Press Release, 7th May 2017, Dhaka

Right Group termed VAT as Regressive to Poor, and said No to VAT

Demand for Measures to Arrest Black Money and Illicit Flow in Next Budget for Local Resource Mobilization

Dhaka, 7th May 2017. Today along with 25 right based civil society organizations along EquityBD termed the VAT (value added tax) is a regressive to poor, government is embarking on this with IMF (International Monetary Fund) prescriptions, so there should not be emphasize on VAT, which is indirect tax, there should be more emphasize on direct tax, they also criticize government as they found hardly any political will of government to arrest Blank Money and illicit flow which is ever increasing, they urged for an announcement in this regard from the government in next budget session.

The call was from a press conference title “New VAT as Regressive to Poor: We Demand Announcement of Measures against Black Money and Illicit Flow in Next Budget”, held at National Press Club today. The press conference was moderated by Rezaul Karim Chowdhury from EquityBD, other speakers of the press conference was Monowar Mostafa from Development Synergy Institute, Asgar Ali Sabri from Action Aid Bangladesh, Aminur Rasul Babul from Upkuliya NGO Jote and Badrul Alam from Bangladesh Krishok Federation.

Ahsanul Karim Babor from the group presented the written position paper which elaborated 13 recommendations in this regard, where major demands are in taking examples from India. These are (i) asking annual bank statement from all dual citizens, (ii) initiatives to have tax and bank transparency agreement with different countries, (iii) all transaction which is more than $2000 must be through bank transfer and with TIN, (iv) publication of white papers of Bangladeshi’s in Malaysia 2nd Home Program, (iv) consideration of banning money note and bring them in bank account taking the examples from recent rupee 500 and 1000 note banning in India, (v) publication of white papers and report on stock exchange debacle, plundering of money from public banks, and Bangladesh Bank money heist and all above (vi) shunning the path of confrontational politics and space to the free growth of democratic institutions, so that people and business man will feel sense of security and they will not try for illicit flow.

Monowar Mostafa of Development Synergy Institute said state cannot ignore the principle of ability of payment of its citizen, VAT defeats this principles which is against the sense of social democracy. Asgar Ali Sabri said that government hardly follow a democratic and inclusive process for preparation of budget and setting tax principles. Aminur Rasul Babul of Upokuliya NGO Jote said that due to the new VAT law savings of poor families will be eroded and then the investment toward education and health will be hampered. Badrul Alam of Bangladesh Krishok Federtation said that, majority of the farmers will be loser due to the new VAT law. Rezaul Karim Chowdhury the moderator of the press conference said, government must stops the loopholes first to do local resource mobilization prior to embark on new law on tax mobilization.

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