



Navigating the complexity

Bangladesh

Finance Act, 2024

July 2024



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Reforms and policy announcements

1. Budget for the FY 2024–25 has been formulated with a view to accelerate the growth of the economy to prepare for least developed country graduation. The aim is to create new jobs, sustain growth of the gross domestic product, develop export-oriented and heavy industrial enterprises, and promote the Made in Bangladesh concept.
2. Creation of ‘Smart Bangladesh’ is envisaged under four pillars: smart citizens, smart economy, smart government and smart society.
3. Digital banks: Nagad Digital Bank PLC and Kori Digital Bank PLC are expected to provide information and technology-based banking services to the people.
4. The emphasis will be on transforming Bangladesh into a developed and smart country by 2041 through economic stability, conducive scientific education, innovation and use of technology, amongst others.
5. The proposal for the Bangladesh Offshore Model Production Sharing Contract, 2023, will invite international companies for oil and gas exploration.
6. The proposed implementation of a 25-year Tourism Master Plan is expected to contribute to the economic development of Bangladesh through tourism, which is expected to contribute US\$4.77bn by 2041 to the national economy.
7. The National Pension Authority will be launched in alignment with the implementation of Smart Bangladesh. It will be a fully digital platform for the Universal Pension Management System to facilitate pension-related transactions.
8. Focus will continue to be on building 100 economic zones through the Bangladesh Economic Zone Authority.
9. Bangabandhu Sheikh Mujib Industrial City will be set up as a self-sufficient industrial city. Moreover, the Japan Economic Zone, Indian Economic Zone and Chinese Economic and Industrial Zone will be set up.
10. Income-tax rates have been announced for FY 2023–24. Moreover, the government has also confirmed prospective tax rates for FY 2024–25.
11. Introduction of a scheme for the declaration of undisclosed income and wealth subject to certain conditions and rates of tax.
12. A proposal for the Board and other authorities will be made to access the information of travellers who pay tax abroad.

Personal tax

a. Basic tax rates

1. Income-tax slab rates revised

| Total income (Finance Act, 2023) For AY 2023–24 | Total income (Finance Act 2024) For AY 2024–25 | Total income (Finance Act 2024) For AY 2025–26 | Tax rate |
|---|--|--|----------|
| Up to tax-free threshold* | Up to tax-free threshold* | Up to tax-free threshold* | Nil |
| Next BDT100,000 | Next BDT100,000 | Next BDT100,000 | 5% |
| Next BDT300,000 | Next BDT400,000 | Next BDT400,000 | 10% |
| Next BDT400,000 | Next BDT500,000 | Next BDT500,000 | 15% |
| Next BDT500,000 | Next BDT500,000 | Next BDT500,000 | 20% |
| Rest of total income | Rest of total income | Next BDT2,000,000 | 25% |
| | | Rest of total income | 30% |

* Tax-free threshold

- General taxpayers – BDT350,000
- Women, senior citizens aged 65 years or more – BDT400,000
- Physically challenged persons – BDT475,000
- War-wounded gazette freedom fighters – BDT500,000
- Third-gender taxpayers – BDT475,000
- Parent of physically challenged person – Additional BDT50,000

| Comparative individual tax computation | | | (Figures in BDT) |
|---|---------------------|------------|------------------|
| Net taxable income (after standard deduction of BDT0.45m) | Gross tax liability | | Difference |
| | AY 2023–24 | AY 2024–25 | |
| 600,000 | 20,000 | 20,000 | 0 |
| 750,000 | 35,000 | 35,000 | 0 |
| 1,850,000 | 245,000 | 220,000 | (25,000) |
| 3,850,000 | 745,000 | 720,000 | (25,000) |



b. Simplification and clarification

1. Definition of 'employee'
 - Includes, inter alia, all employees earning income under the head 'Income from employment'.
 - Excludes labour in tea garden and daily-rated labour.
2. Definition of 'income' included assets earned or obtained other than by
 - natural means,
 - self-generation,
 - foreclosure of debt or hypothecation,
 - inheritance, will, fund or trust, or
 - barter or exchange.
3. Methodology for computation of 'income from rent' revised.
4. Threshold limit of the value of property for submission of the statement of assets and liabilities increased to BDT5m.
5. Public servants to mandatorily submit the statement of assets and liabilities.
6. Individuals involved in the development of own or other's land, home, flat or floor space considered as developers or real estate developers and subjected to tax accordingly.

