

- (4) in Chapter III, *after* section 13, the following new section 13A shall be *added*, namely:-

“13A. Reference in respect of Wealth-tax authorities.- References in any Act, Ordinance, Regulation, Rule, Order, bye-law, deed, document or any other instrument of whatever nature to Commissioner of Wealth-tax, Assistant Commissioner of Wealth-tax and Wealth-tax Officer shall, with grammatical variations, except where the context otherwise requires, be construed as references respectively to Commissioner of Taxes, Joint Commissioner of Taxes and Deputy Commissioner of Taxes; and any such Act, Ordinance, Regulation, Rule, Order, bye-law, deed, document or any other instrument of whatever nature shall have effect accordingly.”;

- (5) in section 31A, *for* the words “Income-tax Officer” the words “Deputy Commissioner of Taxes”, and *for* the words “Wealth-tax Officer” the words “Deputy Commissioner of Taxes under this Act” shall respectively be *substituted*;
- (6) in section 32 *for* the words “and to Wealth-tax Officer and Commissioner of Wealth-tax instead of to Income-tax Officer and Commissioner of Income-tax” the words “and to Deputy Commissioner of Taxes and Commissioner of Taxes under this Act instead of to Deputy Commissioner of Taxes and Commissioner of Taxes under that Act” shall be *substituted*;
- (7) for the Schedule the following shall be *substituted*, namely:-

“THE SCHEDULE

(*See* section 3)

RATES OF WEALTH-TAX

1. On the first Taka four lakhs of net wealth or, where an assessee, being a person owning and occupying a house for purposes of his own residence, exercises the option to have the value of such house being excluded from his assets, on the first Taka three lakhs of net wealth. .. Nil.
2. On the next Taka two lakhs of net wealth .. 1%

3. On the next Taka five lakhs of net wealth .. 1½ %
4. On the next Taka five lakhs of net wealth .. 2%
5. On the next Taka five lakhs of net wealth .. 2½ %
6. On the balance of net wealth .. 3%”.

Amendment of
Act XLIV of
1974

10. In the Finance Act, 1974 (XLIV of 1974),-

- (1) sections 14, 15, 16, 17, 20, 21 and 25 shall be *repealed*;
- (2) in section 26, *for* the words, figures and commas “tax or toll leviable under sections 14, 15, 16, 17, 20, 21 and 22” the words and figure “cess under section 22” shall be *substituted*; and
- (3) in section 27, *for* sub-section (1) the following shall be *substituted*, namely:-

“(1) The Government may, by notification in the *official Gazette*, make rules to provide for the procedure for the assessment, collection and payment of any cess leviable under section 22; and such rules may provide for matters relating to-

- (a) the person by whom the cess shall be payable;
 - (b) the time and manner of such payment;
 - (c) penalty for default or delay in the payment of the cess of an amount not exceeding the amount of the cess; and
 - (d) such other matters as may be necessary for the efficient assessment and collection of the cess.”; and
- (4) the Third Schedule shall be *repealed*.

Income-tax and
Super-tax

11. (1) Subject to the provisions of sub-sections (2), (3), (4) and (5), in making any assessment for the year beginning on the first day of July, 1975,-

- (a) income-tax shall be charged at the rates specified in Part I of the Third Schedule, and

- (b) the rates of super-tax shall, for the purposes of section 55 of the Income-tax Act, 1922 (XI of 1922), be those specified in Part II of the Third Schedule.

(2) In making any assessment for the year beginning on the first day of July, 1975,-

- (a) where the total income of an assessee, not being a company, includes any income chargeable under the head "salaries" or any income chargeable under the head "interest on securities" the income-tax payable by the assessee on that part of his total income which consists of such inclusion shall be an amount bearing to the total amount of income-tax payable according to the rates applicable under the operation of the Finance Act, 1974 (XLIV of 1974), on his total income the same proportion as the amount of such inclusion bears to his total income; and
- (b) where the total income of a company includes any profits and gains from life insurance business, the super-tax payable by the company shall be reduced by an amount equal to 12.5 per cent. of that part of its total income which consists of such inclusion.

(3) In making any assessment for the year beginning on the first day of July, 1975, where the assessee is a co-operative society, the tax shall be payable at the rates specified in paragraph A of Part I, or paragraph B of Part I and paragraph A of Part II of the Third Schedule as if the assessee were a company to which the proviso to sub-paragraph (1) of paragraph A of the said Part II applied, whichever treatment is more beneficial to the assessee:

Provided that in calculating for the purposes of this subsection, the amount of income-tax at the rates specified in paragraph A of Part I of the Third Schedule, no deduction in respect of any allowance or sums referred to in clause (i) of the proviso to the said paragraph shall be made.

