI of 1922), and the rules made thereunder, shall continue to apply, as if that Act had not been repealed,-

(a) to any income of, or relatable to, any period prior to the commencement of this Ordinance; and

(b) to any notice issued, or any assessment, order,

application or appeal made, any proceedings commenced or any prosecution instituted, under that Act.

(3) Save as provided in sub-section (2), the repeal under sub-section (1) and enactment of this Ordinance shall, for the purposes of the General Clauses Act, 1897 (X of 1897), be deemed to be repeal and re-enactment of the Income-tax Act, 1922 (XI of 1922).

1 The colon (:) was substituted for the full stop (.) and thereafter the proviso was added by section 6 of A_© AvBb, 1998 (1998 mþbi 14 bs AvBb)|

2 Section 185A was inserted by section 63 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■)■ Income-tax Ordinance, 1

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187. (1) If any difficulty arises in giving effect to any of the provisions of this Ordinance, the Government may, by notification in the official Gazette, make such provisions as it thinks fit for removing that difficulty.

Removal of
difficulties

(2) No notification under this section shall be issued after the thirtieth day of June, 1988.

THE FIRST SCHEDULE PART A

APPROVED 1[SUPERANNUATION FUND OR PENSION FUND]
[See section 2(6)]

1. For the purposes of this Part,- Definitions

(a) ■employer■, ■employee■, ■contribution■ and ■salary■ have, in relation to 2[Superannuation Fund or Pension Fund], the same meanings assigned to those expressions in paragraph 1 of Part B in relation to provident fund; and

(b) ■ordinary annual contribution■ means an annual contribution of a fixed amount or an annual contribution computed on some definite basis by reference to the earnings, the contributions or the number of members of the fund.

2. 3[(1) The Board shall, within six months from the date of receipt of the application by it for according approval to any 4[Superannuation Fund or Pension Fund], accord such approval,

failing which the 5[Superannuation Fund or Pension Fund] shall be deemed to have been accorded approval and the Board may, if, in its opinion, the 6[Superannuation Fund or Pension Fund] Approval and withdrawal of approval

1 The words ■ SUPERANNUATION FUND OR PENSION FUND ■ were substituted for the words ■Superannuation Funds■ by section 81 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)|

2 The words ■Superannuation Fund or Pension Fund■ were substituted for the words ■superannuation funds■ by section 81 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)|

3 Sub-paragraph (1) was substituted by section 6 of A_© AvBb, 1999 (1999 mþbi 15 bs AvBb)|

4 The words ■Superannuation Fund or Pension Fund■ were substituted for the words ■superannuation Fund■ by section 81 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)|

5 The words ■Superannuation Fund or Pension Fund■ were substituted for the words ■superannuation Fund■ by section 81 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)|

6 The words ■Superannuation Fund or Pension Fund■ were substituted for the words ■superannuation Fund■ by section 81 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)| Income-tax Ordinance, 1984

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contravenes any of the conditions specified in paragraph 3, withdraw such approval at any time.]

(2) The Board shall communicate in writing to the trustees of the fund the grant of approval with the date on which the approval is to take effect, and where the approval is granted subject to conditions, those conditions.

(3) The Board shall communicate in writing to the trustees of the fund any withdrawal of approval with the reasons for such withdrawal and the date on which the withdrawal is to take effect.

(4) The Board shall neither refuse nor withdraw approval to any 1[Superannuation Fund or Pension Fund] or any part of a 2[Superannuation Fund or Pension Fund] unless it has given the trustees of that fund a reasonable opportunity of being heard in the matter.

Conditions for approval

3. In order that a 3[Superannuation Fund or Pension Fund] may receive and retain approval, it shall satisfy the conditions set out below and any other conditions which the Board may prescribe-

(a) the fund shall be a fund established under an irrevocable trust in connection with a trade or undertaking carried on in Bangladesh;

(b) the fund shall have for its sole purpose the provision of annuities for employees in the trade or undertaking on their retirement at or after a specified age or on their becoming incapacitated prior to such retirement, or for the widows, children or dependents of persons who are,

or have been, such employees on the death of those persons;

(b) the employer in the trade or undertaking shall be a contributor to the fund; and

1 The words ■Superannuation Fund or Pension Fund■ were substituted for the words ■superannuation Fund■ by section 81 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)|

2 The words ■Superannuation Fund or Pension Fund■ were substituted for the words ■superannuation Fund■ by section 81 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)|

3 The words ■Superannuation Fund or Pension Fund■ were substituted for the words ■superannuation Fund■ by section 81 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)| Income-tax Ordinance, 1984

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(d) all annuities, pensions and other benefits granted from the fund shall be payable only in Bangladesh:

Provided that the Board may, if it thinks fit and subject to such conditions, if any, as it thinks proper to attach to the approval, approve a fund or any part of a fund-

(i) notwithstanding that the rules of the fund provide for the return in certain contingencies of contributions paid to the fund, or

(ii) if the main purpose of the fund is the provision of such annuities as aforesaid, notwithstanding that such provision is not its sole purpose, or

(iii) notwithstanding that the trade or undertaking, in connection with which the fund is established, is carried on only partly in Bangladesh.

4. (1) An application for approval of a 1[Superannuation Fund or Pension Fund] or part of a 2[Superannuation Fund or Pension Fund] for any year of assessment shall be made in writing before the end of that year by the trustees of the fund to the 3[Board] and shall be accompanied by a copy of the instrument under which the fund is established and by two copies of the rules and of the accounts of the fund for the last year for which such accounts have been made up. The Board may require such further information to be supplied as it thinks proper.

Application for approval

(2) If any alteration in the rules, constitution, objects or conditions of the fund is made at any time after the date of the application for approval, the trustees of the fund shall forthwith communicate such alteration to the Deputy Commissioner of

Taxes, and in default of such communication, any approval given shall, unless the Board otherwise orders, be deemed to have been withdrawn from the date on which the alteration took effect.

1 The words ■Superannuation Fund or Pension Fund■ were substituted for the words ■Superannuation Fund■ by section 81 of A_© AvBb, 2000 (2000 m±bi 15 bs AvBb)|

2 The words ■Superannuation Fund or Pension Fund■ were substituted for the words ■Superannuation Fund■ by section 81 of A_© AvBb, 2000 (2000 m±bi 15 bs AvBb)|

3 The word ■Board■ w as substituted for the words ■Deputy Commissioner of Taxes by whom the employer is assessable ■ by section 81 of A_© AvBb, 2000 (2000 m±bi 15 bs AvBb)| Income-tax Ordinance, 1984

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Exemption of
income of and
contribution to
1[Superannuation
Fund or Pension
Fund] from tax

5. (1) Income derived from investments or deposits of an approved 2[Superannuation Fund or Pension Fund] and any capital gains arising from the transfer of capital assets of such fund shall be exempt from payment of tax.

(2) Any sum paid by an employer as contribution towards an approved 3[Superannuation Fund or Pension Fund] shall be deducted in computing his income, profits and gains for the purpose of assessment:

Provided that where a contribution by an employer is not an ordinary annual contribution it shall, for the purpose of this paragraph, be treated either as an expense in the income year in which the sum is paid or as an expense to be spread over such period of years as the Board thinks proper.

(3) The tax shall not be payable in respect of any sum paid by an employee by way of contribution towards an approved 4[Superannuation Fund or Pension Fund] to which the provisions relating to paragraph 6 of part B of the Sixth Schedule shall apply:

Provided that no such exemption shall be allowable to an employee in respect of any sum which is not an ordinary annual contribution.

Treatment of
repaid
contributions

6. (1) Where any contributions (including interes t on contributions, if any) are repaid to an employee in any income year, the amount so repaid shall be deemed for the purposes of tax to be income of the employee for that year.

(2) Where any contributions (including interes t on contributions, if any) are repaid to an employee during his life time but not at or in connection with the termination of his

employment, tax on the amount so repaid or paid shall, except

1 The words ■Superannuation Fund or Pension Fund■ in the marginal head were substituted for the words ■Superannuation Fund■ by section 81 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)|

2 The words ■Superannuation Fund or Pension Fund■ were substituted for the words ■Superannuation Fund■ by section 81 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)|

3 The words ■Superannuation Fund or Pension Fund■ were substituted for the words ■Superannuation Fund■ by section 81 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)|

4 The words ■Superannuation Fund or Pension Fund■ were substituted for the words ■Superannuation Fund■ by section 81 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)| Income-tax Ordinance, 1984

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in the case of an employee whose employment was carried on abroad, be deducted by the trustees of the fund at the average rate of tax at which the employee was liable to tax during the preceding three years or during such period, if less than three years, as he was a member of the fund, and shall be paid by the trustees to the credit of the Government within the prescribed time and in such manner as the Board may direct.

7. Where an employer deducts from the salary paid to an employee or pays on his behalf any contribution to an approved 1[Superannuation Fund or Pension Fund], he shall include all such deductions or payments in the statement which he is required to furnish under section 108.

Deduction from pay
of and contributions
on behalf of
employee to be
included in the
statement under
section 108

8. If a fund or a part of a fund, for any reason, ceases to be an approved 2[Superannuation Fund or Pension Fund], the trustees of the fund shall nevertheless remain liable to account for tax on any sum paid-

Liabilities of
trustees on
cessation of
approval of fund
(a) on account of returned contributions (including interest
on contributions, if any); and

(b) in commutation or in lieu of annuities;

in so far as the sum so paid is in respect of contributions made before the fund or part of the fund ceased to be an approved fund under the provisions of this Part.

9. The trustees of an approved 3[Superannuation Fund or Pension Fund] and any employer who contributes to an approved 4[Superannuation Fund or Pension Fund] shall, when required by notice from the Deputy Commissioner of Taxes, Particulars to be furnished in respect of 5[Superannuation Fund or Pension Fund]

1 The words ■Superannuation Fund or Pension Fund■ were substituted for the words ■Superannuation Fund■ by section 81 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)|

2 The words ■Superannuation Fund or Pension Fund■ were substituted for the words ■Superannuation Fund■ by section 81 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)|

3 The words ■Superannuation Fund or Pension Fund■ were substituted for the words ■Superannuation Fund■ by section 81 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)|

4 The words ■Superannuation Fund or Pension Fund■ were substituted for the words ■Superannuation Fund■ by section 81 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)|

5 The words ■Superannuation Fund or Pension Fund■ in the marginal heading were substituted for the words ■Superannuation Fund■ by section 81 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)| Income-tax Ordinance, 1984

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within twenty-one days of the date of such notice,-

(a) furnish to the Deputy Commissioner of Taxes a return containing such particulars of contributions made to the fund as the notice may require;

(b) prepare and deliver to the Deputy Commissioner of Taxes a return containing-

(i) the name and place of residence of every person in receipt of an annuity from the fund;

(ii) the amount of the annuity payable to each annuitant;

(iii) particulars of every contribution (including interest on contribution, if any) returned to the employer or to employees; and

(iv) particulars of sums paid in commutation or in lieu of annuities; and

(c) furnish to the Deputy Commissioner of Taxes a copy of the accounts of the fund to the last date prior to such notice to which such accounts have been made up, together with such other information and particulars as the Board may require.

PART B RECOGNISED PROVIDENT FUNDS [see section 2(52)]

Definitions 1. For the purposes of this Part,-

(a) ■accumulated balance due■ to an employee means the balance to his credit, or such portion thereof as may be claimable by him under the regulations of the fund, on the day he ceases to be an employee of the employer maintaining the fund;

(b) ■annual accretion■ to the balance to the credit of an employee means the increase to such balance in any year, arising from contributions and interest;

(c) ■balance to the credit■ of an employee means the total amount to the credit of his individual account in a provident fund at any time; Income-tax Ordinance, 1984

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(d) ■contribution■ means any sum credited by or on behalf of any employee out of his salary, or by an employer out of his own moneys to the individual account of an employee, but does not include any sum credited as interest;

(e) ■employee■ means an employee participating in a provident fund, but does not include a personal or domestic servant;

(f) ■employer■ means-

1[(i) a company, firm, other association of persons, a Hindu undivided family or an individual engaged in a business or profession the profits and gains whereof are assessable to tax under the head ■Income from business or profession■, maintaining a provident fund for the benefit of his or its employees; or]

2[(ii) any diplomatic, consular or trade mission or office of any inter-Governmental organisation located in Bangladesh, maintaining a provident fund for the benefit of Bangladesh, employees of such mission or office;]

(g) ■recognised provident fund■ means a provident fund which has been and continues to be recognised by the Commissioner, in accordance with the provisions of this part;

(h) ■regulations of a fund■ means the special body of regulations governing the constitution and administration of a particular provident fund; and

(i) ■salary■ includes dearness allowance if the terms of

employment so provides, but excludes all other allowance and perquisites.

1 Sub-clause (i) was substituted for the sub -clauses (i) and (ii) by section 4 of A_© AvBb, 1996 (1996 mþbi 18 bs AvBb)|

2 Existing sub -clause (ii i) was renumbered as sub -clause (ii) by section 4 of A_© AvBb, 1996 (1996 mþbi 18 bs AvBb)| which was added by section 8 of A_© AvBb, 1987 (1987 mþbi 27 bs AvBb)| Income-tax Ordinance, 1984

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According and
withdrawal of
recognition of
provident funds

2.1[(1) The Commissioner shall, within 2[fourty five days] from the date of receipt of the application by him for according recognition to any provident fund, accord such recognition, failing which the provident fund shall be deemed to have been accorded recognition, and the Commissioner may, if, in his opinion, the provident fund contravenes any of the conditions specified in paragraph 3 and the rules made by the Board in that behalf, withdraw such recognition at any time.]

(2) An order according recognition shall take effect on such date as the Commissioner may fix in accordance with any rules the Board may make in this behalf, such date not being later than the last day of the financial year in which the order is made.

(3) An order according recognition to a provident fund shall not, unless the Commissioner otherwise directs, be affected by the fact that the fund is subsequently amalgamated with another provident fund on the occurrence of an amalgamation of the undertaking in connections with which the two funds are maintained or that it subsequently absorbs the whole or a part of another provident fund belonging to an undertaking which is wholly or in part transferred to or merged in the undertaking of the employer maintaining the first mentioned fund.

(4) An order withdrawing recognition shall take effect from the day on which it is made.

(5) The Commissioner shall neither refuse nor withdraw recognition of any Provident fund, unless the applicant is given a reasonable opportunity of being heard.

Conditions to be
satisfied by a
recognised
provident fund

3. In order that a provident fund may receive and retain recognition, it shall satisfy the conditions set out below and any other conditions which the Board may prescribe-

(a) all employees shall be employed in Bangladesh or shall be employed by an employer whose principal place of

business is in Bangladesh:

1 Sub-paragraph (1) was substituted by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)|

2 The words "forty five days" were substituted for the words "thirty days" by section

37 of A_© AvBb, 2009 (2009 mþbi 10 bs AvBb) (with effect from 1st July, 2008). Income-tax Ordinance, 1984

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Provided that the Commissioner may, if he thinks fit and subject to such conditions, if any, as he thinks proper to attach to the recognition, accord recognition to a fund maintained by an employer whose principal place of business is not in Bangladesh notwithstanding that a proportion not exceeding ten per cent of the employees is employed outside Bangladesh;

(b) the contributions of an employee in any year shall be a definite proportion of his salary for that year, and shall be deducted by the employer from the employee's salary in that proportion at each periodical payments of such salary in that year and credited to the employee's individual account in the fund;

(c) the contributions of an employer to the individual account of an employee in any year shall not exceed the amount of the contributions of the employee in that year, and shall be credited to the employee's individual account at intervals not exceeding one year:

Provided that, subject to any rules which the Board may make in this behalf, the Commissioner may, in respect of any particular fund, relax the provisions of this clause-

(i) so as to permit the payment of larger contributions by an employer to the individual accounts of employees whose salaries do not, in each case, exceed five hundred taka per mensem; and

(ii) so as to permit the crediting by employers to the individual accounts of employees of periodical bonuses or other contributions of a contingent nature, where the calculation and payment of such bonuses or other contributions is provided for on definite principles by the regulations of the fund;

(d) the fund shall consist of contributions as above specified and of donations, if any, received by the trustees, of accumulations thereof, and of interest, credited in respect of such contributions, donations and accumulations, and of securities purchased therewith and of any capital gains arising from the sale, exchange or

transfer of capital assets of the fund, and of no other sums;

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(e) the fund shall be vested in two or more trustees or in the official trustee under a trust which shall not be revocable save with the consent of all the beneficiaries;

(f) the employer shall not be entitled to recover any sum whatsoever from the fund, save in cases where the employee is dismissed for misconduct or voluntarily leaves his employment otherwise than on account of ill health or other unavoidable cause before the expiration of the term of service specified in this behalf in the regulations of the fund:

Provided that in such cases the recoveries made by the employer shall be limited to the contributions made by him to the individual account of the employee, and to interest credited in respect of such contributions and accumulations thereof, in accordance with the regulations of the fund;

(g) the accumulated balance due to an employee shall be payable on the day he ceases to be an employee of the employer maintaining the fund;

(h) save as provided in clause (g), or in accordance with such conditions and restrictions as the Board may prescribe, no portion of the balance to the credit of an employee shall be payable to him.