c. Widening of tax base or scope

1. Capital gains on the transfer of listed shares or units will be taxable, in case such gains exceed BDT5m other than sponsor shares, director's shares or placement shares.

d. Incentives and relaxations

1. Donations from parents, spouse or children not to be taxed subject to conditions.



Corporate income-tax

a. Corporate tax rates

Changes in corporate income-tax rates are tabulated below:

| Description | AY 2023–24 | AY 2024–25 & AY 2025–26 | |
|---|----------------------------------|----------------------------------|-------------------------------|
| | (subject to certain conditions*) | (subject to certain conditions*) | (in case conditions not met*) |
| Unlisted company | 27.50% | 25% | 27.50% |
| One person company | 22.50% | 20% | 22.50% |
| Trust, fund (other than approved provident, gratuity, superannuation and pension fund), AOP and any other taxable entity other than company | 27.50% | 25% | 27.50% |

[*] Conditions: All receipts and income must be transacted through bank transfer, and all expenses and investments over BDT0.5m individually (BDT3.6m, if aggregated annually) must be made through bank transfer.

b. Widening of tax base or scope

- The ambit of furnishing proof of submission of return expanded to cover:
 - hotels, restaurants, motels, hospitals, clinics, etc. at the time of obtaining or renewing the licence; and
 - services availed from community centres and convention halls or similar nature situated in City Corporation Area.
- The ambit of deemed dividend expanded to cover specified advance or loans to shareholders from accumulated profits of all types of companies (earlier restricted to private companies).
- Starting from AY 2025–26, the scope of minimum tax expanded to cover sources of income that are under the ambit of
 - WHT from specified supply by oil companies, oil marketing companies, oil refineries and companies involved in gas transmission and distribution; and
 - WHT on import of raw material by powder milk, aluminium and ceramics product manufacturers for their own use.
- Minimum tax provisions expanded to include gross receipts of any trust.
- Depletion allowance no longer be available in the computation of profits for a company engaged in the exploration and production of petroleum.
- Tax will be levied at the rate of 20% on the gross income of companies not obligated to file a return. Such tax does not apply in respect of
 - exempted income
 - donations or grants
 - taxes or duties and
 - companies not having PE in Bangladesh.
- New conditions introduced for availing tax exemption in economic zones and hi-tech parks. A grandfathering clause enabled to ensure the status quo for certain benefits of existing entities (as per SRO 244-Law/Income tax-38/2024 dated 27 June 2024 and SRO 245-Law/Income tax-39/2024 dated 27 June 2024).

8. Income earned by the professional institutes such as Institute of Chartered Accountants of Bangladesh, Institute of Cost and Management Accountants of Bangladesh and Institute of Chartered Secretaries of Bangladesh will be taxable.

9. Minimum tax liability will be determined based on the quantum of tax deductible.

10. Definition of 'Specified Person' is widened to include resort, motel, restaurant and convention centre.

c. Simplification and clarification

1. Contribution payable to the Worker Participation Fund, Welfare Fund and Worker Welfare Foundation Fund will be eligible as allowable deduction.

2. Any deduction or deduction made against any liability, which is not clearly ascertained, will be considered as inadmissible expense.

3. Rent, development and maintenance expenses payable for any 'property' now allowed as a deduction (earlier restricted to land and premises).

4. The term 'year' now rationalised for the purpose of defining a 'long-term contract'.

5. The timeline for submitting the application for a specified tax holiday extended to six months from the commencement of commercial activities.

6. The Deputy Commissioner of Taxes now required to inform the Inspecting Joint Commissioner in written for considering a RoI or amended RoI as cancelled or invalid.

7. Receipts other than banking channels, being advance, loans and deposits of any kind, from the spouse, parents or children exceeding BDT0.5m will be taxed under 'income from other sources' unless reported in both the payer and payee's tax returns.