(4) (a) In making any assessment for the year beginning on the first day of July, 1975, where the total income of an assessee, not being a company to which the proviso to sub-paragraph (1) of paragraph A of Part II of the Third Schedule does not apply, includes any profits and gains derived from the export of goods out of Bangladesh, income-tax and super-tax, if

any, payable by him in respect of such profits and gains shall, subject to the provisions of clauses (b) and (c) be reduced by an amount computed in the manner specified hereunder:-

- | | Amount. |
|---|--|
| (i) Where the goods exported abroad had not been manufactured by the assessee who exported them: | 15 per cent. of the income-tax and super-tax, if any, attributable to export sales. |
| (a) and where the export sales during the relevant year exceed the export sales of the preceding year. | <i>Plus</i> an additional 1 per cent. for every increase of 10 per cent. in export sales over those of the preceding year, subject to an overall maximum of 25 per cent. |
| (b) and where the export sales during the relevant year do not exceed the export sales of the preceding year. | <i>Minus</i> 1 per cent. for every decrease of 10 per cent. in export sales over those of the preceding year, subject to an overall minimum of 10 per cent. |
| (ii) Where the goods exported had been manufactured by the assessee who had exported them: | |
| (a) where the export sales do not exceed 10 per cent. of the total sales. | Nil. |
| (b) where the export sales exceed 10 per cent. but do not exceed 20 per cent. of the total sales. | 15 per cent. of the income-tax and super-tax, if any, attributable to export sales. |
| (c) where the export sales exceed 20 per cent. but do not exceed 30 per cent. of the total sales. | 20 per cent. of the income-tax and super-tax, if any, attributable to export sales. |
| (d) where the export sales exceed 30 per cent. of the total sales. | 25 per cent. of the income-tax and super-tax, if any, attributable to export sales: |

Provided that in the case of a registered firm super-tax payable by it under paragraph C of Part II of the Third Schedule shall be reduced under this clause by an amount calculated on the basis of the income-tax payable on its total income under paragraph A of Part I had it been the total income of an unregistered firm;

(b) Nothing contained in clause (a) shall apply in respect of the following goods or class of goods, namely:-

- (i) tea,
- (ii) raw jute,
- (iii) jute manufacture,
- (iv) such other goods as may be notified by the National Board of Revenue from time to time;

(c) The National Board of Revenue may make rules providing for the computation of profits and the tax attributable to export sales and for such other matters as may be necessary to give effect to the provisions of this sub-section.

(5) In cases to which section 17 of the Income-tax Act, 1922 (XI of 1922), applies the tax chargeable shall be determined as provided in that section, but with reference to the rates imposed by sub-section (1), and in accordance, where applicable, with the provisions of sub-section (2).

(6) For the purposes of making deduction of tax under section 18 of the Income-tax Act, 1922 (XI of 1922), the rates specified in Part I and Part II of the Third Schedule shall apply as respects the year beginning on the first day of July, 1975, and ending on the thirtieth day of June, 1976.

(7) For the purposes of this section and of the rates of tax imposed thereby, the expression "total income" means total income as determined for the purposes of income-tax or super-tax, as the case may be, in accordance with provisions of the Income-tax Act, 1922 (XI of 1922); and the expression "public company" means a company-

- (i) in which not less than fifty per cent. of the shares are held by the Government, or
- (ii) whose shares were the subject of dealings in a registered stock exchange in the taxable territories at any time during the previous year and remained listed on the stock exchange till the close of that year.

12. Surcharge under the Income-tax Act, 1922 (XI of 1922), shall be charged as respects any assessment for the year beginning on the first day of July, 1975, at the rates specified in Part III of the Third Schedule to this Act.

Surcharge under the Income-tax Act, 1922 (XI of 1922)

THE FIRST SCHEDULE

(See section 3)

Amendments in the Tariff Act, 1934 (XXXII of 1934)

In the Tariff Act, 1934 (XXXII of 1934), in the First Schedule,-

- (a) against Heading No. 24.02 in column 1, in column 3, against article "B. Cigarettes" in column 2, for the figure and words "300% ad val." the figure and words "400% ad Val." shall be *substituted*;
- (b) against Heading No. 25.17 in column 1, in column 3, against article "B. Other" in column 2, for the word "Free" the figure and words "75% ad val." shall be *substituted*;
- (c) against Heading No. 27.10 in column 1, against articles "E (i) (a) in packs not exceeding one gallon" and "E (i) (b) other" in column 2, for the words and figures "Taka 3.25 per gallon" and "Taka 2.50 per gallon" the figures and words "35% ad val." and "30% ad val." shall respectively be *substituted*; and
- (d) against Heading No. 48.01 in column 1, in column 3, against article "E. Cigarette paper" in column 2, for the figure and words "55% ad val." the figure and words "100% ad val." shall be *substituted*.