Annual
accretion
deemed to be
income received
by the employee

4. The annual accretion in any year to the balance at the credit of an employee participating in a recognised provident fund shall be deemed to have been received by him in that year and shall be included in his total income for that year, and, subject to the exemptions specified in paragraph 5 shall be liable to tax 1[.

***]

Exemption of
annual accretion
from tax

5. (1) An employee shall not be liable to pay tax on contribution to his individual account in a recognised provident fund, in so far as the aggregate of such contributions in any year does not exceed one-third of his salary for that year.

1 The full-stop (.) was substituted for the colon (:) and the proviso was omitted by section

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(2) Interest credited on the accumulated balance of any employee in a recognised provident fund shall be exempt from payment of tax, if and in so far as it does not exceed one-third of the salary of the employee for the year concerned and in so far as it is allowed at a rate not exceeding such rate as the Board may, by notification in the official Gazette, fix in this behalf.

6. Where an employee participating in a recognised provident fund has rendered continuous service with his employer for a period of not less than five years, and the accumulated balance due to him becomes payable, such accumulated balance shall be exempt from payment of tax and shall be excluded from the computation of his total income:

Exemption of
accumulated
balance from
tax

Provided that the Commissioner may allow such exemption and exclusion where the employee has rendered continuous service with the employer for a period of less than five years, if in his opinion, the service has been terminated by reason of the employee's ill health, or by the contraction or discontinuance of the employer's business, or other cause beyond the control of the employee.

7. Where exemption from payment of tax is not allowed under paragraph 6, the Deputy Commissioner of Taxes shall calculate the total of the various sums of tax which would have been payable by the employee in respect of his total income for each of the years concerned if the fund had not been a recognised provident fund, and the amount by which such total exceeds the total of all sums paid by or on behalf of such employee by way of tax for such years shall be payable by the employee in addition to any tax for which he may be liable for the income year in which the accumulated balance due to him becomes payable.

Tax on
accumulated
balance

8. The trustees of a recognised provident fund, or any other person authorised by the regulations of the fund to make payment of accumulated balance due to employees shall, at the time an accumulated balance due to an employee is paid, deduct therefrom any tax payable under paragraph 7 and any tax payable under paragraph 10(4), and the provisions of Chapter VII shall, so far as may be, apply as if the accumulated balance was income chargeable under the head ■Salaries■.

Deduction at
source of tax on
accumulated

Accounts of
recognised
provident funds

9. (1) The accounts of a recognised provident fund shall be maintained by the trustees of the fund and shall be in such form and for such periods and shall contain such particulars as the Board may prescribe.

(2) The accounts shall be open to inspection at all reasonable times by the income tax authorities, and the trustees shall furnish to the Deputy Commissioner of Taxes such abstracts thereof as the Board may prescribe.

Treatment of
balance in
newly
recognised
provident funds

10. (1) Where recognition is accorded to a provident fund with existing balance, an account shall be made of the fund up to the day immediately preceding the day on which the recognition takes effect, showing the balance to the credit of each employee on such day, and containing such further particulars as the Board may prescribe.

(2) The account shall also show in respect of the balance to the credit of each employee the amount thereof which is to be transferred to that employee's account in the recognised provident fund, and such amount (hereinafter called his transferred balance), shall be shown as the balance to his credit in the recognised provident fund on the date on which the recognition of the fund takes effect, and sub-paragraphs (4) and (5) shall apply thereto.

(3) Any portion of the balance to the credit of an employee in the existing fund which is not transferred to the recognised fund shall be excluded from the accounts of the recognised fund and shall be liable to tax in accordance with the provisions of this Ordinance other than this Part.

(4) Subject to such rules as the Board may make in this behalf, the Deputy Commissioner of Taxes shall make a calculation of the aggregate of all sums comprised in a transferred balance which would have been liable to tax if this Part had been in force, from the date of the institution of the fund, without regard to any tax which may have been paid on any such sum, and such aggregate, if any, shall be deemed to be income received by the employee in the income year in which the recognition of the fund takes effect, and shall be included in the employee's total income for that income year, and for the purposes of assessment,

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the remainder of the transferred balance shall be disregarded, but

no other exemption or relief, by way of refund or otherwise, shall be granted in respect of any sum comprised in such transferred balance:

Provided that, in cases of serious accounting difficulty, the Commissioner shall have power, subject to the said rules, to make a summary calculation of such aggregate.

(5) Notwithstanding anything contained in paragraph 3(h), an employee in order to enable him to pay the amount of tax assessed on his total income as determined under sub-paragraph (4), shall be entitled to withdraw from the balance to his credit in the recognised provident fund a sum not exceeding the difference between such amount and the amount to which he would have been assessed if the transferred balance had not been included in his total income.

(6) Nothing in this paragraph shall affect the rights of the persons administering an unrecognised provident fund or dealing with it, or with the balance to the credit of any individual employee, before recognition is accorded, in any manner which may be lawful.

11. (1) Where an employer who maintains a provident fund (whether recognised or not) for the benefit of his employees and has not transferred the fund or any portion of it, transfers such fund or portion to trustees in trust for the employees participating in the fund, the amount so transferred shall be deemed to be of the nature of capital expenditure.

Treatment of
fund transferred
by employer to
trustee

(2) When an employee participating in such fund is paid the accumulated balance due to him therefrom, any portion of such balance as represents his share in the amount so transferred to the trustee (without addition of interest, and exclusive of the employee's contributions and interest thereon) shall, if the employer has made effective arrangement to secure that tax shall be deducted at source from the amount of such share when paid to the employee, be deemed to be an expenditure by the employer within the meaning of section 29(1) (xxvii), incurred in the income year in which the accumulated balance due to the employee is paid.

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Provisions of
this Part to
prevail against
regulations of

the fund

12. Where there is a repugnance between any regulation of a recognised provident fund and any provisions of this Part or of the rules made thereunder, the regulation shall, to the extent of the repugnance, be of no effect; and the Commissioner may at any time, require that such repugnance shall be removed from the regulations of the fund.

Appeals 13. (1) An employer objecting to an order of the Commissioner refusing to recognise or an order withdrawing recognition from a provident fund may prefer an appeal, within sixty days of the date of such order, to the Board.

(2) The appeal shall be in such form and shall be verified in such manner as may be prescribed.

Provisions
relating to rules

14. In addition to any power conferred by this Part, the Board may make rules-

(a) prescribing the statements and other information to be submitted with an application for recognition;

(b) limiting the contributions to a recognised provident fund by employees of a company who are shareholders in the company;

(c) providing for the assessment by way of penalty of any consideration received by an employee for an assignment of or creation of a charge upon his beneficial interest in a recognised provident fund;

(d) determining the extent to and the manner in which exemption from payment of tax may be granted in respect of contributions and interest credited to the individual accounts of employees in a provident fund from which recognition has been withdrawn;

(e) regulating the investment or deposit of the moneys of a recognised provident fund; and

(f) generally, to carry out the purposes of this Part, and to secure such further control over the recognition of provident funds, and the administration of recognised provident fund as it may deem requisite.

Application of
this Part

15. This Part shall not apply to any provident fund to which the Provident Fund Act, 1925 (XIX of 1925), applies. Income-tax Ordinance, 1984

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1[PART C

APPROVED GRATUITY FUNDS

[See section 2(5A)]

1. In this Part, unless the context otherwise requires, the expression ■contribution■, ■employee■, ■employer■, ■regulations of a fund■ and ■salary■ have, in relation to gratuity funds, the meaning assigned to those expressions in paragraph 1 of Part B in relation to provident funds.

Definitions

2. 2[(1) The Board shall, within 3[four months] from the date of receipt of the application by it for according approval to any gratuity fund, accord such approval, failing which the gratuity fund shall be deemed to have been accorded approval, and the Board may, if, in its opinion, the gratuity fund contravenes any of the conditions specified in paragraph 3 and the rules made by the Board in that behalf, withdraw such recognition at any time.]

Approval of gratuity funds

(2) An order according or withdrawing approval shall take effect from such date as the Board may communicate in writing to trustees of the fund.

(3) The Board shall neither refuse nor withdraw approval to any gratuity fund unless it has given the trustees of that fund a reasonable opportunity of being heard.

3. In order that a gratuity fund may receive and retain approval, it shall satisfy the conditions hereinafter specified and any other conditions which the Board may prescribe-

Conditions for approval

(a) the fund shall be a fund established under an irrevocable trust in connection with trade or undertaking carried on in Bangladesh and not less than ninety per cent of the employees of such trade or undertaking shall be employed in Bangladesh;

1 Part C was added by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)|

2 Sub-paragraph (1) was substituted by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|

3 The words ■four months■ were substituted for the words ■three months■ by section 40 of A_© AvBb, 2009 (2009 mþbi 36 bs AvBb) (with effect from 1st July 2009). Income-tax Ordinance, 1984

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(b) the fund shall have for its sole purpose the provision of a gratuity to employees in the trade or undertaking on their retirement at or after a specified age or on their becoming incapacitated prior to such retirement, or on termination of their employment after a minimum period of service specified in the regulations of the fund or to the widows, children or dependents of such employees on their death;

(c) the employer in the trade or undertaking shall be a contributor to the fund; and

(d) all benefits granted by the fund shall be payable only in Bangladesh.

Application for approval

4. (1) An application for approval of gratuity fund shall be made in writing by the trustees of the fund to the [Board] and shall be accompanied by a copy of the instrument under which the fund is established and by two copies of the rules and, where the fund has been in existence during any year or years prior to the financial year in which the application for approval is made, also two copies of the accounts of the fund relating to such prior year or years (not being more than three years immediately preceding the year in which the said application is made) for which such accounts have been made up. The Board may require such further information to be supplied as it thinks proper.

(2) If any alteration in the regulations, constitution, objects or conditions of the fund is made at any time after the date of the application for approval, the trustees of the fund shall forthwith communicate such alteration to the Deputy Commissioner of Taxes mentioned in sub-paragraph (1) and in default of such communication, any approval given shall, unless the Board otherwise orders, be deemed to have been withdrawn from the date on which the alteration took effect.

Exemption of income of gratuity fund from tax

5. Income derived from investments or deposits of an approved gratuity fund and any capital gains arising from the transfer of capital assets of such fund shall be exempt from payment of tax.

1 The word [Board] was substituted for the words [Deputy Commissioner of Taxes by whom the employer is assessable] by section 80 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)| Income-tax Ordinance, 1984

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6. Any sum paid by an employer as contribution towards an approved gratuity fund shall be deducted in computing his income, profits and gains for the purpose of assessment.

Treatment of contribution by employer

7. Where any contributions by an employer (including the interest thereon, if any) are repaid to the employer, the amount so repaid shall be deemed for the purposes of tax to be the income of the employer for the income year in which they are so repaid.

Contributions
by employer,
when deemed to
be his income

8. The trustees of an approved gratuity fund and any employer who contributes to an approved gratuity fund shall, when required by notice from the Deputy Commissioner of Taxes, furnish, within such period as may be specified in the notice, such return, statement, particulars or information as the Deputy Commissioner of Taxes may require.
Particulars to be
furnished in
respect of
gratuity funds

9. Where there is a repugnance between any regulation of an approved gratuity fund and any provision of this Part or of the rules made thereunder, the said regulation shall, to the extent of repugnance, be of no effect and the Board may, at any time, require that such repugnance shall be removed from the regulations of the fund.
Provisions of
this Part to
prevail against
regulations of
the fund

10. In addition to any power conferred in this Part, the Board may make rules-
Provisions
relating to rules

(a) prescribing the statements and other information to be submitted along with an application for approval;

(b) limiting the ordinary annual and other contributions of an employer to the fund;

(c) regulating the investment or deposit of the monies of an approved gratuity fund;

(d) providing for withdrawal of the approval in the case of a fund which ceases to satisfy the requirements of this Part or the rules made thereunder; and

(e) generally, to carry out the purposes of this Part and to secure such further control over the approval of gratuity funds and the administration of gratuity funds as it may deem requisite.]

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THE SECOND SCHEDULE

RATES OF INCOME TAX IN CERTAIN SPECIAL CASES

[See section 16(3)]

1[***]

2[2. Where the total income of an assessee includes any income chargeable under the head ■Capital gains■ (hereinafter referred to as the ■said income■), the tax payable by him on his total income shall be-

(a) in the case of a company-

(i) tax payable on the total income as reduced by the said income had such reduced income been the total income; plus

(ii) tax at the rate of fifteen per cent on the whole amount of the said income;

(b) in the case of a person other than a company-

(i) where the said income arises as a result of disposal by the assessee of his capital assets after not more than five years from the date of their acquisition by him, tax payable on the total income including the said income; and

(ii) where the said income arises as a result of disposal by the assessee of his capital assets after five years from the date of their acquisition by him, tax payable on the capital gains at the rate applicable to his total income including the said capital gains, or tax at the rate of fifteen per cent on the amount of the capital gains whichever is the lower.]

3[3. Where the total income of an assessee includes any income from ■winnings■ referred to in section 19(13) chargeable under the head ■Income from other sources■ (hereinafter referred to as the ■said income■), the tax payable

1 Paragraph 1 was omitted by section 51(a) of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022).

2 Paragraph (2) was substituted by section 68 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb)|

3 Paragraph (3) was substituted by section 6 of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■). Income-tax Ordinance, 1

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by him on the said income shall be at the rate 1[of twenty per cent].]

2[4. Where the total income of an assessee includes any income by way of ■dividend■ referred to in clause (26) of section 2, the tax payable on such dividend income shall be-

(a) in the case of a company, 20% (twenty percent); and

(b) in the case of a person other than a company, the rate applicable on the total income of such person.]

THE THIRD SCHEDULE

3[COMPUTATION OF DEPRECIATION ALLOWANCE AND AMORTIZATION]

[See sections 27 and 29]

1. For the purpose of section 27((1)(f), depreciation allowance at the rates specified in the Table below shall be made in respect of depreciation of any irrigation or protective work or other capital assets:

Depreciation
allowance on
assets used for
agricultural
purposes

4[TABLE
Serial
No.

Classification of
irrigation or protective
work or other capital
assets.

Rate/percentage of
the written down
value, except as
otherwise
indicated.

Remarks.

1 2 3 4

1. Pucca buildings .. 10

2. Kutcha and pucca
buildings ..

15

3. kutcha buildings .. 20

1 The words “of twenty per cent” were substituted for the words and comma ■applicable to his total income including the said income or at the rate of twenty per cent, whichever is the lower■ by section 49 of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■■ ■■■ ■■■■).

2 Paragraph 4 was added by section 51(b) of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■■ ■■■ ■■■■) (With effect from 1st July 2022).