8. Capital gains arising on the sale of shares in a recognised stock exchange will be taxed at the rate of 15% (as per SRO 253-Law/Income tax-43/2024 dated 27 June 2024).

9. Alternative Dispute Resolution Rule 2012 replaced by Alternative Dispute Resolution Rule 2024 (As per SRO 243-Law/Income tax-37/2024 dated 27 June 2024).

d. Incentives and relaxations

1. Certain specified inadmissible expenses now not to be separately taxed as special business income at the regular tax rate. Such inadmissible expenses to include disallowances under the head of excess perquisites, royalty and FTS, head office expenditure, foreign travel expenditure, entertainment expenses, free sample expenses, promotional expenses, unascertained liability and impairment loss.

2. Taxpayer to have an option to claim or surrender the exemption.

3. The taxpayer will not be able to claim an exemption, once availed under a specific section, through any other way or for any other period, even after reconstruction by amalgamation, demerger or acquisition. This clause will not be applicable in respect of an extension of the exemption period through any provisions of the Act or SRO.

4. Levy of additional tax in respect of a belated return reduced to 2% from 4%. Moreover, credit of advance income-tax and tax deducted at source will be allowed to arrive at the base amount for calculation for such additional tax.

5. The deadline for filing WHT returns extended by 10 days (i.e. from the 15th to 25th of each month). The option to apply for an extension to file WHT returns withdrawn.

6. Withdrawal of additional monthly interest of 5% on underpaid tax in the case of amended return.

7. The Commissioner of Taxes empowered to provide approval for 'charitable purpose' while the threshold of the service consideration within the ambit of charitable purpose enhanced to BDT10m from BDT2m.

8. Tax incidence in respect of unpaid interest withdrawn.

9. 'Income from other sources' not to include income arising from the transfer of mineral deposits, hydrocarbons or goodwill.

10. Condition relating to 10% investment in a new industry for availing reduced tax rate by industrial establishments manufacturing motorcycles, freezers, air-conditioners and refrigerators has been waived (as per SRO 245-Law/Income tax-39/2024 dated 27 June 2024).

11. Receipt of donation by a person approved by the NGO Affairs Bureau will not be taxable.

12. Certain income of the Oncology Club, Bangladesh and Obstetrical and Gynaecological Society of Bangladesh will be exempted for a period of three years, subject to prescribed conditions (as per SRO 155-Law/Income tax-30/2024 dated 29 May 2024).



13. Exemption period for prescribed information-technology-enabled services (list of services modified) extended to 30 June 2027. All income, expenses and investment to be undertaken through bank transfer to avail the exemption.
14. The environmental surcharge for owning more than one car is waived for all taxpayers except for individual taxpayers.
15. Company contracted with government by 30 June 2022 to produce combined cycle electricity using Gas or R-LNG (but not yet commenced commercial production) will be eligible for an exemption up to 10 years from the date of its commencement, subject to certain conditions (as per SRO 247-Law/Income tax-41/2024 dated 27 June 2024).

e. WHT rates

1. The rate of deduction of tax from income remitted from abroad in respect of any service, revenue sharing, etc. reduced from 10% to 7.5%.
WHT on inward remittance excludes donation and gift receipts by religious organisation (approved by competent authority), any person approved by NGO Bureau, and education and research institute.
2. The rate of deduction of tax from income of freight forwarders reduced from 15% on the commission amount to 10%. In case of a gross bill, the rate of deduction of tax will be 2.5%.
3. Tax will be deducted at the rate of 6% on the purchase of power from captive power plants.
4. WHT rate reduced to 1% from 2% for payments or loans by banks or financial institutions related to local letters of credit or financing agreements for purchasing specified food items and raw materials.
5. The advance income-tax calculation for brick manufacturers, for permit issuance or renewal, rationalised to a cubic feet system.
6. If a brick manufacturer's licence is issued or renewed for more than a year, advance income-tax has to be paid by 30 June of the respective year until which licence is valid.

