Press Release, Dhaka 13 June 2018

**CSO urged to focus Income Tax for Revenue Mobilization in 2018-19 budget implement**

**Strengthening Central Bank stopping capital flight and ensure Governance in financial Sector**

Today 13 June 2018, twenty right based civil society networking organizations coordinated by EquityBD has organized a human chain in front of national press club and urged government to emphasize Income Tax instead VAT (Value Added Tax) for revenue mobilization and implementing 2018-19 national budget. They also raised voice on inefficiency of bank sector and demanded to strengthen Central Bank to stop loop holes in capital flight and ensure governance in financial Sector.

The human chain is moderated by Mostafa Kamal Akand-Networking Coordinator of EquityBD and key demand is read out by Md. Ahsanul Karim of same organization. Among others Mr. BadrulAlam from Bangladesh agriculture federation, Mr. Jayed Iqbal Khan, Syed Aminul Hoque from COAST Trust and Mr. Rezaul Karim Chowdhury from EquityBD spoke in the event.

Md. Ahsanul Karim from the group has drawn the following recommendations these are (1) To increase corporate tax as direct tax rather than VAT as indirect tax and also to increase the minimum tax free income from 2,50,000 to 3,50,000 (2) Strengthen Central Bank to establish governance in Financial Sector (3) Establishing central bank control over the banks and forming a strong bank commission to save people money (4) all transaction which is more than $2000 must be through bank transfer and with TIN, (5) publication of white papers of Bangladeshi’s in Malaysia 2nd Home Program, (6) publication of white papers and report on stock exchange debacle, plundering of money from public banks, and Bangladesh Bank money heist and all above (7) 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.

Syed Aminul Hoque from EquityBD said that revised VAT slab will increase VAT rate and increase burden for poor because they are enjoy these lower slab of VAT. Government failed collect income tax from trade and big economic activities, that’s why mounting on poor for revenue which injustice.

M Rezaul Karim Chowdhury from Equity BD said that Finance minister did not keep his commitment in respect of establishing a neutral and a strong bank commission which will assist the bank owners to plunder more public money from banks. He also said that due to reduce bank corporate tax of 2.5%, Govt. will lose about Tk.100 crore as extra revenue which will indeed make the bank owners more rich.

Md. Badrul Alam of Krishak Federation said that Government has reimbursed more than 10,000crore of as capital refilling from 2006 to 2017 to the state running banks who are suffering from capital deficits because of corruption mostly done by the different companies (Hallmarks, Mismilla Group, Crescent Leather, etc) and supported by politically appointed directors of those banks. The supported money most collecting from hard earn people as tax.

Kader Hajari of Arpan said that Govt. is heavily relying on VAT collection which is 33.7% excess target than FY 2017-18. He also mentioned that Govt. has emphasis to collect income tax from individuals rather than corporate. It is about 58.4% excess target set out for individual income tax where the corporate ta is 15.9% than the FY 2017-18. The government has not enhanced tax free income level and it will create extra burden for middle income earn people and the poor.

Reported By

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