3 The title ■COMPUTATION OF DEPRECIATION ALLOWANCE AND AMORTIZATION■ were substituted for the title ■COMPUTATION OF

DEPRECIATION ALLOWANCE■ by section 33(a) of the Finance Act, 2013 (Act No. XXV of 2013) (with effect from 1st July, 2013).

4 TABLE was substituted by section 8 of A_© AvBb, 1987 (1987 mþbi 27 bs AvBb)| Income-tax Ordinance, 1984

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4. Temporary structure No rate is specified
renewal will
be allowed as
revenue
expenditure.

5. Pucca walls .. 5

6. Fencing of substantial
material
10

7. Tube-well .. 15

8. Tanks .. 10

9. Pucca irrigation
channel ..

15

10. Kutcha irrigation
channel ..

20

11. Kutcha irrigation wells.. 331/3

12. Pucca irrigation wells .. 5

13. Bullock drawn iron
implements .

15

14. Bullock drawn wooden
or leather implements
and other small hand/
implements ..

25

15. Weighing machine .. 10

16. Tractors and oil engines
and thin implements ..

15

17. Power pumping
machinery ..

20

18. Factory made cart of
iron material with
rubber-tyre. ..

15

19. Country cart ..

20

20. Steam engine ..

10

21. Workshop tools .. 15

22. General (machinery,
implements plants and

other assets) not
provided for above
specifically..

10.]

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2. (1) In computing the profits and gains from business or profession, an allowance for depreciation shall be made in the manner hereinafter provided in respect of any building, machinery, plant or furniture owned by an assessee 1[or bridge or road or fly over of a physical infrastructure undertaking] and used for the purposes or business or profession carried on by him.

Allowance for
depreciation

(2) Where any such building, machinery, plant or furniture 2[or bridge or road or fly over of a physical infrastructure undertaking] is not wholly used for the purposes of the business or profession, the allowance under sub-paragraph (1) shall be restricted to the fair proportional part of the amount which would be admissible if such building, machinery, plant or furniture were wholly so used.

(3) No allowance under this paragraph shall be made unless-

(a) at the time of filing a return of total income such particulars as may be prescribed and such further information or documents as the Deputy Commissioner of Taxes may require, are furnished; and

(b) such building, machinery, plant or furniture 3[or bridge or road or fly over of a physical infrastructure undertaking] has been so used during the income year.

3. (1) The allowance for normal depreciation under paragraph 2 shall be computed at the rates specified in the table below:

Normal
depreciation
allowance

1 The words ■or bridge or road or fly over of a physical infrastructure undertaking■ were inserted after the words ■plant or furniture owned by an assessee■ by section 67 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb) (with effect from 1st July, 2010).

2 The words ■ or bridge or road or fly over of a physical infrastructure undertaking ■ were inserted after the words ■ plant or furniture ■ by section 67 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb) (with effect from 1st July, 2010).

3 The words ■ or bridge or road or fly over of a physical infrastructure undertaking ■ were inserted after the words ■ plant or furniture ■ by section 67 of A_© AvBb, 2010 (2010 mþbi 33 bs AvBb) (with effect from 1st July, 2010). Income-tax Ordinance, 1984

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1[TABLE

Sl.

No. Class of assets

Rate/percentage of the written down value, except as otherwise indicated.

Remarks

1 2 3 4

2 [1 (1) Buildings (general) 5
(2) Factory buildings 10]

2 Furniture and fittings 10

Machinery and plant:

(1) General rate 18

(2) Special rates-

(a) ships:

(i) Ocean-going ships

(new)

12

(ii) Ocean-going ships
(second hand), age
at the time of
purchase-

The allowance is to be
calculated on the
original cost.

(a) less than 10
years

12

(b) 10 years or
more

24

(iii) Inland ships including
steamers, motor
vessels, sails, tug -
boats, iron or steel
flats for cargo,
wooden cargo-boats,
motor launches and
speed boats.

24

(b) (i) Batteries, X-Ray
and

electrotherapeutic
apparatus and
accessories

thereto;

20

1 TABLE was substituted by Gm., Avi., I. bs 180 AvBb/98■

2 Column 2 and 3 were substituted by section 31 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■ Income-tax Ordina

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(ii) Machinery used in
the production
and exhibition of
cinematographic
films;

20

(iii) Motor vehicles all
sorts not playing
for hire;

20

(iv) Motor vehicles
all sorts playing
for hire;

1[(v) computer and
computer
equipments

30]

2[(vi) Bangladeshi
made computer
software

3[(vii) imported
computer
software

50]

10]

(c) (i) Professional and
reference books;

30

(ii) Aircraft, aero-
engines and aerial
photographic
apparatus;

30

(d) Mineral oil concerns-

(i) Below ground
installations

100

(ii) Above ground
installations that
is to say, portable
boilers, drilling

tools, well-head
tanks and rigs.
30

- 1 The entry (v) was inserted by section 38 of A_© AvBb, 2009 (2009 mþbi 10 bs AvBb) (with effect from 1st July, 2008).
- 2 Sub-clause (vi) was added by section 41 of A_© AvBb, 2009 (2009 mþbi 36 bs AvBb) (with effect from 1st July, 2009).
- 3 The entry (vii) was inserted by section 63(a) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015). Income-tax Ordinance, 1984

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1[(e) physical infrastructure -
(i) Bridge -----
(ii) Road -----
(iii) Fly over-----
(iv) Pavement runway, taxiway-----
(v) Apron, termac
(vi) Boarding bridge
(vii) Communication, navigation aid
and other equipments-----

2

2

2

2.5

2.5

10

5]

2[2A. Office equipment 10]

(2) The Board may, from time to time, by notification in the official Gazette, make any amendment in the Table referred to in sub-paragraph (1).

(3) Notwithstanding anything contained in sub -paragraph (1) 3[* * *] in the case of any assessee or any class of assessee or any asset or class of assets, the Board may, by notification in the official Gazette, direct that depreciation allowance shall be allowance at such rate or rates and in such manner as may be specified.]

4[(4) No allowance under this paragraph shall be made 5[to a lessor] on such machinery, plant, vehicle or furniture given to any leasee on financial lease.]

4. [Extra depreciation allowance.- Omitted by section 6 of the Finance Act, 1998 (Act No. XIV of 1998).]

Depreciation
not to be
allowed in
cases where

5. Notwithstanding anything contained in this Ordinance, no allowance under paragraph 2 6[* * *] shall be made in the case of any asset falling under the description ■ Machinery and

1 Serial No. (e) was substituted by section 54 of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

2 Serial number 2A was inserted by section 54(a) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

3 The words and figure ■ or paragraph 4 ■ were omitted by section 6 of A_© AvBb, 1998 (1998 mþbi 14 bs AvBb)|

4 Sub paragraph (4) was added by section 55 of the Finance Act, 2009 (Act No. IX of 2009) (with effect from 1st July 2007).

5 The words ■ to a lessor ■ were substituted for the words ■ for a leasing company ■ by section 52(a) of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■■■■■■ ■■■■■■■■■■) (With effect from 1st July 2022).

6 The word and figure ■ or 4 ■ was omitted by section 6 A_© AvBb, 1 998 (1998 mþbi 14 bs AvBb)| Income-tax Ordinance, 1984

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Plant ■ the normal useful life of which does not exceed one year, but the cost of renewal or replacement thereof shall be allowed as a revenue expenditure

the cost of renewal
or replacement is
allowed

1[5A. (1) Where any building has been newly constructed or any machinery or plant has been installed in Bangladesh after the thirtieth day of June, 2002, an amount by way of initial depreciation allowance in respect of the year of construction or installation or the year in which such building, machinery or plant is used by the assessee for the first time for the purpose of his business or profession or the year in which commercial production is commenced, whichever is the later, shall be allowed at the following rates, namely:-

Initial
depreciation
allowance

(a) in the case of building ... ten per cent of the cost thereof to the assessee;

(b) in the case of machinery or plant other than ships or motor vehicles not plying for hire ... twenty five per cent of the cost thereof to the assessee;

(2) Nothing contained in sub -paragraph (1) shall apply in the case of-

(a) any motor vehicle not plying for hire, and

(b) any machinery or plant which has previously been used

in Bangladesh.

(3) The provisions of paragraph 2 and 3 shall, so far as may be, apply to this paragraph as they apply to the said paragraphs.]

6. [Initial depreciation allowance. - Omitted by section 6 of the Finance Act, 1998 (Act No. XIV of 1998).]

7. 2[(1) In the case of any machinery or plant (other than office appliances and road transport vehicles) which, not having been previously used in Bangladesh, has been or is used in an industrial undertaking set up in Bangladesh between the first day of July, 1977 and the thirtieth day of June, 3[2012] (both days inclusive), an amount by way of accelerated depreciation allowance shall, subject to the conditions set out in sub-paragraph (2), be allowed and computed as follows, namely:-
Accelerated
depreciation
allowance on
machinery and
plant

1 Paragraph (5A) was inserted by section 69 of A_© AvBb, 2002 (2002 mṭbi 14 bs AvBb)|
2 Sub-paragraph (1) was substituted by section 29 of A_© AvBb, 2006 (2006 mṭbi 22 bs AvBb)
3 The figure ■2012■ was substituted for the figure ■2010■ by section 67 of A_© AvBb, 2010 (2010 mṭbi 33 bs AvBb) (with effect from 1st July, 2010). Income-tax Ordinance, 1984

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(a) for the first year in which the
undertaking starts
commercial production

--

fifty per cent of the actual
cost of plant and
machinery to the assessee

(b) for the next following second
year

-- thirty per cent of the
actual cost of plant and
machinery to the assessee

(c) for the next following third
year

-- twenty per cent of the
actual cost of plant and
machinery to the
assessee.]

(2) The industrial undertaking referred to in sub-paragraph (1) shall fulfil the following conditions, namely:-

(a) that the industrial undertaking is owned and managed by a Bangladeshi company, or a body corporate formed in pursuance of an Act of Parliament, having its registered office in Bangladesh;

(c) that it belongs to such class of industries as the Board may, by notification in the official Gazette, specify in this behalf;

(c) that the particulars required for the purpose of entitlement to, or claiming, accelerated depreciation allowance under this paragraph have been furnished; and

(d) that the application in the prescribed form for accelerated depreciation allowance under this paragraph, as verified in the prescribed manner, is made to the Board within 1[six months] from the end of the month of commencement of commercial production; and the application is accompanied by a declaration in writing that the undertaking has not been approved for, and that no application in respect of the undertaking has been made or shall be made to the Board for approval of, exemption from payment of tax 2[under section 45 or 46A or 46B] for any period.

1 The words "six months" were substituted for the words "four months" by section 82 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)|

2 The words and figures "under section 45 or 46A or 46B" were substituted for the words and figures "under section 45 or 46A" by section 38 of A_© AvBb, 2009 (2009 mþbi 10 bs AvBb) (with effect from 1st July, 2008). Income-tax Ordinance, 1984

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(3) The machinery or plant on which accelerated depreciation has been allowed under this paragraph shall not be entitled to any other depreciation allowance under this Ordinance or the Income-tax Act, 1922 (XI of 1922).

1[7A. (1) In the case of machinery or plant (other than office appliances and road transport vehicles) which not having been previously used in Bangladesh, has been or is used-

(a) in the expansion unit set -up between the first day of July, 1995 and the thirtieth day of June, 2[2005] (both days inclusive) in any existing undertaking enjoying exemption from tax under section 46A; or
Accelerated
depreciation
allowance on
machinery and
plant

(b) between the first day of July, 1995 and the thirtieth day of June, 3[2005] (both days inclusive) in the treatment and disposal of toxic and 4[environmentally hazardous wastes or in the collection or processing of bio - degradable wastes] or in the research and development in any industrial undertaking owned and managed by a company as defined in clause (20) of section 2, an amount by way of accelerated depreciation allowance shall, subject to the conditions set out in sub -paragraph (2), be allowed and computed as follows, namely:-

Explanation.- For the purposes of this paragraph, ■expansion unit■ means the expansion of an existing undertaking if such expansion constitutes-

1 Paragraph 7A of the third schedule was inserted by section 6 of A_© AvBb, 1998 (1995 mþbi 12 bs AvBb)|

2 The figure ■2005■ was substituted for the figure ■2000■ by section 81 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)|

3 The figure ■2005■ was substituted for the figure ■2000■ by section 81 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)|

4 The words ■environmentally hazardous wastes or in the collection or processing of biodegradable waste■ were substituted for the words ■environmentally hazardous wastes■ by section 6 of A_© AvBb, 1998 (1998 mþbi 14 bs AvBb)|

(i) for the first year in which the expansion unit starts commercial production or operation or, as the case may be, the undertaking starts operation,

.....
80 per cent of the actual cost of the machinery or plant to the assessee;

(ii) for the next following year

..... 20 per cent of the actual cost of the machinery or plant to the assessee. Income-tax Ordinance, 1984

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(a) an identifiable unit for production or operation of similar or other goods or class of goods or services;

(b) a similar unit carrying on an identifiable industrial process, but does not include an undertaking which is formed by splitting up or reconstruction of an existing business or by transfer of machinery or plant of an existing business in Bangladesh to a new business.

(2) The undertaking referred to in clause (a) or (b) of sub-paragraph (1) shall fulfil the following conditions, namely:-

(a) that the application in the prescribed form for accelerated depreciation allowance under this paragraph, as verified in the prescribed manner, is submitted to the Board within 1[six months] from the end of the month of commencement of commercial production or operation; and

(b) that the particulars required for the purpose of entitlement to, or claiming accelerated depreciation allowance under this paragraph have been furnished.

(3) The Board shall give its decision on an application under sub-paragraph (2) (a) within three months from the date of receipt of the application by the Board, failing which accelerated depreciation shall be deemed to have been allowed by the Board for the purposes of this paragraph.

(4) The machinery or plant on which accelerated depreciation is allowed under this paragraph shall not be entitled to any other depreciation allowance under this Ordinance.

(5) The Board may, on an application by any person aggrieved by any decision or order passed under sub-paragraph (3), if the application is made within four months of the receipt of such decision or order, review the previous decision or order and pass such order in relation thereto as it thinks fit.]

1 The words ■six months■ were substituted for the words ■four months■ by section 82 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)| Income-tax Ordinance, 1984

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1[7B. (1) In the case of any machinery or plant (other than office appliances and road transport vehicles) which, not having been previously used in Bangladesh, has been or is used in an industrial undertaking as referred to in section 46B of the Ordinance and set up in Bangladesh between the first day of July, 2014 and the thirtieth day of June, 2019 (both days inclusive), an amount by way of accelerated depreciation allowance shall, subject to the conditions set out in sub-paragraph (2), be allowed and computed as follows, namely :-
Accelerated
depreciation
allowance on
machinery and
plant

(a) for the first year in which the undertaking starts commercial production
fifty per cent of the actual cost of plant and machinery to

the assessee

(b) for the second year -- thirty per cent of the actual cost of plant and machinery to the assessee

(c) for the third year -- twenty per cent of the actual cost of plant and machinery to the assessee.

(2) The industrial undertaking referred to in sub -paragraph (1) shall fulfil the following conditions, namely:-

(a) that the industrial undertaking is owned and managed by a Bangladeshi company, or a body corporate formed in pursuance of a n Act of Parliament, having its registered office in Bangladesh;

(b) that it belongs to the industrial undertaking as specified in sub-section (2) of section 46B;

(c) that the particulars required for the purpose of entitlement to, or claiming accelerated depreciation allowance under this paragraph have been furnished; and

1 Paragraph 7B was inserted by section 54(b) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014). Income-tax Ordinance, 1984

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(d) that the application in the prescribed form for accelerated depreciation allowance under this paragraph, as verified in the prescribed manner, is made to the Board within six months from the end of the month of commencement of commercial production; and the application is accompanied by a declaration in writing that the undertaking has not been approved for, and that no application in respect of the undertaking has been made or shall be made to the Board for approval of, exemption from payment of tax under section 46B or 46C of this Ordinance for any period.