7. Tax will be deducted at the rate of (a) 20% on interest income of trusts and AOPs, companies (which include public universities and educational institutions under MPO r), and (b) 10% on any other person including funds.
8. No advance income-tax will be applicable on motor vehicles owned by orphanages and houses of worship.
9. Tax will be collected at 10% on sale of listed securities from sponsor-shareholders, director-shareholders and placement shareholders.
10. WHT will be deducted at 20% on payment of fee, charge, licence fee or revenue sharing by a telecom operator.

f. Tax Deducted at Source Rules, 2024 (as per SRO 161-Law/Income tax-36/2024 dated 29 May 2024 and 248-Law/Income tax-42/2024 dated 27 June 2024)

1. Definition of the term 'raw material' introduced to cover the basic materials of a manufactured product that have been altered or transformed into a completely new form.
2. WHT at a flat rate of 7% will be applied on the contract value for manufacturing, process or conversion, construction or similar services.
3. WHT at a flat rate of 5% (in place of slab rates) will be applied for supply of goods other than specified cases.
4. Changes made in WHT rates in respect of supply of certain specified goods (excluding all types of fruits) such as paddy, rice, wheat, potato, etc.
5. WHT rate of 3% introduced for supply of recycled lead.
6. WHT in case of a subsequent sale by a distributor enhanced from 0.35% to 0.50%.

7. WHT computation mechanism on commission and gross bill will apply in respect of stevedoring, berth operation commission, terminal operator and ship handling operator.
8. WHT on air transport or water transport for non-resident airline and shipping waived.
9. WHT not to apply on certain payments to non-resident, subject to conditions, covering
 - payment to any authority of a foreign state,
 - payment of subscription fee to a professional body,
 - liaison office expenses,
 - international marketing and product development expenses,
 - tuition fees or
 - any kind of security deposit.
10. Rates now modified in respect of collection of tax from transfer of property etc.
11. WHT on supply of raw materials to manufacturing establishment reduced to 3% from 4%.
12. WHT on supply of oil by company engaged in oil refinery reduced to 2% from 3%.
13. WHT on company engaged in gas distribution reduced to 2% from 3%.

g. Rationalisation and administrative aspects

1. For tax collection from developers or real estate developers at the time of registration, the terminology 'house and apartment' is expanded to include establishment and floor space with specific mention of the rate per square meter.
2. The lessor of a long-term lease agreement of immovable property is responsible for payment of tax at the time of registration.
3. Contribution to any unapproved fund, which is required to be approved as per the Act, will be disallowed.
4. Original income-tax returns will be filed only through the self-assessment route.
5. Amended returns filed under audit procedure and returns filed under reassessment proceedings may be treated as normal returns in certain circumstances.
6. Any additional claim of tax exemption in the amended return not to be considered (even while having corroborative information) and to be taxed at normal rates, if filed after the tax day.

7. Timelines for return processing and audit specified:
 - Return to be processed within two years from the end of the relevant AY.
 - Audit selection to be completed within two years from the end of the relevant AY.
 - Audit proceedings to be completed within two years from the end of the year of selection for audit.
- Assessment of normal return to be completed within one year from the end of the year in which the return is treated as normal.
- The Board empowered to extend the tax day up to a maximum of one month.
- The phrase 'assessment of tax' to refer to the assessment of any tax under this Act and to include reassessment, additional assessment of tax and further assessment of tax.
- 'Financial Institution' replaced with 'Finance Company' to cover entities under the Finance Company's Act, 2023.
- 'Accepted tax liability' defined as the tax liability reported on the submitted, amended or processed tax return as may be applicable.
- Professional valuers certified by the Bangladesh Security and Exchange Commission enabled to determine the fair value of shares.
- Structured methodology provided for computing taxable income for insurance business.
- Eligibility for appointment as the President of the Tax Appellate Tribunal restricted to existing members of the Board.
8. Incomplete return may be
 - Considered as cancelled or invalid under certain circumstances (e.g. non-submission of Audited Financial Statements, reconciliation between profit and income and in absence of appropriate sign and seal);
 - Selected for audit.



