

THE FIRST SCHEDULE
(see section 5)

Amendment of the FIRST SCHEDULE to the Excises and Salt Act, 1944 (I of 1944).

In PART I,-

(a) in SECTION III,-

(i) for Item No. 03.04 and the entries relating thereto the following shall be *substituted*, namely;—

“03.04 (a) Petroleum gases and other gaseous hydrocarbons including natural gas	Taka three thousand five hundred thirty-one and poisha fifty per one thousand cubic metre or taka one hundred per one thousand cubic feet.
(b) Liquified petroleum gas	Taka six hundred per metric tonne.”;

(ii) in Item No. 03.05 in column 1, in column 3, for the word “Eleven” the word “Fifteen” shall be *substituted*;

(iii) in Item No. 03.06 in column 1, in column 3, for the word “Thirty-three” the word “Thirty” shall be *substituted*;

(iv) in Item No. 03.07 in column 1, in column 3, for the word “Twenty-three” the word “Twenty-five” shall be *substituted*;

(v) in Item No. 03.08 in column 1, in column 3, for the word “Twenty-seven” the word “Thirty-five” shall be *substituted*;

(vi) in Item No. 03.09 in column 1, in column 3, for the word “Seventeen” the word “Thirty” shall be *substituted*;

(vii) in Item No. 03.10 in column 1,-

- (a) against sub-item (1) in column 2, in column 3, the words “and poisha fourteen” shall be *omitted*;
- (b) against sub-item (2) in column 2, in column 3, for the word “Twenty-five” the word “Twenty” shall be *substituted*;

(b) in SECTION VIII,-

(i) *for* Item No. 08.07 and the entries relating thereto the following shall be *substituted*, namely,-

“08.07 Woollen fabrics-

“Woollen fabrics” means all varieties of fabrics manufactured wholly or partly from wool but does not include any such fabric which contains less than ten *per cent* of wool by weight-

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|---|--|
| (1) Blankets and shawls | ... Thirty <i>per cent ad valorem.</i> |
| (2) Knitted woollen articles | ... Thirty <i>per cent ad valorem.</i> |
| (3) Woollen fabrics not otherwise specified | ... Thirty <i>per cent ad valorem.</i> |

(ii) *after* Item No. 08.07 in column 1 and the entries relating thereto the following new Item No. 08.08 shall be *added*, namely:-

“08.08 Carpets Thirty *per cent ad valorem.*

Explanation.-

“Carpets” means all varieties of carpets manufactured wholly or partly from jute, wool, or man-made fibres or admixture of them and includes floor mats.”.

THE SECOND SCHEDULE

(see section 13)

Rates of Income Tax

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

	Rates
(1) On the first 50,000 taka of taxable income	... 10%
(2) On the next 50,000 taka of taxable income	... 20%
(3) On the next 50,000 taka of taxable income	... 30%
(4) On the next 50,000 taka of taxable income	... 40%
(5) On the balance of taxable income	... 50%:

Provided that-

- (i) no income tax shall be payable on a total income, which before the deduction of the sums, if any, exempted under paragraphs 1 to 14, 17, 18 and 20 of Part B of the Sixth Schedule to the Income Tax Ordinance, 1984 (XXXVI of 1984), does not exceed 30,000 taka; and
- (ii) the income tax payable shall in no case exceed
 - (a) one-third of the amount by which the total income exceeds 30,000 taka, or
 - (b) the amount representing fifty *per cent* of the total income, whichever amount is the less:

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

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

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

Rates

- (i) On the whole of the total income excluding the amount representing income from dividends from a company having its registered office in Bangladesh-
 - (a) in the case of every industrial company being a publicly traded company, 45 *per cent* of such income.
 - (b) in the case of every industrial company not being a publicly traded company, 50 *per cent* of such income.

- (c) in the case of all other companies 60 *per cent* of such income including banks, financial institutions and local authorities,
- (d) in the case of a person not being a company who is not resident in Bangladesh, 30 *per cent* of such income:

Provided that a rebate at the rate of 10 *per cent* of the tax shall be allowed to a company registered in Bangladesh under the Companies Act, 1913 (VII of 1913), on so much of its income, profits and gains accruing or arising outside Bangladesh to which section 13(4) of this Ordinance does not apply as are brought by it into Bangladesh:

Provided further that the person owning a small and cottage industry located in the Less Developed Areas and the Least Developed Areas and a company registered in Bangladesh under the Companies Act, 1913 (VII of 1913), and engaged in the production of goods shall be allowed rebate on income tax payable by him or it at the following rates in the manner specified hereunder:-

	Amount.
(a) where the production in volume of the relevant year exceeds 15 <i>per cent</i> but does not exceed 25 <i>per cent</i> of the production in volume of the preceding year;	2.5 <i>per cent</i> of the income tax attributable to such income.
(b) where the production in volume of the relevant year exceeds 25 <i>per cent</i> of the production in volume of the preceding year;	5 <i>per cent</i> of the income tax attributable to such income.
(ii) On the amount representing income from dividends declared and paid by a company registered in Bangladesh under the Companies Act, 1913 (VII of 1913), or a body corporate formed in pursuance of an Act of Parliament in respect of the share capital issued, subscribed and paid after the 14 th day of August, 1947,	<i>15 per cent</i>

Explanation 1.- The expression “industrial company” means a company which is mainly engaged-

- (a) in the manufacture or processing of goods,
- (b) in the manufacture of plants, machinery, tools and implements or accessories of all descriptions,
- (c) in the construction of vessels, or in the manufacture of vehicles,
- (d) in the exploration and extraction of gas, oil or any other minerals:

Provided that the income, profits and gains of the industrial company attributable to one or more of the undertakings mentioned above and included in its total income of the income year is not less than two-thirds of such total income.

Explanation 2.- The term “publicly traded company”, as used in this paragraph, means a public limited company which fulfils the following conditions:-

- (a) it is an industrial company;
- (b) the paid-up capital of the company is not less than 20 lakh taka;
- (c) at least 50% of the paid-up capital of the company as at the end of the accounting year is subscribed by the shareholders other than the directors and sponsors of the company;
- (d) no share of the company has been purchased in *benami* by the directors and sponsors of the company;
- (e) average ownership of shares of the company is at least 1 for each 20,000 taka of the paid-up capital;
- (f) at least 10% dividend has been declared and distributed to the share-holders of the company out of the profits of the accounting year for which assessment is to be made; and

- (g) the shares of the company are listed in a Stock Exchange before the end of the accounting year for which assessment is to be made.

Explanation 3.- The terms “Less Developed Areas” and “Least Developed Areas” shall be the areas as specified in the National Board of Revenue Notifications No. S.R.O. 411-L/85, dated the 22nd September, 1985, and No. S.R.O. 412-L/85, dated the 22nd September, 1985, respectively.

C. In the case of every registered firm, the income tax shall be charged at the following rates:-

	Rate
(1) On the first 30,000 taka of total income ...	Nil
(2) On the next 30,000 taka of total income ...	10%
(3) On the next 70,000 taka of total income ...	15%
(4) On the next 70,000 taka of total income ...	20%
(5) On the balance of total income ...	25%:

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

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