(3) The machinery or plant on which accelerated depreciation has been allowed under this paragraph shall not be entitled to any other depreciation allowance under this Ordinance.]

Special
depreciation
allowance on
ships

8. (1) In the case of-

(a) a ship, being a passenger vessel, plying ordinarily on inland waters, or a fishing trawler registered in Bangladesh, which has been or is brought into use in Bangladesh, for the first time on any day between the 1st day of July, 1982 and the thirtieth day of June, 1[1995]

(both days inclusive), and is the property of the assessee,
or

(b) a ship registered in Bangladesh, not being a ship ordinarily plying on inland waters, which has been or is brought into use in Bangladesh for the first time on any day between the 1st day of July, 1982 and the thirtieth day of June, 2[1995] (both days inclusive), and is the property of the assessee, an amount by way of special depreciation allowance shall, subject to the conditions set out in sub -paragraph (2), be allowed and computed as follows, namely:-

1 The figure ■1995■ was substituted for the figure ■1990■ by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)|

2 The figure ■1995■ was substituted for the figure ■1990■ by section 6 of A_© AvBb, 1998 (1998 mþbi 14 bs AvBb)|

(i) for the first year

.... 40 per cent of the original
cost;

(ii) for the second
year

.... 30 per cent of the original
cost;

(iii) for the third year 30 per cent of the original
cost; Income-tax Ordinance, 1984

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(2) For the purposes of special depreciation allowance under sub -paragraph (1), the following conditions shall be fulfilled namely:-

(a) that the ship conforms to such specifications as the Government may, by notification in the official Gazette, specify in this behalf; and

(b) that the particulars required for the purpose of entitlement to or claiming special depreciation allowance under this paragraph have been furnished.

(3) Any ship including a passenger vessel or a fishing trawler on which special depreciation has been allowed under this paragraph shall not be entitled to any other depreciation allowance under this Ordinance or the Income -tax Act, 1922 (XI of 1922).

9. (1) The aggregate of the allowances for depreciation allowed under this Ordinance or the Income -tax Act, 1922 (XI of 1922), in respect of any asset, shall not exceed the original

cost of the asset.
Limitation in
respect of
allowance for
depreciation

(2) Where full effect cannot be given to depreciation allowances under this Schedule in the year in which it is admissible there being no income chargeable for that year or such income being less than the allowance admissible, then, subject first to carrying forward of the loss, if any, under section 38, the allowances or the part thereof to which effect has not been given shall be added to the amount of the allowance for the following year or, if no allowance is admissible for such following year, shall be deemed to be allowance admissible for such year and so on for succeeding years till such time as the entire allowance on this account is adjusted against the profits.

10. Where in any income year any asset representing any building, machinery or plant is disposed of by an assessee-

(a) no allowance for depreciation under paragraphs 3, 4, 6, 7 or 8 shall be allowed in respect thereof in that year;

(b) where the sale proceeds exceed the written down value of such asset, so much of the excess as does not exceed the difference between the original cost and the written down value, shall be deemed to be income of the assessee of that income year chargeable under the head
■Income from business or profession■;

Disposal of
assets and
treatment of
gains or losses
thereof Income-tax Ordinance, 1984

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(c) where the sales -proceeds are less than the written down value of such asset, the deficit shall be deemed to be an expenditure, deductible from the profits and gains of business or profession of that year;

and the business or profession in which such building, machinery or plant was used before its disposal, shall be deemed to be carried on by the assessee during that year, and the provisions of this Ordinance shall apply accordingly:

Provided that the deficiency is actually written off in the books of accounts of the assessee.

Amortization
of license fees

1[10A. (1) Where an assessee, being a resident company, paid any sum as 2[license fees before or after] the first day of July, 2012 wholly and exclusively for the purpose of obtaining a permission from a ny authority authorised by the G overnment

applicable for two or more years to run a business, the assessee shall be allowed a deduction of an amount proportionate to such years and such deduction shall continue till the last year of the period for which the license was granted.

(2) For the purpose of this paragraph, license fees means Spectrum Assignment fees 3[,GSM license fees, license acquisition fees or license renewal fees] paid by a cellular mobile phone operator 4[or any other licence fee, paid by any other company engaged in providing specialized services, if such licence is integral to the operation of the company] 5[:

1 Paragraph 10A was inserted by section 33(b) of A_© AvBb, 2013 (2013 mþbi 25 bs AvBb) (with effect from 1st July, 2013).

2 The words ■license fees before or after ■ were substituted for the words ■license fees on or after ■ by section 54(c) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

3 The words ■,GSM license fees, license acquisition fees or license renewal fees■ were inserted after the words ■Spectrum Assignment fees ■ by section 54(c)(ii) of the Finance Act, 2014 (Act No. IV of 2014) (with effect from 1st July, 2014).

4 The words ■or any other licence fee, paid by any other company engaged in providing specialized services, if such licence is integral to the operation of the company■ were added after the words ■cellular mobile phone operator■ by section 64 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■).

5 The colon ■:■ was substituted for the full-stop ■.■ and thereafter proviso was added by section 54(e) of the Finance Act, 2014 (Act No. IV of 2014) (with effect from 1 st July, 2014). Income-tax Ordinance, 1984

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Provided that the amortization of fees shall be allowed from assessment year 2013-2014.]]]

1[10B. The rate of amortization of pre -commencement expenditure shall be 20% (twenty percent) following straight line method.]

Amortization of
pre-
commencement
expenditure

11. For the purposes of this Schedule,- Definitions

(1) ■furniture■ includes fittings;

(2) ■plant■ includes ships, vehicles, books, scientific apparatus and surgical equipment used for the purpose of business or profession;

2[(2A) ■Pre-commencement expenditure■ means expenditures not covered in paragraphs 1 to 10A of this Schedule and incurred wholly and exclusively for setting up of the business prior to the year of commercial operation and includes expenditure for feasibility study, construction of model and prototypes, and experimental production.]

(3) ■sale proceeds■ means-

(a) where the asset is actually sold, the sale price thereof or the fair market value, whichever is the higher;

(b) where the asset is transferred by way of exchange, the fair market value of the asset acquired through such transfer;

(c) where the asset is transferred otherwise than by sale or exchange, the consideration for such transfer;

(d) where an asset is discarded, demolished, destroyed or lost, scrap value, or the amount realised by the disposal thereof together with any insurance, compensation or salvage money received or receivable in respect therefore;

1 Paragraph 10B was added by section 52(b) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)
(With effect from 1st July 2022).

2 Paragraph (2A) was inserted by section 52(c) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)
(With effect from 1st July 2022). Income-tax Ordinance, 1984

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(e) where the asset is compulsorily acquired under any law for the time being in force in Bangladesh, the compensation paid thereof;

(f) where the asset ceases to be used by the assessee for the purposes of his business or profession, the fair market value thereof at the time of such cessation;

(g) where any machinery of plant, after having been used in Bangladesh in the execution of any contract or otherwise, is exported or transferred outside Bangladesh, the original cost thereof less 1[the ■normal depreciation■ allowed under paragraph 3 of this Schedule], or the depreciation allowances allowed under section 10 (2) (vi) of the Income-tax Act, 1922 (XI of 1922), except the further sum referred to therein;

and in each such case the asset shall for the purpose of paragraph 10, be deemed to have been disposed of by the assessee:

Provided that where the actual cost of a motor vehicle not

plying for 2[hire is subject to the maximum limit in accordance with clause (a) of sub -paragraph (6)] the sale-proceeds thereof shall be taken to be a sum which bears to the amount for which the said vehicle is sold, together with any insurance, salvage or compensation money received or receivable, or as the case may be, scrap value in respect thereof, at the same proportion as 3[the said maximum limit] bears to the actual cost of the said vehicle to the assessee, had the said sub-clause not been applicable to such vehicle.

Explanation.-In the proviso, ■sold■ includes a transfer by way of exchange or otherwise or a compulsory acquisition under any law for the time being in force;

1 The words, comma and figure ■ the ■normal depreciation■ allowed under paragraph 3 of this Schedule■ were substituted for the words, commas and figures ■the ■normal depreciation■ and ■extra depreciation■ if any, allowed under paragraphs 3 and 4 of this Schedule■ by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|

2 The words, commas and brackets ■hire is subject to the maximum limit in accordance with clause (a) of sub -paragraph (6)■ were substituted for the words, commas and brackets ■hire, is, in accordance with clause (6) (a), taken to be twenty lakh taka,■ by section 49 (a)(i) of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017).

3 The words ■the said maximum limit■ were substituted for the words ■the said sum of twenty lakh taka ” by section 49 (a)(ii) of ■■■■■ ■■■■, ■■■■ (■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017). Income-tax Ordinance, 1984

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(4) ■ship■ includes a steamer, motor vessel, sail, tug, boat, iron or steel flat for cargo, wooden cargo boat, motor launch and speed boat;

(5) ■written down value■ means-

(a) where the assets were acquired in the income year, the actual cost thereof to the assessee;

(b) where the assets were acquired before the income year, the actual cost thereof to the assessee as reduced by the aggregate of the allowances for depreciation allowed under this Ordinance, or the Income -tax Act, 1922 (XI of 1922), in respect of the assessments for earlier year or years;

(6) For the purposes of clause (5),-

(a) in the case of motor vehicles, being passenger vehicles or sedan cars, not plying for hire, the actual cost to the assessee shall be deemed not to exceed 1[twenty five lakh taka] 2[

Provided that nothing in this clause shall apply in the case of allowing depreciation of a bus or minibus transporting the students and teachers of the assessee

being an educational institution or of the employees of the business or profession for which the depreciation is to be allowed;]

(b) in computing the actual cost of an asset, the amount of any grant, subsidy, rebate or commission and the value of any assistance (not being in the nature of any loan repayable with or without interest) received by an assessee from Government or any other authority or person, and any deduction or allowance admissible under this Ordinance or the Income-tax Act, 1922 (XI of 1922), shall be excluded;

(b) where, before the date of acquisition by the assessee, any such asset had at any time been used by any person for

1 The words ■twenty five lakh taka■ were substituted for the words ■twenty lakh taka■ by section 63(b) of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■).(with effect from 1st July 2015) (with effect from 1st July 2015).

2 The colon (:) was substituted for the semi-colon (;) and the proviso was added by section 49 (b) of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017). Income-tax Ordinance, 1984

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the purposes of his business or profession, the actual cost to the assessee shall, except in any case where sub - clause (d) applies, be deemed not to exceed the fair market value thereof;

(d) where any assessee has succeeded another person in business or profession by inheritance, or where the provisions of section 88 apply, the written down value of an asset shall be computed as if no succession had taken place;

(e) where an assessee has acquired any plant or machinery (hereinafter referred to as ■asset■) from a country outside Bangladesh for installation in Bangladesh for the purposes of his business or profession and, in consequence of a change in the rate of exchange at any time after the acquisition of such asset and before full and final payment of any foreign loan, there is an increase or reduction in the liability of the assessee as expressed in Bangladesh currency for making payment towards the whole or a part of the moneys borrowed by him from any person, directly or indirectly, in any foreign currency specifically for the purposes of acquiring the asset (being in either case, the liability existing immediately before the date on which change in the rate of exchange takes effect), the amount by which the liability aforesaid is so increased or reduced during the income year shall be added to, or as the case may be, deducted from the actual cost of the assets, and the amount arrived at after such addition or deduction shall

be taken to be the actual cost of the asset;

(f) where the whole or any part of the liability aforesaid is met, not by the assessee, but, directly or indirectly, by any other person or authority, the liability so met shall not be taken into account for the purposes of clause (e); and

(g) where the assessee has entered into a contract with an authorised dealer for providing him with a specified sum in a foreign currency on or after a stipulated future date at the rate of exchange specified in the contract to enable him to meet the whole or any part of the liability aforesaid, the amount, if any, to be added to, or deducted from the actual cost of the asset or the amount of expenditure of a capital nature or, as the case may be, the cost of acquisition of the capital asset under this sub-

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clause shall, in respect of so much of the sum specified in the contract as is available for discharging the liability aforesaid, be computed with reference to the rate of exchange specified therein.

Explanation.-For the purposes of this clause-

(a) ■rate of exchange■ means the rate of exchange determined or recognised by the Government for the conversion of Bangladesh currency into foreign currency or foreign currency into Bangladesh currency; and

(b) ■authorised dealer■, ■foreign currency■ and ■Bangladesh currency■ have the same meaning as in the Foreign Exchange Regulation Act, 1947 (VII of 1947).

THE FOURTH SCHEDULE

COMPUTATION OF THE PROFITS AND GAINS OF INSURANCE BUSINESS

[See section 28(2) (a)]

1. In the case of any person who carries on, or at any time in the income year carried on, life insurance business, the profits and gains of such person from that business shall be computed separately from his income, profits or gains from any other business.

Profits of life insurance to be computed

separately

2. The profits and gains of life insurance business, other than pension and annuity business, shall be taken to be either-
Computation of
profits and
gains of life
insurance
business

(a) the gross external incomings of the income year from that business less the management expenses of that year, or

(b) the annual average of the surplus arrived at by adjusting the surplus or deficit disclosed by the actuarial valuation made for the last inter-valuation period ending before the year for which the assessment is to be made, So as to exclude from it any surplus or deficit included therein which was made in any earlier inter-valuation period and any expenditure other than expenditure which may, under the provisions of section 29 of this Ordinance, be

Income-tax Ordinance, 1984

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allowed for, in computing the profits and gains of a business, whichever is the greater:

Provided that the amount to be allowed as management expenses shall not exceed-

(a) 7 per cent of the premiums received during the income year in respect of single premium life insurance policies, plus

(b) in respect of the first year's premiums received in respect of other life insurance policies for which the number of annual premiums payable is less than twelve, or for which the number of year during which premiums are payable is less than twelve, for each such premium or each such year, 7 per cent of such first year's premium or received during the income year, plus

(c) 90 per cent of the first year's premium received during the 1[income year] in respect of all other life insurance policies, plus

(d) 12 per cent of all renewal premiums received during the income year.

Computation of
profits and
gains of pension
and annuity
business

3. The profits and gains of pension and annuity business

shall be taken to be the annual average of the surplus computed in the manner laid in paragraph 2(b).

Deductions 4. In computing the surplus,-

(a) under paragraph 2(b), for the purpose of life insurance business, three-fourths of the amounts paid to or reserved for or expended on behalf of policy -holders, shall be allowed as a de duction, and under paragraph 3, the amounts paid to or reserved for or expended on behalf of the members of an approved superannuation fund shall be allowed as a deduction:

Provided that in the first such computation made under this pa ragraph of any such surplus , no account shall be taken of any such amounts to the extent to which they are paid out of or in respect of any surplus brought forward from a previous inter-valuation period:

1 The words ■income year■ were substituted for the words ■previous year■ by Corrigendum issued vide Bangladesh Gazette, dated 19th August, 1984. Income-tax Ordinance, 1984

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Provided further that if an y amount so reserved for policy -holders or members of an approved superannuation fund, as the case may be, ceases to be so reserved, and is not paid to or expended on behalf of policy-holders or members of an approved superannuation fund, as the case may b e, one -half or three-fourths of such amount or the entire amount, as the case may be, if it has been previously allowed as a deduction, shall be treated as part of the surplus for the period in which the said amount ceased to be so reserved;

(b) any amount either written off or reserved in the accounts or through the actuarial valuation balance -sheet to meet depreciation of or loss on the realisation of securities or other assets, shall be allowed as a deduction, and any sums taken credit for in the accounts or actuarial valuation balance -sheet on account of appreciation of or gains on the realisation of the securities or other assets shall be included in the surplus:

Provided that if, upon investigation, it appears to the Deputy Commissioner of Taxes after consultation with the Controller of Insurance that having due regard to be necessity for making reasonable provision for bonuses to participating policy -holders and for contingencies, the rate of interest or other factor employed in determining the liability in respect of

outstanding policy is materially inconsistent with the valuation of the securities and other assets so as artificially to reduce the surplus, such adjustment shall be made to the allowance for depreciation of or to the amount to be included in the surplus in respect of appreciation of, such securities and other assets as shall increase the surplus for the purposes of these paragraphs to a figure which is fair and just;

1[(c) interest received in respect of any securities of the Government which have been issued with the condition that interest thereon shall not be liable to tax shall be excluded.]