h. Other compliances

1. The requirement for filing audited financial statements modified:

| Filing of audited financial statements | | |
|--|-------------------------------------|--|
| Type of person | AY 2023–24 | AY 2024–25 |
| Company | Yes | Yes |
| Firm | Yes (for turnover exceeding BDT30m) | Yes (for turnover exceeding BDT50m) |
| Fund | | |
| AOP | | |
| Foundation | | |
| Society | No | |
| Co-operative society | No | |
| Trust | No | |
| Natural person and HUF | No | No |
| Long-term contract | Yes (for turnover exceeding BDT30m) | Yes (dependent upon type of person as above) |

2. Penalty for not displaying proof of submission increased from BDT5,000–20,000 to BDT20,000–50,000.

3. Scope of specified penalties enhanced to cover unpaid tax liability at the time of filing the RoI.

Indirect tax

a. Key amendments in the Customs Act

1. The Customs Act, 1969, has been replaced by the Customs Act, 2023, effective from 6 June 2024 vide a notification dated 28 May 2024.
2. Goods intended for import and export will be deemed as transferred to the government if the consignment is not cleared for domestic consumption or export within the following: (a) 30 days from unloading the goods at the customs port, land customs station or customs inland container depot and (b) 20 days from unloading at the customs airport.
3. The Board is empowered to issue rules identifying specific offences and corresponding penalties that may be imposed for the offences described in section 171(1) of the Customs Act.
4. The Tribunal is now empowered to grant an interim order for stay on the order against which an appeal is pending before the Tribunal. Under the Customs Act, 1969, the Tribunal was not empowered to grant such a stay.

b. Key amendments in the VAT & SD Act, and the corresponding VAT & SD Rules

1. Mandatory pre-deposit for filing an appeal before the Commissioner (Appeal) will be reduced from 20% to 10% of the disputed demand, excluding penalty.
2. Mandatory pre-deposit for filing an appeal before the Tribunal will be reduced from 20% to 10% of the disputed demand, excluding penalty.
3. The will now be allowed to represent before the VAT authorities against any proceedings.
4. The definition of 'VAT withholding entity' has been expanded to include 'entities having annual turnover of BDT100m or more'. Such entities are now required to withhold applicable VAT on the procurement of specified goods and services.
5. In line with the increase in the VAT rate on certain services, the corresponding VDS rate has also been increased.

c. Key impacts on the domestic industry

1. SD payable on the import of milk powder for retail sale (pack up to 2.5kg) has been withdrawn where the previous rate was 20%.
2. VAT exemption on the local manufacture of mobile phones has been extended until 30 June 2025.
3. VAT exemption in excess of 7.5% on the local manufacture of LPG cylinders has been extended until 30 June 2025. Moreover, CD, SD and RD will continue to be exempted on the import of specified raw materials used in the manufacture of LPG cylinders until 30 June 2026.
4. VAT exemption in excess of 5% on the local manufacture of optical fibre cables has been extended until 30 June 2027.
5. VAT exemption on the local manufacture of computer and computer equipment has been extended until 30 June 2026. Moreover, the VAT payable on the local purchase of raw materials; CD in excess of 1%; and RD, SD, VAT and AT on the import of raw materials will continue to be exempted until 30 June 2027.
6. CD in excess of 1% and 5%, VAT, RD and SD are exempted on the import of specified spares used in the local manufacture of 'electric motor and parts of electric motors'. Such exemption is valid until 30 June 2027.
7. Import duty exemption available on the import of specified raw materials used by various industries will continue until 30 June 2025.
8. Import duty exemption available on the import of specified spares used in the local manufacturer of mobile phones will continue until 30 June 2026.
9. Import duty exemption available on the import of specified spares used in the local manufacture or assembly of motorcycles as well as local manufacture of motorcycle parts will continue.
10. Import duty exemption available on the import of specified raw materials used in the local manufacture of pre-fabricated building will continue until 30 June 2026.