1 Sub-paragraph (c) was substituted by section 6 of A_© AvBb, 1995 (1995 mþbi 1 2 bs AvBb)| Income-tax Ordinance, 1984

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Adjustment of
tax paid by
deduction at
source

5. Where for any year an assessment of the profits and gains of life insurance business is made in accordance with the annual average of a surplus disclosed by a valuation for an inter-valuation period exceeding twelve months, then, in computing the tax payable for that year, credit shall not be given in accordance with section 62 for the tax paid in the income year, but credit shall be given for the annual average of the tax paid by deduction at source from interest on securities or otherwise during such period.

Computation of
profits and
gains of other
insurance
business

6. 1[(1) The profits and gains of any business of insurance other than life insurance shall be taken to be the balance of the profits disclosed by the annual accounts, which are required to be prepared complying the provisions of the 2[exgv AvBb, 2010 (2010 mþbi 13 bs AvBb) (Insurance Act, 2010 (Act No. 13 of 2010)], after adjusting such balance so as to exclude from it any expenditure, other than expenditure which may under the provisions of section 29 of the Income tax Ordinance, 1984 be allowed for, in computing the profits and gains of a business. Profits and losses on the realisation of investments, and depreciation and appreciation of the value of investments shall be dealt with as provided in paragraph 4 for the business of life insurance.]

(2) Where a company sets aside a portion of its income, profits and gains to meet exceptional losses, so much of such portion as does not exceed ten per cent of the premium income of the year in which it is set aside shall be deducted from the balance of the profits referred to in sub-

paragraph (1).

(3) The amount deducted under sub -paragraph (2) in any year, together with the amounts, if any, deducted or carried to a reserve in earlier years to meet exceptional losses (as reduced by the amounts, if any, paid out of such amounts or reserve to meet exceptional losses) shall not exceed the premium income of that year or the average premium income of the three years immediately preceding that year, whichever is the higher.

(4) Notwithstanding anything to the contrary contained in this Ordinance, where any amount is paid, appropriated or diverted of out or from the amounts deducted under sub -paragraph (2) for purposes other than the meeting of an exceptional loss, such amount shall, together with the other premium income, if any, of the company for the year in which such payment, appropriation or diversion takes

1 Sub-paragraph (1) was substituted by section 33 of A_© AvBb, 2005 (2005 mþbi 16 bs AvBb)|

2 The words, comma, figures and brackets ■exgv AvBb, 2010 (2010 mþbi 13 bs AvBb) (Insurance Act, 2010 (Act No. 13 of 2010) ■ were substituted for the words, comma, figures, letters and brackets ■ Insurance Act, 1938 (IV of 1938)■ by section 55(a) of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012). Income-tax Ordinance, 1984

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place, be deemed to be the premium income of the company for that year; and in the event of the liquidation of t he company or the discontinuance of the business to which this paragraph applies, whichever is the earlier, the aggregate of the amounts deducted under sub-paragraph (2) (as reduced by the payments made out of such amounts to meet exceptional losses) shall together with the other income, if any, of the company for the year in which it goes into liquidation or in which such business is discontinued, be deemed to be the income of the company for that year.

Explanation.- For the purposes of this pa ragraph, ■exceptional loss■ means the amount by which the aggregate loss in any year exceeds fifty per cent of the premium income of that year or fifty per cent of the average premium income of the three years immediately preceding that year, whichever i s the higher.

7. The profits and gains of the branches in Bangladesh of an insurance company not resident in Bangladesh in the absence of more reliable data, may be deemed to be the proportion of the total world income of the company corresponding to the proportion which its premium income derived from Bangladesh bears to its total premium income. For the purpose of this paragraph, the total world income of life insurance companies not resident in Bangladesh whose profits are periodically ascertained by actuarial valuation shall be computed in the manner laid down in these paragraphs for the computation of the profits and gains of life insurance business carried on in Bangladesh.
Profits and

gains of non-
resident person

8. These paragraphs apply to the assessment of the profits of any business of insurance carried on by a mutual insurance association.

Mutual
Insurance
Associations

9. For the purposes of this Schedule, - Definition

(a) **gross external incomings** means the full amount and incomings from interest, dividends, fines and fees and all other incomings from whatever source derived (except premium received from policy -holders and interest and dividends on any annuity fund) and includes also profits from reversions and on the sale or the granting of annuities, but excludes profits on the realisation of securities or other assets:

Provided that incomings, including the annual value of

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the property occupied by the assessee, which but for the provisions of sub-section (2) of section 28 would have been assessable under section 24, shall be computed upon the basis laid down in the last named section, and that there shall be allowed from such gross incomings such deductions as are permissible under that section;

(b) **management expenses** means the full amount of expenses (including commissions) incurred exclusively in the management of the business of life insurance, and in the case of a company carrying on other classes of business as well as the business of life insurance in addition thereto, a fair proportion of the expenses incurred in the general management of the whole business. Bonuses or other sums paid to or reserved on behalf of policy -holders, depreciation of, and losses on the realisation of securities or other assets and any expenditure other than expenditure which may under the provisions of section 29 be allowed for in computing the profits and gains of a business are not management expenses for the purposes of this Schedule;

(c) **life insurance business** means life insurance business as defined in section 1[5(2) of exgv AvBb, 2010 (2010 mþbi 13 bs AvBb)];

(d) **securities** includes stocks and shares;

(e) **pension and annuity business** means any life insurance

business relating to a contract with the trustees of an approved superannuation fund, where such contract is-

- (i) entered into only for the purposes of such fund, and
- (ii) so framed that the liabilities undertaken thereunder by the person carrying on the insurance business correspond with the liabilities against which the contract is intended to secure such fund.

2[Explanation.- For the removal of doubts, it is hereby declared that the provisions of section 30 shall apply in allowing management expenses or any other expenses under this Schedule.]

1 The words, figures, comma and brackets ■5(2) of exgv AvBb, 2010 (2010 mþbi 13 bs AvBb)■ were substituted for the words, figures, letters and brackets ■ 2(II) of the Insurance Act, 1938 (IV of 1938)■ by section 55(b) of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012).

2 Explanation was added by section 43 of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018). Income-tax Ordinance, 1984

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THE FIFTH SCHEDULE

PART A

COMPUTATION OF THE PROFITS OR GAINS FROM THE EXPLORATION AND PRODUCTION OF PETROLEUM AND THE DETERMINATION OF THE TAX THEREON

[See section 28 (2) (b)]

1. Where any person carries on or is deemed under an agreement with the Government to be carrying on any business which consists of or includes exploration and production of petroleum, the profits or gains of such person therefrom shall be computed separately from his income, profits or gains from any other business.

Profits from
exploration and
production of
petroleum to be
computed
separately

2. Subject to the provisions of section 29, the profits and gains for the purposes of paragraph 1, shall be computed after making the following additional allowances, namely:-
Computation of
profits

(a) where a person incurs any expenditure on searching for, or on discovering and testing a petroleum deposit or

winning access thereto, but the search, exploration or enquiry upon which the expenditure is incurred is given up before the commencement of commercial production, such expenditure allocable to a surrender area and to the drilling of a dry hole shall be deemed to be lost at the time of the surrender of the area or the completion of the dry hole, as the case may be. A portion of such loss as provided for any agreement between any such person and the Government, shall be allowed in either of the following ways:-

(i) such portion of the said loss in any year shall be set off against income, profits or gains from business or under any other head of income, other than income from dividend, of that year. If the loss cannot be wholly set off in this manner, the portion not so set off shall be carried forward to the following year and set off against such income, profits or gains, for that year in the same manner; and if it cannot be wholly so set off, the amount not so set off shall be carried forward to the following year and so on; but no loss shall be so carried forward for more than six years;

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(ii) such portion of the said loss in any year shall be set off against income, profits or gains of the same business of the income year in which commercial production commences. If the loss cannot be wholly set off against the profit of the same business for that year, the loss not so set off shall be carried forward to the following year and set off against the profits or gains, if any, of the assessee from the same business for that year; and if it cannot be wholly so set off, the amount of loss not so set off shall be carried forward to the following year, and so on; but no loss shall be so carried forward for more than ten years;

(b) after the commencement of commercial production, all expenditure prior thereto not deemed to be lost under clause (a) and not represented by physical assets in use at the time the commercial production commenced, shall be allowed as deductions. The portion of such deduction to be allowed in any year shall be such amount (not being greater than 10 per cent of the aggregate amount deductible) as may be selected by the assessee;

(c) expenditure incurred after the commencement of commercial production in connection with production and exploration shall be allowed as a deduction:

Provided that such expenditure on assets with respect to which depreciation is allowable shall not be deducted; and depreciation shall be allowable on such assets in accordance with the provisions of the Third Schedule. Depreciation shall also be allowed in respect of the expenditure referred to in the preceding clause on physical assets acquired prior to the date on which commercial production commenced, which were in use on that date, as if the assets were newly acquired at their original cost at the time of commencement of commercial production:

Provided further that where any depreciation allowance has been allowed before the commencement of commercial production, the original cost as aforesaid shall be reduced by the amount of such allowance;

(d) if, in any year, the deductions admissible under section 29, and the foregoing clauses (b) and (c) of this paragraph, exceed the gross receipts from the sale of

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petroleum produced in Bangladesh such excess shall be set off against other income, not being a dividend, and carried forward in the manner and subject to the limitations laid down in sections 37, 38 and 42.

3. In determining the profits or gains for any year ending after the date on which commercial production commenced, an additional allowance shall be made equal to 15 per cent of the gross receipts representing the well-head value of the production from the business or part of the business to which the provisions of this Part apply:

Depletion
allowance

Provided that such allowance shall not exceed one-half of the profits or gains as computed without the deduction of such allowance.

4. (1) The sum of payments to the Government and taxes on income in respect of the profits or gains derived from the business or part of the business to which the provisions of this Part apply, for any year of assessment, shall be as provided for in the agreement with the assessee [***].

Payments to the
Government
and taxes

(2) For the purposes of this paragraph, payments to the

Government■ means amounts payable to the Government or to any Governmental authority in Bangladesh,

2[* * *]

(b) in respect of any tax or levy imposed in Bangladesh particularly applicable to oil production or to extractive industries, or any of them , and not generally imposed upon all industrial and commercial activities.

5. If in respect of any year, the aggregate of the sum of payments to the Government and taxes on income is greater or less than the amount provided for in the agreement referred to in paragraph 4(1), an additional income tax shall be payable by the assessee or an abatement of tax shall be allowed to the assessee, as the case may be, so as to make the aggregate of the sum of payments to the Government and taxes on income equal to the amount provided for in the agreement.

Adjustments of
payments to the
Government
and taxes

1 The words and figures ■subject to the condition that it shall not be less than 50 per cent of the profits or gains derived from the said business or part of the business before deduction of payments to the Government and the additional allowance referred to in paragraph 3 ■ were omitted by section 12 of A_© AvBb, 1989 (1989 mþbi 36 bs AvBb)|

2 Clause (a) was omitted by section 12 of A_© AvBb, 1989 (1989 mþbi 36 bs AvBb)| Income-tax Ordinance, 1984

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Carry forward of
excess payments

6. If, in respect of any year , the payments to the Government exceed the amount provided for in the agreement referred to in paragraph 4(1), so much of the excess as consists of any tax or levy referred to in paragraph 4(2)(b) shall be carried forward and treated as payments to the Government for the purposes of paragraph 4 and 5 for the succeeding year.

Sale price of oil 7. For the purposes of computing income under this Part, the ■well-head value■ shall be adopted as the sale price of the oil.

Definitions 8. For the purposes of this Part,-

(a) ■commercial production■ means production as determined by the Government;

1[(b) ■petroleum■ has the same meaning as assigned to it in the Bangladesh Petroleum Act, 1974 (LXIX of 1974), but does not include refined petroleum products;]

(c) ■surrender■ means the termination of rights with respect to an area including the expiration of rights according to

the terms of an agreement;

(d) ■surrendered area■ means an area with respect to which the rights of a person have terminated by surrender or by assignment or by termination of the business;

(e) ■well-head value■ has the meaning assigned to it in the agreement between the assessee and the Government and, in the absence of its definition in the agreement, the meaning assigned to it in the Petroleum (Production) Rules, 1949.

PART B

COMPUTATION OF PROFITS AND GAINS FROM THE EXPLORATION AND EXTRACTION OF MINERAL DEPOSITS (OTHER THAN OIL AND OIL GAS) IN BANGLADESH

[See section 28(2)(c)]

Profits from
exploration and
extraction of
mineral deposits to
be computed
separately

1. Where any person carries on the business of the exploration or extraction of mineral deposits of a wasting nature other than oil and oil gas in Bangladesh, the profits and gains of such business, shall be computed separately from his income, profits or gains from other business, if any, and such business shall, for the purposes of these paragraphs, be treated as a separate undertaking (hereinafter referred to as such undertaking).

1 Clause (b) was substituted by section 12 of A_© AvBb, 1989 (1989 mþbi 36 bs AvBb)| Income-tax Ordinance, 1984

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2. (1) Subject to the provisions of this Part, the profits and gains of such undertaking shall be computed in accordance with the provisions of section 29.

Computation of
profits

(2) All expenditure on prospecting and exploration incurred by such undertaking up to the stage of commercial production shall, to the extent it cannot be set off against any other income of the said undertaking or any other income in accordance with section 37, be treated as a loss.

(3) The loss computed in the manner specified in sub - paragraph (2) shall be set off against the income of such undertaking after the commencement of commercial production so, however, that if it cannot be wholly set off against the income, profits or gains of the said undertaking for the income year in which the commercial production was commenced, the portion not so set off shall be carried forward to the following

year, and so on; but no less shall be carried forward for more than ten years beginning with the year in which commercial production was commenced.

(4) Notwithstanding the provisions of paragraphs 3 and 6 of the Third Schedule, after the commencement of commercial production, depreciation allowance in respect of machinery and plant purchased or acquired for extracting the or shall be allowed as a deduction against profits and gains of the year in which they are used for the first time in an amount equal to the original cost of such asset; where such allowance cannot be made in full in any year owing to there being no profits or gains chargeable for that year or owing to the profits and gains so chargeable being less than the allowance, the allowance or part of the allowance to which effect has not been given, as the case may be, shall be added to the amount of allowance for depreciation for the following year and deemed to be part of that allowance or, if there is no allowance for that year, be deemed to be allowance for that year, and so on for succeeding years:

Provided that where any loss has also to be carried forward under sub -paragraph (3), effect shall first be given to that paragraph.

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Depletion
allowance

3. (1) In computing the profits and gains of such undertaking for any year, an additional allowance (hereinafter referred to as the depletion allowance) shall be made equal to 15 per cent of the total income of such undertaking (before the deduction of such allowance) or 50 per cent of the capital employed in such undertaking (such capital being computed in accordance with such provisions as may be made by the Board for the purpose of this paragraph), whichever is the less.

(2) No deduction on account of the depletion allowance shall be allowed under sub -paragraph (1) unless an amount equal to the depletion allowance is debited to the profit and loss account of the relevant income year and credited to a reserve account to be utilised for the development and expansion of such undertaking.

(3) Where an allowance by way of depletion allowance has been made in any year and subsequently it is utilised for a purpose not specified in sub -paragraph (2), the amount originally allowed shall be deemed to have been wrongly allowed and the Deputy Commissioner of Taxes may,

notwithstanding anything contained in this Ordinance, re - compute the total income of the assessee for the relevant income year and the provisions of sections 93 and 94 shall, so far as may be, apply thereto, the period of 1[limitation] specified in section 94 being reckoned from the end of the income year in which the amount was so utilised.

Tax exemption
of profits from
refining or
concentrating
mineral deposits

4. (1) Where such undertaking is also engaged in the business of refining or concentrating in Bangladesh the mineral deposits extracted by it in Bangladesh, so much of the profits and gains (hereinafter referred to in sub-paragraph (2) as the said amount of profits and gains) derived from such business as does not exceed five per cent of the capital employed in such business, such capital being computed in accordance with such rules as may be made by the Board for the purposes of this paragraph, shall be exempt from tax.

(2) Where the profits and gains of such business, computed for any year of assessment cover a period which is less or more than one year, the amount of profits and gains exempt under

1 The word ■limitation■ was substituted for the words ■four years■ by section 50 of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017). Income-tax Ordinance, 1984

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sub-paragraph (1) shall be the amount which bears the same proportion to the said amount of profits and gains at the same proportion as the said period bears to a period of one year.

(3) The profits and gains of the business to which this paragraph applies shall be computed in accordance with the provisions of sections 28 and 29.

(4) Nothing contained in this paragraph shall apply to an undertaking which is formed by the splitting up, or the reconstruction or reconstitution of, a business already in existence or by the transfer to a new business of any building, machinery or plant used in a business which was being carried on, on or before the first day of July, 1983.

(5) The provisions of this paragraph shall apply to the assessment for the year next following the income year in which commercial production is commenced, or the loss under paragraph 2(3) or allowance, if any, under paragraph 2(4), as the case may be, has been set off or deducted in full, whichever is the later, and for the next following four years.

THE SIXTH SCHEDULE

PART A

EXCLUSIONS FROM TOTAL INCOME

[See section 44(1)]

1. (1) Any income derived from 1[house property] held under trust or other legal obligation 2[* * *] wholly for religious or charitable purposes, and in the case of 3[house property] so held in part only for such purposes, the income applied, or finally set apart for application, thereto.

4[Explanation.- The provisions of this paragraph shall not

1 The words ■house property■ were substituted for the word ■property■ by section 68 of A_© AvBb, 2001 (2001 mþbi 30 bs AvBb)|

2 The words ■or from operation of micro credit by such trust or obligation■ were omitted by section 70 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb)|

3 The words ■house property■ were substituted for the word ■property■ by section 68 of A_© AvBb, 2001 (2001 mþbi 30 bs AvBb)|

4 The Explanation was inserted by section 70 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb)| Income-tax Ordinance, 1984

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apply in the case of a non-government organisation registered with NGO Affairs Bureau.]

1[1A. Any service charge derived from operation of micro credit by a non-government organisation registered with NGO Affairs Bureau 2[or Microcredit Regulatory Authority].

Explanation.- For the purpose of this paragraph, "service charge" means any financial charge or interest or share of profit, called by whatever name, paid or payable by the loan recipient for the amount borrowed under micro credit programme from the non-government organisation.]

(2) Where any income is not applied or is not deemed to have been applied to charitable or religious purposes in Bangladesh during the income year but is accumulated, or finally set apart, for application to such purposes in Bangladesh, such income shall not be included in the total income of the income year of the person in receipt of the income, provided the following conditions are complied with, namely,-

(a) such person specifies, by notice in writing given to the Deputy Commissioner of Taxes, the purpose for which the income is being accumulated or set apart, and the period for which the income is to be accumulated or set apart, which shall in no case exceed ten years;

(b) the money so accumulated or set apart is-

(i) invested in any Government security as defined in section 2(2) of Public Debt Act, 1944 (XVIII of 1944), or in any other security which may be approved by the Government in this behalf, or

(ii) deposited in any account with the Post Office Savings Bank 3[, or

1 Paragraph (1A) was substituted by section 55 of the Finance Act, 2014 (Act No. IV of 2014) (with effect from 1st July, 2014).

2 The words “ or Microcredit Regulatory Authority ” were inserted after the words ■Bureau■ by section 32(a) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)■

3 The comma and word (, or) were substituted for the full -stop (.) and thereafter sub - clause (iii) was inserted by section 58(a) of A_© AvBb, 2011 (2011 m†bi 12 bs AvBb) (with effect from 1st July, 2011)

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1[(iii) deposited at least fifty per cent of such money in an account with scheduled bank of which fifty one per cent or more shares are held by the Government and the rest amount of money may be deposited in any scheduled bank.]

(3) Where any income which-

(a) is applied to purposes other than charitable or religious purposes or ceases to be accumulated or set apart for application thereto, or

(b) ceases to remain invested in any security or deposited in any accou nt referred to in sub - paragraph (2), or

(c) is not utilised for the purpose for which it is so accumulated or set apart during the period referred to in sub -paragraph (2) or in the year immediately following the expiry thereof,

shall be deemed to be the income of such person of the income year in which it is so applied or ceases to be so accumulated or set apart or ceases to remain so invested or deposited or, as the case may be, of the income year immediately following the expiry of the period aforesaid.

2[* * *]

2. 3[Any voluntary contributions received by a religious or

charitable institution] and applicable solely to religious or charitable purposes:

Provided that nothing contained in paragraph 1 or 2 shall operate to exempt from the provisions of this Ordinance that

- 1 Item (iii) was substituted by section 50 (a) (i) of ■■■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■■■■ ■■■■■ ■■■■■).
- 2 The Explanation was omitted by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)|
- 3 The words "Any voluntary contributions received by a religious or charitable institution" were substituted for the words "Any income of a religious or charitable institution derived from voluntary contributions" by section 55(b) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014) Income-tax Ordinance, 1984

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part of the total income of a private religious trust which does not ensure for the benefit of the public.

1[3. The income of a local government.]

4. (1) Any income accruing to, or derived by, a provident fund to which the Provident Funds Act, 1925 (XIX of 1925), applies.

(2) Any income accruing to, or derived by, workers participation fund established under the 2[evsjvþ`k kÖg AvBb, 2006 (2006 mþbi 42 bs AvBb) (Bangladesh Labour Act, 2006 (Act No. XLII of 2006)], subject to any such conditions and limits as may be prescribed.

5. Any special allowance, benefits or perquisite specifically granted to meet expenses wholly and necessarily incurred in the performance of the duties of an office or employment of profit.

3[6. Any income received by the trustees on behalf of a recognised provident fund, an approved superannuation fund 4[or pension fund] and an approved gratuity fund.]

7. Any income received-

(a) by any ambassador, high commissioner, envoy, minister, charge d' affairs, commissioner, counsellor, consul de carrière, secretary, adviser or attaché of an embassy, high commission, legation or commission of a Foreign State, as remuneration from such State for service in such capacity;

1 Paragraph 3 was substituted by section 83 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)|

2 The words " evsjvþ`k kÖg AvBb, 2006 (2006 mþbi 42 bs AvBb) (Bangladesh Labour Act, 2006 (Act No. XLII of 2006) " were substituted for the words "Companies Profits

(Workers Participation) Act, 1968 (XII of 1968) Ó by section 55(c) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014)
3 Paragraph (6) was substituted by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)|
4 The words ■or pension fu nd■ were inserted after the words ■an approved superannuation fund■ by section 56 (a) (i) of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1st July, 2012). Income-tax Ordinance, 1984

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(b) by a trade commissioner or other official representative in Bangladesh of a Foreign State (not holding office as such in an honorary capacity) as his official salary, if the official salary of the corresponding officials, if a ny, of the Government, resident for similar purposes in the country concerned , enjoy a similar exemption in that country;

(c) by a member of the staff of any of the officials referred to in clauses (a) and (b), as his official salary, when such memb er is not a citizen of Bangladesh and is either a subject of the country represented or a subject of some other Foreign State and is not engaged in any business or profession or employment in Bangladesh otherwise than as a member of such staff, and the country represented has made corresponding provisions for similar exemptions in the case of members of the staff of the corresponding officials of the Government of the People's Republic of Bangladesh in that country.

1[8. Any pension due to, or received by an assessee from the Government or an approved pension fund.]

9. [Omitted by section 70 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb)]

10. [Omitted by section 8 of A_© AvBb, 1990 (1990 mþbi 45 bs AvBb)]

11. [Omitted by sec tion 7 of A_© AvBb, 1991 (1991 mþbi 21 bs AvBb)]

2[(11A). Any sum or aggregate of sum received as dividend by a person being an individual from a company or companies listed to any stock exchange in Bangladesh up to taka fifty thousand.]

3[***]

- 1 Paragraph 8 was substituted by section 51(a) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■■■ ■■■■)■
- 2 Paragraph 11A was substituted by section 50 (a) (ii) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■■■ ■■■■ ■■■■).
- 3 Paragraph 12 and paragraph 13 were omitted by section 58 (b) of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011) Income-tax Ordinance, 1984

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14. Any income chargeable under the head ■Income from property■,-

(a) in respect of a building the erection of which is begun and completed at any time between the first day of July, 1975 and the thirtieth day of June, 1980 (bo th days inclusive), and the building is intended to be, and is actually, used for residential purposes only, for a period of five years from the date of such completion, subject to the following limits, namely,-

(i) in a case where the annual value of such building does not exceed eight thousand and four hundred taka,
... the whole of such value;

(ii) in a case where the annual value of such building exceeds eight thousand and four hundred taka,
... eight thousand and four hundred taka:

Provided that where an assessee claims exemption in respect of more than one such building, the exemption under this clause shall be restricted to such portion of the aggregate annual value of such building as does not exceed eight thousand and four hundred taka;

(b) in respect of a building the erection of which is begun and completed at any time between the first day of July, 1980 and the thirtieth day of June, 1985 (both days inclusive), and the building is intended to be and is actually, used for residential purposes only, for a period of five years from the date of such completion, subject to the following limits, namely,-

(i) in a case where the annual value of such building does not exceeds fifteen thousand taka,

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the whole of such
value;

(ii) in a case where the annual
value of such building
exceeds,

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fifteen thousands
taka:

Provided that where an assessee claims exemption in
respect of more than one such building, the exemption under
this clause shall be restricted to such portion of the aggregate
annual value of such building as does not exceed fifteen
thousand taka;

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(c) in respect of a building the erection of which is begun
and completed at any time between the first day of July,
1975 and the thirtieth day of June, 1980 (both days
inclusive), and which is intended to be and is actually,
used for residential purposes only, for a period of five
years from the date of such completion, subject to the
condition that the plinth area of the building is not more
than two thousand square feet. The exemption under this
clause shall also apply in the case of housing companies,
societies and estates where the construction comprises
bungalows, flats, apartments or units (hereinafter
referred to as units) each containing plinth area of not
more than two thousand square feet provided the
construction comprises not less than twenty-five units;

(d) in respect of a building the erection of which is begun
and completed at any time between the first day of July,
1980 and the thirtieth day of June, 1985 (both days
inclusive), and which is intended to be, and is actually,
used for residential purpose only, for a period of five
years from the date of such completion, subject to the
condition that the plinth area of the building is not more
than one thousand square feet. The exemption under this
clause shall also apply in the case of housing companies,
societies and estates where the construction comprises
bungalows, flats, apartments or units (hereinafter
referred to as units) each containing plinth area of not
more than one thousand square feet provided the
construction comprises not less than twenty-five units 1[;

(e) in respect of building the erection of which is begun and
completed at any time between the first day of July,
1985 and the thirtieth day of June, 1990 (both days

inclusive), and the building is intended to be, and is actually, used for residential purposes only, for a period of five years from the date of such completion, subject to the following limits, namely:-

(i) in a case where the annual value of such building does not exceed fifteen thousand taka,

...

..

the whole of such value;

(ii) in a case where the annual value of such building exceeds fifteen thousand taka,

...

..

fifteen thousand taka:

1 The semi-colon (;) was substituted for the full-stop (.) and thereafter clauses (e) and (f) were added by section 8 of the Finance Ordinance, 1985 (Ordinance No. XXXII of 1985). Income-tax Ordinance, 1984

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Provided that where an assessee claims exemption in respect of more than such building, the exemption under this clause shall be restricted to such portion of the aggregate annual value of such building as does not exceed fifteen thousand taka:

(f) in respect of a building the erection of which is begun and completed at any time between the first day of July, 1985 and the thirtieth day of June, 1990 (both days inclusive), and which is intended to be, and is actually, used for residential purposes only, for a period of five years from date of such completion, subject to the condition that the plinth area of the building is not more than one thousand square feet. The exemption under this clause shall also apply in the case of housing companies, societies and estates where the construction comprises bungalows, flats, apartments or units (hereinafter referred to as units) each containing plinth area of not more than one thousand square feet provided the construction comprises not less than twenty-five units 1[;

(g) in respect of a building the erection of which is begun and completed at any time between the first day of July, 1990 and the thirtieth day of June, 1995 (both days inclusive), and the building is intended to be, and is actually, used for residential purposes only, for a period of five years from the date of such completion, subject to the following limits, namely:-

(i) in a case where the annual

value of such building
does not exceed 2[thirty
thousand taka],

... the whole of such
value;
(ii) in a case where the annual
value of such building
exceeds 3[thirty thousand
taka],
... 4[thirty thousand
taka]:

- 1 The semi -colon (;) was substituted for the full stop (.) and thereafter clause (g) was added by section 8 of A_© AvBb, 1990 (1990 m±bi 45 bs AvBb)|
- 2 The words ■thirty thousand taka■ were substituted for the words ■twenty thousand taka■ by section 7 of A_© AvBb, 1993 (1993 m±bi 18 bs AvBb)|
- 3 The words ■t hirty thousand taka■ were substituted for the words ■twenty thousand taka■ by section 7 of A_© AvBb, 1993 (1993 m±bi 18 bs AvBb)|
- 4 The words ■thirty thousand taka■ were substituted for the words ■twenty thousand taka■ by section 7 of A_© AvBb, 1993 (1993 m±bi 18 bs AvBb)| Income-tax Ordinance, 1984

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Provided that where an assessee claims exemption in respect of more than one such building, the exemption under this cl ause shall be restricted to such portion of the aggregate annual value of such building as does not exceed 1[thirty thousand taka].]

2[* * *]

15. [Omitted by section 39 of the Finance Act, 2009 (Act No. X of 2009) (with effect from 1st July 2008).]

16. [Omitted by section 39 of the Finance Act, 2009 (Act No. X of 2009) (with effect from 1st July 2008).]

17. [Omitted by section 39 of the Finance Act, 2009 (Act No. X of 2009) (with effect from 1st July 2008).]

18. Any income received by an assessee in respect of any share of income out of the capital gains on which tax has been paid by the firm of which the assessee is a partner.

19. Any sum received by an assessee as a member of a Hindu undivided family where such sum has been pa id out of the income of the family.

3[20. Any income up to taka two crore fifty lakh received by an assessee as gratuity from the Government or an approved gratuity fund.]

21. Any payment from-

(a) a provident fund to which the Provident Fund Act, 1925 (XIX of 1925), applies; or

(b) a recognised provident fund, subject to any such conditions and limits as may be prescribed; or

(c) an approved superannuation fund, subject to any such conditions and limits as may be prescribed; or

1 The words ■thirty thousand taka■ were substituted for the words ■twenty thousand taka■ by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)]

2 Sub-paragraph (h) was omitted by section 6 of A_© AvBb, 1999 (1999 mþbi 16 bs AvBb)]

3 Paragraph 20 was substituted by section 51(b) of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■ ■■ ■■■■)■ Income-tax Ordinance

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1[(d) a workers participation fund established under ■■■■■■■■■■ ■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■) to any person not exceeding fifty thousand taka, notwithstanding anything contained in any other law for the time being in force regarding tax exemption of such payment;]

22. [Omitted by section 34 of A_© AvBb, 2005 (2005 mþbi 16 bs AvBb)]

2[22A. Income from 3[***] a mutual fund or a unit fund up to taka twenty five thousand.]

4[24. Any interest classifiable under the head ■Interest on securities■ receivable by an assessee on any security of the Government, which is issued with the condition that interest thereon shall not be liable to tax.