11. Import duty exemption available on the import of specified raw materials used in the local manufacture of washing machines will continue until 30 June 2026.
12. CD, RD, VAT, AIT and AT have been exempted on the import of dengue test kits, reagents and kits for platelets and plasma.
13. Manufacturer who (a) are industrial import registration certificate holders and (b) participate in international tender for supply of manufactured goods within Bangladesh against foreign currency will be eligible to import raw materials used in the manufacture of such goods without payment of CD, RD, SD, VAT and AT.
14. Import of specified capital machinery and spares will continue to enjoy exemption of CD in excess of 1%, VAT, SD, RD and AT. However, such exemption will remain valid until 30 June 2025.
15. SD on carbonated beverages containing caffeine up to 145ml per litre and caffeine beyond 145ml per litre has been increased from 25% to 30% and 35% to 40%, respectively.
16. SD on ice creams has been increased from 5% to 10%.
17. SD on mobile phone services has been increased from 15% to 20%.
18. The output VAT rate on cigarette and biri paper covered under HS code 48.13 has been increased from 7.5% to 15%.



19. The output VAT rate on energy saving bulbs and tube lights covered under HS code 85.39 has been increased from 5% to 15%. Moreover, CD at the rate of 10% has been imposed on the import of spares used in the manufacture of goods. However, CD in excess of 10% and the VAT exemption will remain valid until 30 June 2026.
20. The VAT rates on the supply of the following services have been increased with effect from 6 June 2024:

| Sl. | Service category | Service code | Previous rate | Present rate |
|-----|------------------------------|--------------|---------------|--------------|
| 1 | Buyer of auctioned goods | S060.00 | 7.5% | 15% |
| 2 | Amusement and theme parks | S064.10 | 7.5% | 15% |
| 3 | Auctioneers | S009.00 | 10% | 15% |
| 4 | Automatic laundry | S013.00 | 10% | 15% |
| 5 | Security service | S040.00 | 10% | 15% |
| 6 | Seller of lottery tickets | S066.00 | 10% | 15% |
| 7 | Supply of SIM cards or eSIMs | S012.20 | BDT200 | BDT300 |

21. The minimum value on the import of the following goods has been increased or newly imposed:

| Sl. | HS code | Description of goods | Previous minimum value (US\$) | Present minimum value (US\$) | Remarks |
|-----|------------|--|-------------------------------|------------------------------|---------------|
| 1 | 2710.19.11 | Furnace oil | 265 per MT | 480 per MT | Increased |
| 2 | 2710.19.21 | Base oil imported by petroleum products manufacturing industry | 700 per MT | 1,200 per MT | Increased |
| 3 | 2710.19.31 | Lubricating oil | 2,000 per MT | 2,500 per MT | Increased |
| 4 | 8414.30.90 | Compressor used in refrigerator – Non-inverter | NA | 30 per unit | Newly imposed |
| 5 | 8414.30.90 | Compressor used in refrigerator – Inverter | NA | 55 per unit | Newly imposed |
| 6 | 8414.80.49 | Compressor used in air conditioner – Non-inverter | NA | 50 per unit | Newly imposed |
| 7 | 8414.80.49 | Compressor used in air conditioner – Inverter | NA | 85 per unit | Newly imposed |

22. The output VAT exemption on the local manufacture and supply of air conditioners has been withdrawn, and a 7.5% VAT has been imposed. Moreover, exemption of VAT, AT and SD payable on the import and local purchase of raw materials and spares used in the manufacture of air conditioners has been extended until 30 June 2025. However, the effective rate of CD has been increased by 5% in respect of the import of specified spares. Such rate of CD will remain valid until 30 June 2026.

23. The output VAT on the manufacture and supply of refrigerators has been increased from 5% to 7.5%. However, exemption of the VAT, AT and SD payable on the import and local purchase of raw materials and spares used in the manufacture of refrigerators has been extended until 30 June 2025. Exemption of CD will remain valid until 30 June 2026.

24. VAT exemption on tour operator services under service code S077.00 has been withdrawn, and 15% VAT has been imposed with effect from 6 June 2024.

25. CD has been increased from 1% to 10% on the import of medical equipment by referral hospitals.

26. CD at the rate of 5% has been imposed on the permanent import of plant and equipment used in the construction of public or private power generation plants.