5[24A. Any income received by an assessee from Wage earners development bond, US dollar premium bond, US dollar investment bond, Euro premium bond, Euro investment bond, Pound sterling investment bond or Pound sterling premium bond.]

25. Any sum representing interest credited on the accumulated balance of an employee in a recognised provident fund, in so far as it does not exceed one-third of the salary of the employee for the year concerned and in so far as it is allowed at a rate not exceeding such rate as the Board may, by notification in the official Gazette, fix in this behalf.]

6[26. Any amount received by an employee of a Government organisation, a local authority, or an autonomous

- 1 Sub-paragraph (d) was substituted by section 65 (a) of ■■■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■).
- 2 Paragraph 22A was substituted by section 39 of the Finance Act, 2009 (Act No. X of 2009) (with effect from 1st July 2008).
- 3 The words ■dividend of■ was omitted by section 63(d) of ■■■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■)(with effect from 1st July 2015).
- 4 Paragraphs (24) and (25) were substituted for former paragraph (23) by section 8 of A_© AvBb, 1992 (1992 mþbi 21 bs AvBb)|
- 5 Paragraph 24A was added by section 64 (e) of ■■■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015). (with effect from 1st July 2015).
- 6 Paragraph (26) was added by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)| Income-tax Ordinance, 1984

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or semi-autonomous body including the units or enterprises controlled by it, at the time of his voluntary retirement in accordance with any scheme approved by the Government in this behalf.]

1[27. Notwithstanding anything contained in any order or regulation for the time being in force, any income of an individual, being an indigenous hill-man of any of the hill districts of Rangamati, Bandarban and Khagrachari, which has been derived solely from economic activities undertaken within the said hill districts.

2[***]

3[29. Any income, not exceeding 4[5[two lakh] taka], chargeable under the head ■Agricultural income■ of an assessee, being an individual, whose only source of income is agriculture.]

6[***]

31. [omitted by section 34 of A_© AvBb, 2005 (2005 mþbi 16 bs AvBb)]

31A. [Omitted by section 56 of the Finance Act, 2009 (Act No. IX of 2009) (with effect from 1st July, 2007).]

7[***]

- 1 Paragraphs (27) and (28) were inserted by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)|
- 2 Paragraph 28, 34 and 42 were omitted by section 53(a) of ■■■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022).
- 3 Paragraph (29) was added by section 4 of A_© AvBb, 1996 (1996 mþbi 18 bs AvBb)|
- 4 The words ■ fifty thousand taka■ were substituted for the words ■fourty thousand

taka■ by section 39 of A_© AvBb, 2009 (2009 mþbi 10 bs AvBb) (with effect from 1st July, 2008).

5 The words ■ two lakh■ were substituted for the words ■ fifty thousand ■ by section 55 (e) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

6 Paragraph (30) was omitted by section 58 (b) of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011).

7 Paragraph (31B) was omitted by section 58 (a) of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011). Income-tax Ordinance, 1984

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32. [Omitted by section 70 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb)]

1[32A. Any sum or aggregate of sums received as interest from pensioners' savings certificate where the total accumulated investment at the end of the relevant income year in such certificate does not exceed taka five lakh.]

2[33. Any income derived from the following business of a person being a resident or a non -resident Bangladeshi for the period from the first day of July, 2008 to the thirtieth day of June, 2024 on the conditions that the person shall file income tax return in accordance with the provisions of section 75-

- (i) Software development;
- (ii) Software or application customization;
- (iii) Nationwide Telecommunication Transmission Network (NTTN);
- (iv) Digital content development and management;
- (v) Digital animation development;
- (vi) Website development;
- (vii) Web site services;
- (viii) Web listing;
- (ix) IT process outsourcing;

1 Paragraphs 32A was substituted by section 65(b) of A_© AvBb, 2016 (2016 mþbi 28 bs AvBb) (with effect from 1st July, 2016).

2 Paragraphs 33, 34, 35, 36, 37, 38, 39 and 40 were added by section 39 of A_© AvBb, 2009 (2009 mþbi 10 bs AvBb) (with effect from 1st July, 2008).

3 Paragraph 33 was substituted by section 51 (a) of ■■■■■■■■■■, ■■■■■■■■■■ (■■■■■ ■■■■■ ■■■■■■■■■■) (With effect from 1st July 2017). Income-tax Ordinance, 1984

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- (x) Website hosting;
- (xi) Digital graphics design;
- (xii) Digital data entry and processing;
- (xiii) Digital data analytics;
- (xiv) Geographic Information Services (GIS);
- (xv) IT support and software maintenance service;
- (xvi) Software test lab services;
- (xvii) Call center service;
- (xviii) Overseas medical transcription;
- (xix) Search engine optimization services;
- (xx) Document conversion, imaging and digital archiving;
- (xxi) Robotics process outsourcing;
- (xxii) Cyber security services.
- 1[(xxiii) Cloud service;
- (xxiv) System Integration;
- (xxv) e-learning platform;
- (xxvi) e-book publications;
- (xxvii) Mobile application development service; and
- (xxviii) IT Freelancing.]

1 Items (xxiii), (xxiv), (xxv), (xxvi), (xxvii) and (xxviii) were added by section 32 (b) of ■■■■■■■■■■, ■■■■■■ (■■■■■ ■■■■■■ ■■ ■■ ■■■■)■ Income-tax Ordinance, 1984

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1[***]

35. Any income derived from the export of handicrafts for the period from the first day of July, 2008 to the thirtieth day of June, 2[2024].

36. Any amount paid by the Government as tax on behalf of a petroleum explorati on company engaged in exploration of petroleum products in Bangladesh under Production Sharing

Contract (PSC) with the Government of Bangladesh.

37. Income of any private Agricultural College or private Agricultural University derived from agricultural educational activities.

3[38. Any income derived from any building situated in any area of Bangladesh, not less than five storied having at least ten flats, constructed at any time between the first day of July, 2009 and the thirtieth day of June, 2014 (both days inclusive), for ten years from the date of completion of construction of the building, except the buildings situated in any area s of City Corporation, Cantonment Board, Tongi Upazila, Narayanganj Paurashava, Gazipur Paurashava and any Paurashava under Dhaka district.]

4[39. Income derived from any Small and Medium Enterprise (SME), engaged in production of any goods, having■

(a) an annual turnover of not more than Taka fifty lakhs; or

(b) an annual turnover of not more than Taka 70 lakhs where the SME is owned by women:

1 Paragraph 28, 34 and 42 were omitted by section 53(a) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022).

2 The figure “2024■” was substituted for the figure “2019■” by section 50(a) (iv) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■).

3 Paragraph 38 was substituted by section 42 of A_© AvBb, 2009 (2009 mþbi 36 bs AvBb) (with effect from 1st July, 2009).

4 Paragraph 39 was substituted by section 32 (c) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■)■ Income-tax Ordina

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Provided that exemption under this paragraph shall not be applicable to the assessee who fails to comply with any provision of this Ordinance.]

40. Any income derived from Zero Coupon Bond received by a person other than Bank, Insurance or any Financial Institution, subject to the following conditions:

(a) that the Zero Coupon Bond is issued by Bank, Insurance or any Financial Institution with prior approval of

Bangladesh Bank and Securities Exchange Commission.

(b) that the Zero Coupon Bond is issued by any institution other than Bank, Insurance or any Financial Institution with prior approval of Securities Exchange Commission.]

1[* * *]

2[***]

3[43. Any profits and gains under the head ■Capital Gains■ arising from the transfer of stocks or Shares of a public company as defined in ঙKvꠕúvbx AvBb, 1994 (1994 mꠕbi 18bs AvBb) listed in any stock exchange in Bangladesh of an assessee being a non -resident subject to the condition that such assessee is entitled to similar exemption in the country in which he is a resident.]

4[44. An amount of income derived from cinema hall or Cineplex which starts commercial exhibition between the first day of July, 2012 and thirtieth day of June, 5[2024] for the period, and at the rate specified below:

1 Paragraph 41 was omitted by section 68 of A_© AvBb, 2010 (2010 mꠕbi 33 bs AvBb) (with effect from 1st July, 2010).

2 Paragraph 28, 34 and 42 were omitted by section 53(a) of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■■ ■■■■) (With effect from 1st July 2022).

3 Paragraph 43 was added by S.R.O. No. 59 - Law/Income Tax/2012 (Zvwil: 28 †deªæqvix, 2012 wLª÷vã).

4 Paragraphs 44, 45, 46 and 47 were added by section 56 (a) (iv) of A_© AvBb, 2012 (2012 mꠕbi 26 bs AvBb) (with effect from 1st July, 2012).

5 The figure “2024■” was substituted for the figure “2019■” by section 50 (a) (vi) of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■■ ■■■ ■■■■). Income-tax Ordinance, 1984

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if it is set-up in-

(i) 1[Dhaka, Mymensingh or] Chittagong divisions (excluding Rangamati, Bandarban and Khagrachari districts) for a period of five years beginning with the month of commencement of commercial exhibition:

Period of Exemption Rate of

Exemption

For the first two years (first and second year)

100% of

income

For the next two years (third and fourth year)

50% of

income

For the next one year (fifth year) 25% of

income

2[(ii) Rajshahi, Khulna, Sylhet, Rangpur and Barisal divisions and Rangamati, Bandarban and Khagrachari districts for a period of ten years beginning with the month of commencement of commercial exhibition:

Period of Exemption Rate of
Exemption

For the first three years (first, second and third year)

100% of
income

For the next three years (fourth, fifth and sixth year)

50% of
income

For the next four years (seventh to tenth years)

25% of
income]

45. An amount of income derived by an industrial undertaking engaged in the production of rice bran oil and commencing commercial production by thirtieth day of June, 3[2019] and at the rate specified below:

1 The words and comma ■Dhaka, Mymensingh or■ were substituted for the words ■Dhaka or■ by section 51 (c) of ■■■■ ■■■■, ■■■■ (■■■■ ■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017).

2 sub-paragraph (ii) was substituted by section 55(i) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

3 Figure "2019" was substituted for the figure "2015 " by section 55(j) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014). Income-tax Ordinance, 1984

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if the said undertaking is set-up in-

1[(i) 2[Dhaka, Mymensingh or] Chittagong divisions (excluding city corporation area and Rangamati, Bandarban and Khagrachari districts) for a period of five years beginning with the month of commencement of commercial production:

Period of Exemption Rate of
Exemption

For the first two years (first and second year)

100% of
income

For the next two years (third and fourth year)

50% of income

For the next one year (fifth year) 25% of income

(ii) Rajshahi, Khulna, Sylhet, Rangpur and Barisal divisions (excluding city corporation area) and Rangamati, Bandarban

and Khagrachari districts for a period of ten years beginning with the month of commencement of commercial exhibition:

Period of Exemption Rate of Exemption

For the first three years (first, second and third year)

100% of income

For the next three years (fourth, fifth and sixth year)

50% of income

For the next four years (seventh to tenth year) 25% of income]

46. An amount equal to fifty percent of the income of an assessee derived from the production of corn/maize or sugar beet.

47. Income of an assessee donated in an income year to any fund established by or under the provisions of cÖavbgš¿xi wkÿv mnvqZv U^avó AvBb, 2012 (2012 m†bi 15 bs AvBb) (Trust of Prime Minister's Education Assistance Act, 2012) (Act No. 15 of 2012) subject to a maximum of-

1 Sub-paragraph (i) and sub -paragraph (ii) were substituted by section 55(k) of the Finance Act, 2014 (Act No. IV of 2014) (with effect from 1st July, 2014).

2 The words and comma ■Dhaka, Mymensingh or■ were substituted for the words ■Dhaka or■ by section 51 (d) of ■■■■■■■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1 st July 2017). Income-tax Ordinance, 1984

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(a) twenty percent (20%) of income of a company or taka eight crore, whichever is less;

(b) twenty percent (20%) of income of an assessee other than a company or one crore taka , whichever is less.]

1[48. Any income earned in abroad by an individual assessee being a Bangladeshi citizen and brought any such income into Bangladesh as per existing laws applicable in respect of foreign remittance.

49. Income of an assessee donated in an income year by a crossed cheque 2[or bank transfer] to any girls' school or girls' college approved by the Ministry of Education of the government.

50. Income of an assessee donated in an income year by a crossed cheque 3[or bank transfer] to any Technical and Vocational Training Institute approved by the Ministry of Education of the Government.

51. Income of an assessee donated in an income year by a crossed cheque 4[or bank transfer] to any national level

institution engaged in the Research & Development (R&D) of agriculture, science, technology and industrial development.]

5[52. Any income, not being interest or dividend classifiable under the head ■Income from other sources■, received by any educational institution, if it –
(i) is enlisted for Monthly Pay Order (MPO) of the Government

1 Paragraph 48, 49, 50 and 51 were inserted by section 55(k) of A_© AvBb, 2014 (2014 mþbi 4 bs AvBb) (with effect from 1st July, 2014).

2 The words ■or bank transfer■ were inserted after the words ■crossed cheque■ by section n 64(h) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■).(with effect from 1st July 2015). (with effect from 1st July 2015).

3 The words ■or bank transfer■ were inserted after the words ■crossed cheque■ by section 64(h) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■).(with effect from 1st July 2015). (with effect from 1st July 2015).

4 The words ■or bank transfer■ were inserted after the words ■crossed cheque■ by section 64(h) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■).(with effect from 1st July 2015). (with effect from 1st July 2015).

5 Paragraphs 52 and 53 were added by section 64(k) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (with effect from 1st July 2015). Income-tax Ordinance, 1984

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(ii) follows the curriculum approved by the Government;

(iii) is governed by a body formed as per Government rules or regulations.

53. Any income, not being interest or dividend classifiable under the head ■Income from other sources■, received by any public university or any professional institute established under any law and run by professional body of Chartered Accountants or Cost and Management Accountants or Chartered Secretaries.]

1[2[54. Any income earned by an alternative investment fund recognized by the Bangladesh Securities and Exchange Commission.]

55. Any income of the Bangladesh Securities and Exchange Commission for the Assessment Years starting from the first day of July, 2017 to the thirtieth day of June, 2022.

56. Any amount in the nature of an honorarium or allowance from ■■■■■■■■■■ ■■■■■■■■■■ ■■■■■■ ■■■■■■■■■■ or any welfare allowance received by any person from the Government.

57. Any reward received by any person from the Government.

3[58. Any income derived from the operation of an elderly care home or a day care home for children.

59. Any income 4[***] of an educational or training institution runs exclusively for persons with disability.

60. Any distribution of taxed dividend to a company 1[***] if the company distributing such taxed dividend has maintained separate account for the taxed dividend.]

1 Paragraphs 54, 55, 56, 57 and 58 were added by section 51 (e) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2017).

2 Paragraph 54 was substituted by section 51(c) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2020).

3 The paragraph 58, 59 and 60 were substituted for the paragraph 58 by section 44 of ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2018).

4 The words "derived from the operation■ were omitted by section 50 (a) (viii) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■). Income-tax Ordinance, 1984

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2[61. Any business income derived by an ocean going ship being Bangladeshi flag carrier for the period from the first day of July, 2022 to the thirtieth day of June, 2030, if it is received in foreign currency and brought into Bangladesh as per existing laws applicable in respect of foreign remittance.]

PART B

EXEMPTIONS AND ALLOWANCES 3[FOR ASSESSEES BEING RESIDENT AND NON-RESIDENT BANGLADESHI]
[See section 44(2)]

1. Any sum paid by an assessee, being an individual, to effect an insurance, or a contract for deferred annuity, on the life of the assessee or on the life of a wife or husband or a minor child of the assessee, subject to the limit of such payment, in the case of insurance, to ten per cent of the actual sum assured (excluding bonus or other benefits).

2. Any sum paid by an assessee, being a Hindu undivided family, to effect an insurance on the life of any male member of the family or the wife of any such member:

Provided that no exemption under this paragraph or paragraph 1 shall be allowed unless the premium and the proceeds of the life insurance policy or the contract for deferred annuity, as the case may be, are both payable in Bangladesh.

3. Any sum deducted from salary payable by or on behalf of the Government to any individual, being a sum deducted in accordance with the conditions of his service for the purpose of securing to him a deferred annuity or of making provisions for his wife or children, provided that the sum so deducted shall not exceed one-fifth of the salary.

1 The words "being resident in Bangladesh■ were omitted by section 50 (a) (ix) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■).

2 Paragraph 61 was added by section 53 (b) of ■■■■■ ■■■■, ■■■■■ (■■■■■ ■■■■■ ■■ ■■ ■■■■) (With effect from 1st July 2022).

3 The words ■FOR ASSESSEES BEING RESIDENT AND NON -RESIDENT BANGLADESHI■ were substituted for the words ■FOR ASSESSEES BEING RESIDENT■ by section 56 of A_© AvBb, 2009 (2009 mþbi 9 bs AvBb) (with effect from 1st July, 2007). Income-tax Ordinance, 1984

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4. Any sum paid by the assessee as a contribution to any provident fund to which the Provident Funds Act, 1925 (XIX of 1925), applies.

5. Any sum representing the assessee's and the employer's contribution to a recognised provident fund in which the assessee is a participant subject to the limits laid down in Part B of the First Schedule.

6. Any sum paid by the assessee as ordinary annual contribution to approved superannuation fund in which the assessee is a participant.

7. [Omitted by section 8 of A_© AvBb, 1992 (1992 mþbi 21 bs AvBb)]

1[***]

10. (1) Subject to the maximum laid down in sub - paragraph (2), any sum invested by an assessee, not being a company, in the purchase of the following, namely:-

(a) such savings certificates or instruments as the Board may specify in this behalf 2[* * *];

(b) unit certificates 3[and mutual fund certificate] issued by 4[any financial institution or] the 5[Investment Corporation of Bangladesh and its subsidiaries];

1 Paragraph (8) and Paragraph (9) were omitted by section 58(b) of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011).

2 The words, the comma and the figure ■and as are purchased not later than the thirtieth day of June , 1994■ were omitted by section 5 of A_© AvBb, 1997 (1997 mþbi 15 bs AvBb)|

3 The words ■and mutual fund certificate■ were inserted by section of A_© AvBb, 1985 (1985 mþbi 32 bs AvBb)|

4 The words ■any financial institution or■ were inserted after the words ■certificates issued by■ by section 34(b) of A_© AvBb, 2013 (2013 mþbi 25 bs AvBb) (with effect from 1st July, 2013).

5 The words ■Investment Corporation of Bangladesh and its subsidiaries■ were

substituted for the words ■Investment Corporation of Bangladesh■ by section 42 of A_© AvBb, 2004 (2004 mþbi 16 bs AvBb)| Income-tax Ordinance, 1984

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(c) such Government securities (including Development loans or Bonds) as the Board may specify in this behalf; and

(d) shares of such investment companies as the Board may specify in this behalf.

Explanation.- For the purpose of clause (d), ■investment companies■ means companies engaged principally or wholly in buying and selling securities of other companies and includes a company eighty per cent of whose paid up capital is employed at any one time as investment in other companies, but does not include a bank or an insurance company or a corporation which is a member of a Stock Exchange.

1[(2) Where any certificate, security or share (herein referred as ■the certificate■) to which clause (a), (b), (c) and (d) of sub - paragraph (1) apply and in respect of which any credit in tax has been allowed to the assessee is disposed of by sale, transfer or in any other manner within five years from the date of its purchase or before the maturity thereof, as the case may be, then, notwithstanding anything contained in this Ordinance, the amount of tax payable by the assessee under the other provisions of this Ordinance in respect of the income year in which such certificate was so disposed of, shall be increased by an amount equal to the credit in tax allowed to the assessee in respect of such certificate (hereinafter referred to as the ■said amount■) and the sum so arrived at or where no tax is payable by the assessee under the other provisions of this Ordinance in respect of that income year, the said amount shall be deemed to be the tax payable in respect of that income year and other provisions of this Ordinance shall, so far as may be, apply accordingly.]

2[11. An amount not exceeding taka sixty thousand by an individual in any deposit pension scheme sponsored by a scheduled bank 3[or a financial institution].]

1 Sub-paragraph (2) was substituted by section 6 of A_© AvBb, 1998 (1998 mþbi 14 bs AvBb)|

2 Paragraphs (11) was substituted by section 58(b) of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011).

3 The words ■or a financial institution ■ were added after the words ■scheduled bank■ by section 56(b) (i) of A_© AvBb, 2012 (2012 mþbi 26 bs AvBb) (with effect from 1 st July, 2012). Income-tax Ordinance, 1984

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1[11A. Any sum paid as donation by an assessee to a charitable hospital which is established outside the city corporation area 2[one year] before such payment and is approved by the Board for this purpose.

11B. Any sum paid as donation by an assessee to an organisation set up for the welfare of retarded people, established at least 3[one year] before such payment and is approved by the Social Welfare Department and by the Board for this purpose.]

12. [Omitted by section 6 of (1A) was omitted by section 5 of A_© AvBb, 1992 (1992 mþbi 21 bs AvBb)]

13. Any sum paid by an assessee as Zakat to the Zakat Fund or as donation or contribution to the Charitable Fund established by or under the Zakat Fund Ordinance, 1982 (VI of 1982).

14. [Omitted by section 6 of A_© AvBb, 1992 (1992 mþbi 15 bs AvBb)]

15. Any sum which the assessee is entitled to receive out of the income of an association of persons (other than a Hindu undivided family, company or a firm) on which tax has already been paid by the association:

Provided that where there is included in the total income of an assessee any income exempted under this paragraph, the tax payable by the assessee shall be an amount bearing to the total amount of the tax which would have been payable on the total income had no part of it been exempted, at the same proportion as the un-exempted portion of the total income bears to the total income.

1 Paragraphs (11A) and (11B) were inserted by section 83 of A_© AvBb, 2000 (2000 mþbi 15 bs AvBb)]

2 The words ■one year■ were substituted for the words ■three years■ by section 70 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb)]

3 The words ■one year■ were substituted for the words ■three years■ by section 70 of A_© AvBb, 2002 (2002 mþbi 14 bs AvBb)] Income-tax Ordinance, 1984

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16. Any sum being the share or portion of the share of the assessee in the income of 1[a firm] if tax of such income has already been paid by the firm:

Provided that where there is included in the total income of an assessee any income exempted under this paragraph, the tax payable by the assessee shall be an amount bearing to the total amount of the tax which would have been payable on the total

income had no part of it been exempted, at the same proportion as the un-exempted portion of the total income bears to the total income.

17. Any sum paid by an assessee, in order to make provision for his wife, children or other persons dependent on him, to a benevolent fund or any premium paid under a group insurance scheme if such fund or the scheme is approved by the Board for this purpose.

18, 19, and 20 [omitted by section 8 of A_© AvBb, 199 2 (1992 mþbi 21 bs AvBb)]

2[21. Any sum paid by an assessee as donation to any socio - economic or cultural development institution established in Bangladesh by the Aga Khan Development Network.]

3[22. Any sum paid by an assessee as donation to a philanthropic or educational institution which is approved by the Government for this purpose.]

4[***]

5[24. Any sum paid by an assessee as donation to a national level institution set up in memory of the liberation war.

25. Any sum paid by an assessee as donation to a national level institution set up in memory of Father of the Nation.

1 The words ■a firm■ were substituted for the words ■an unregistered firm■ by section 6 of A_© AvBb, 1995 (1995 mþbi 12 bs AvBb)|

2 Paragraph (21) was added by section 7 of A_© AvBb, 1993 (1993 mþbi 18 bs AvBb)|

3 Paragraph (22) was inserted by section 34 of A_© AvBb, 2005 (2005 mþbi 16 bs AvBb)|

4 Paragraph 23 was omitted by section 50(b) of ■■■■■ ■■■■, ■■■■ (■■■■■ ■■■■ ■■ ■■ ■■■■).

5 Paragraphs 24, 25, 26, 27 and 28 were added by section 58(b) of the Finance Act, 2011 (Act No. XII of 2011). Income-tax Ordinance, 1984

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1[***]

27. Any sum invested by an assessee, being an individual, in the acquisition, through Initial Public Offering, of any stocks of shares of a company, mutual fund or debenture listed with any stock exchange.

28. Any sum invested by an assessee, being an individual, in the purchase of Bangladesh Government Treasury Bond.]

THE SEVENTH SCHEDULE

COMPUTATION OF RELIEF FROM INCOME TAX BY WAY OF CREDIT IN RESPECT OF FOREIGN TAX

[See section 144(4)]

1. (1) In this Schedule,-

Definitions

(a) ■Bangladesh tax■ means income tax charged in accordance with the provisions of the Income Tax Ordinance, 1984;

(b) ■foreign tax■ means, in relation to any country an agreement with the Government of which has effect by virtue of section 144 of t his Ordinance , any tax chargeable under the laws of that country for which credit may be allowed under the agreement;

(c) ■foreign income tax■ means any foreign tax which corresponds to income tax.

(2) Where, an agreement having effect by virtue of the said section 144, provides for any tax chargeable under the laws of the country concerned being treated as income tax, that tax shall be treated as foreign tax or foreign tax other than foreign income tax, as the case may be.

(3) Any reference in this Schedule to foreign tax or foreign income tax shall be construed, in relation to credit to be allowed under any agreement, as a reference only to tax chargeable under the laws of the country with the Government of which the agreement was made.

1 Paragraph 26 was omitted by section 56(b)(ii) of the Finance Act, 2012 (Act No. XXVI of 2012) (with effect from 1st July, 2012). Income-tax Ordinance, 1984

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Credit against

Bangladesh tax 2. Subject to the provisions of this Schedule, where, under an agreement concluded under section 144, credit is to be allowed against Bangladesh tax chargeable in respect of any income, the amount of the Bangladesh taxes s o chargeable shall, subject to the provisions of the said agreement, be reduced by the amount of the credit.

Credit

admissible to
residents

3. Credit shall not be allowed against income tax for any year of assessment unless the persons in respect of wh ose income the tax is chargeable is resident for the period on the basis of which income is assessed.

Computation of
credit

4. The amount of the credit to be allowed for foreign tax against Bangladesh tax in respect of any income shall not exceed the amount which would be arrived at by applying the average rate of such tax to the double taxed income.

Effect on
computation of
income on
allowance of
credit

5. (1) Where the income includes a dividend and, under the agreement, foreign tax, whether chargeable directly or by deduction in respect of the dividend or not, is to be taken into account in considering whether any, and if so, how much, credit is to be allowed against the Bangladesh tax in respect of the dividend, the amount of the income shall be treated as increased by the amount of the foreign tax appropriate to the dividend which falls to be taken into account in computing the amount of the credit.

(2) Where the amount of the income is to be treated as increased under sub-paragraph (1), the foreign tax not chargeable directly or by deduction which is to be taken into account, shall be so much as is borne by the body corporate paying the dividend upon the profits for the period for which the dividend is paid, or, if the dividend is not paid for a specified period, the profits of the last period for which accounts of the body corporate were made up which ended before the dividend became payable.

Explanation.-In this sub-paragraph "paid" means paid, credited or distributed or deemed to have been paid, credited or distributed.

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(3) Notwithstanding anything contained in the preceding provisions of this paragraph and in section 30, where part of the foreign tax in respect of the income cannot be allowed as a credit against the Bangladesh tax, the amount of the income shall be treated for the purposes of income tax as reduced by that part of that foreign tax.

(4) Where the income tax payable depends on the amount received in Bangladesh the said amount shall be treated as increased by the amount of the credit allowable against income tax.

(5) In computing the total income of a person for the purpose of determining the rate mentioned in paragraph 4, sub-paragraphs (1) and (3) of this paragraph shall not apply, and for the reference in sub-paragraph (4) of this paragraph, to the amount of the credit allowance against income tax, there shall be substituted a reference to the amount of the foreign tax in respect of the income.

6. (1) Subject to the provisions of sub-paragraph (2), any claim for an allowance by way of credit for foreign tax in respect of any income shall be made to the Deputy Commissioner of Taxes of the district in which the claimant is chargeable to income tax not later than two years from the end of the year of assessment for which that income falls to be charged to Bangladesh tax or would fall so to be charged if any such tax were chargeable in respect thereof.

Limitation for
claim

(2) Where, the amount of any credit given under the agreement is rendered excessive or insufficient by reason of any adjustment of the amount of any tax payable either in Bangladesh or under the laws of any other country, nothing in the Ordinance limiting the time for the making of assessment or claims for refund shall apply to any assessment or claim to which the adjustment gives rise, being an assessment or claim made not later than two years from the time when all such assessment, adjustments and other determinations have been made whether in Bangladesh or elsewhere, as are material in determining whether any, and if so, how much, credit falls to be given.

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Appeal 7. A person claiming an allowance by way of credit for foreign tax may appeal to the Appellate Joint Commissioner against any order of the Deputy Commissioner of Taxes disallowing the claim either wholly or in part, within thirty days of the date on which the order of the Deputy Commissioner of Taxes was communicated to the claimant, and the provisions of Chapter XIX of the Ordinance shall, with the necessary modifications, apply accordingly.

Provisions as to
the deduction of
tax at source

8. (1) The provisions of this paragraph shall have effect where an agreement having effect under section 144 of the Ordinance provides for the exemption from Bangladesh tax of any class of income arising to persons resident in the country with the Government of which the agreement is made, being income from which deduction of tax is required to be made under the Ordinance.

(2) Any person who pays income of any such class (referred to in this paragraph as ■ the Bangladesh payer ■) to a

person in the said country who is beneficially entitled to the income (such person being referred to in this paragraph as ■ the non-resident■) may be required, by notice given by or under the direction of the Board, to pay any such income to the non -resident without deduction of tax, and where such notice is given, any income from any source specified in the notice, being income for a year for which the agreement has effect, which the Bangladesh payer, the date on which the notice was communicated, pays to the non -resident whose name is specified therein, shall, subject to the following provisions of this paragraph, be paid without deduction of tax.

(3) Any notice given under sub-paragraph (2) may be expressed to become ineffective if certain specified events happen or, whether so expressed or not, may be cancelled by a notice of cancellation given by or under the direction of the Board, and if, to the knowledge of the Bangladesh payer, any of those events happens or if such notice of cancellation is given, any payment made to the non-resident by the Bangladesh payer after the happening of that event becomes known to the Bangladesh payer, or after the date on which that notice was communicated to the Bangladesh payer, as the case may be, shall be subject to deduction of tax in accordance with the Ordinance.

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(4) If it is discovered, after a notice has been given under sub-paragraph (2) that the non -resident is not entitled to exemption from tax in respect of income from any source specified in the notice, any tax which, but for the notice, would have been deductible from any payment made to the non -resident by the Bangladesh payer but by virtue of the notice has not been so deducted shall, if a deduction to that effect is given by or under the direction of the Board, be deducted by the Bangladesh payer out of so much of the first payment made to the non -resident after the date on which the direction was communicated to the Bangladesh payer as remains after the deduction of any tax deductible therefrom under the Ordinance, and any balance which cannot be deducted out of the first such payment shall be deducted, subject to the same limitation, out of the next such payment, and so on, until the whole of the tax (the amount of which shall be specified in the direction) has been deducted.

(5) Any tax which the Bangladesh payer is required to deduct under sub-paragraph (4) shall be paid to the Government and the provisions of Chapter VII of the Ordinance relating to deduction of tax at source shall, with necessary modifications, apply accordingly.

(6) A notice may be given under sub -paragraph (2) where income is paid to a person authorised to receive such income on behalf of a non-resident, and in such a case, the reference in this paragraph to payment to the non -resident shall be treated as

including references to payment to that person.

[The "EIGHTH SCHEDULE " was omitted by section 59 of A_© AvBb, 2011 (2011 mþbi 12 bs AvBb) (with effect from 1st July, 2011).]