27. Exemption of RD, VAT and SD has been withdrawn on the import of vehicles by industrial units located in economic zones or hi-tech parks.

d. Increase in base value of cigarettes

| Previous base price (in BDT) | Present base price (in BDT) | Previous SD rate (%) | Present SD rate (%) |
|------------------------------|-----------------------------|----------------------|---------------------|
| 45 and above | 50 and above | 58 | 60 |
| 67 and above | 70 and above | 65 | 65.5 |
| 113 and above | 120 and above | 65 | 65.5 |
| 150 and above | 160 and above | 65 | 65.5 |

e. Amendments in respect of excise duty

Excise duty on the bank account balance has been amended as represented in the below table with effect from 1 July 2024.

| Sl. | Present range of balance (BDT) | Present excise duty | Proposed range of balance (BDT) | Proposed excise duty | Impact |
|-----|--------------------------------|---------------------|---------------------------------|----------------------|-----------|
| 1 | Up to 100,000 | Nil | Up to 100,000 | Nil | Unchanged |
| 2 | 100,000 to 500,000 | 150 | 100,000 to 500,000 | 150 | Unchanged |
| 3 | 500,000 to 1m | 500 | 500,000 to 1m | 500 | Unchanged |
| 4 | 1m to 10m | 3,000 | 1m to 5m | 3000 | Unchanged |
| | | | 5m to 10m | 5,000 | Increased |
| 5 | 10m to 50m | 15,000 | 10m to 20m | 10,000 | Decreased |
| | | | 20m to 50m | 20,000 | Increased |
| 6 | Exceeding 50m | 50,000 | Exceeding 50m | 50,000 | Unchanged |

f. Ease of doing business

- The Electronic Payment and Electronic Record Preservation Rules, 2024, has been introduced under the Customs Act. According to these rules, an importer or exporter is allowed to file specified import or export documents electronically upon obtaining permission from the Commissioner of Customs.
- Various documents will be required to be filed in relation to import and export. Such filing so far governed by the Prescribed Bill of Entry and Bill of Export Form Order, 2001. This is now replaced by the Declaration, Assessment, Re-assessment of Goods Rules, 2024, issued under the Customs Act, with effect from 6 June 2024.
- Rapid clearance of goods imported under the Express Procedure Rules, 2024, has been issued under the Customs Act upon rescinding of the Courier Service (Assessment) Operation and Licensing Rules, 2016.
- The 'onboard express service provider' and 'international air express service provider' will be required to obtain a licence under this rule from the Customs Authority for Customs clearance of goods.

g. Other specific amendments

- The Passenger Baggage Rules, 2023, has been amended and is effective from 6 June 2024. This rule will allow a passenger to bring a maximum of two used mobile phones without payment of import duties. However, import duty is payable at the following rates on the import of maximum one new mobile phone.
 - Valued up to BDT30,000–5,000
 - Valued up to BDT60,000–10,000
 - Valued above BDT60,000–25,000
- The Bonded Warehouse Licensing Rules, 2008, has been rescinded and replaced by the Warehouse Licensing Rules, 2024. In the latter, the eligibility of obtaining bond registration has been restricted only to the exporter or deemed exporter located within or outside the economic zone or hi-tech park. So far, such bond licence was granted to similar manufacturing entities for domestic supply.

Abbreviations

Association of persons – **AOP**

Advance tax – **AT**

Assessment year – **AY**

Bangladeshi Taka – **BDT**

Customs Act, 2023 – **Customs Act**

Customs duty – **CD**

Cost and Management Accountant – **CMA**

Fees for technical services – **FTS**

Financial year – **FY**

Harmonised System – **HS**

Hindu Undivided Family – **HUF**

Initial Public Offering – **IPO**

Income-tax Act, 2023 – **the Act**

Liquefied Petroleum Gas – **LPG**

Metric tonne – **MT**

Permanent establishment – **PE**

Regulatory duty – **RD**

Return of Income – **RoI**

National Board of Revenue – **Board**

Supplementary duty – **SD**

Statutory Regulatory Order – **SRO**

United States Dollar – **US\$**

Value-added tax – **VAT**

VAT deduction at source – **VDS**

Value Added Tax and Supplementary Duty Act, 2012 – **VAT & SD Act**

Value Added Tax and Supplementary Duty Rules, 2016 – **VAT & SD Rules**

Withholding tax – **WHT**

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