THE SECOND SCHEDULE

(See section 4)

Amendments to the First Schedule to the Excises and Salt Act, 1944 (I of 1944)

IN PART I,-

- (1) in section III, in item 6, *for* sub-item (1) in the second column and the entries relating thereto in the third column the following shall be *substituted*, namely:-

- | | |
|--|--|
| <p>“(1) Aerated waters,
all sorts ..</p> | <p>Such rate, not exceeding Taka 1.50 per bottle, as may be fixed by Government by notification in the <i>official Gazette</i>, and different rates may be fixed with reference to different conditions and circumstances.”;</p> |
|--|--|

(2) in section III, for item 8 and the entries relating thereto in the third column the following shall be substituted, namely:-

“8. Tobacco-

“Tobacco” means any form of tobacco, whether cured or uncured and whether manufactured or not, and includes the leaf, stalk and stems of the tobacco plant but does not include any part of a tobacco plant while still attached to the earth.

I. Un manufactured tobacco . . . Such rate not exceeding Taka 2.50 per pound as may be fixed by Government by notification in the *official Gazette*, and different rates may be fixed with reference to different conditions and circumstances.

II. Manufactured tobacco-

(1) Cigars and cheroots . . . Such rate not exceeding Taka 50 per hundred cigars or cheroots as may be fixed by Government by notification in the *official Gazette*, and different rates may be fixed with reference to different conditions and circumstances.

(2) Cigarettes-

“Cigarette” means tobacco finely cut or crushed into small pieces and rolled in, or wrapped with, paper, leaf of any plant or any other wrapping material, by whatever name such product may be called.

(i) Cigarettes manufactured with mechanical aid of any kind-

(a) If the retail price is legibly, prominently and indelibly printed on each packet . . . Such rate not exceeding 80% of the retail price as may be fixed by Government by notification in the *official Gazette*, and different rates may be fixed with reference to different conditions and circumstances.

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- (b) If not covered by (a) above. 400 per cent *ad valorem*.
- (ii) Cigarettes manufactured manually, that is, without any mechanical aid whatsoever. Such rate not exceeding Taka 40 per thousand cigarettes as may be fixed by Government by notification in the *official Gazette*, and different rates may be fixed with reference to different conditions and circumstances.
- (3) Smoking mixtures for pipes and cigarettes. ... Taka twelve per lb.”;
- (3) in section IV, against item 9, in the third column for the existing entry the following shall be *substituted*, namely:-
“Taka 203 per Metric Ton”;
- (4) in section IX, in the third column,-
- (a) against item 36, for the words “Taka fifteen per cwt.” the words “such rate not exceeding Taka fifty per cwt. as may be fixed by Government by notification in the *official Gazette*, and different rates may be fixed with reference to different conditions and circumstances” shall be *substituted*;
- (b) against item 37, for the words “Taka ten per cwt.”, the words “such rate not exceeding Taka thirty per cwt. as may be fixed by Government by notification in the *official Gazette*, and different rates may be fixed with reference to different conditions and circumstances” shall be *substituted*;
- (5) in section X, in item 41, in the second column, above sub-item (1), the following shall be *inserted*, namely:-
““Man-made Fibres and Yarns” means fibres and yarns of any description made wholly or partly from man-made fibres and yarns.”;
- (6) in section XIV,-
- (a) in item 55, in the second column for sub-item (2) and the entries relating thereto in the third column the following shall be *substituted*, namely:-

“(2) Fluorescent tubes, all sorts-

- | | |
|--|---|
| (a) If retail price is legibly, prominently and indelibly printed on each tube or its package, cover or container. | Such rate not exceeding 50 per cent. of the retail price, as may be fixed by Government by notification in the <i>official Gazette</i> , and different rates may be fixed with reference to different conditions and circumstances. |
| (b) If not covered by (a) above. | 200 per cent. <i>ad valorem.</i> ;
and |

(b) in item 57, in sub-item (1), for entry (i) in the second column and the entry relating thereto in the third column the following shall be substituted, namely:-

“(i) Radio receivers including transistors-

- | | |
|--|---|
| (a) If retail price is prominently, indelibly and legibly printed, or unerasably marked on the body of each set. | Such rate not exceeding 75 per cent of the retail price as may be fixed by Government by notification in the <i>official Gazette</i> , and different rates may be fixed with reference to different conditions and circumstances. |
| (b) If not covered by (a) above | Two hundred per cent. <i>ad valorem.</i> ” |

THE THIRD SCHEDULE

(See section 11)

PART I

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 clause (9) of section 2 of the Income-tax Act, 1922 (XI of 1922), not being a case to which paragraph B of this part applies-

Rates.

- (1) Where the taxable income does not exceed Taka 1,000. Taka 75.
- (2) Where the taxable income exceeds Taka 1,000 but does not exceed Taka 2,000. Taka 75 *plus* 5 per cent. of the amount exceeding Taka 1,000.
- (3) Where the taxable income exceeds Taka 2,000 but does not exceed Taka 4,000. Taka 125 *plus* 10 per cent. of the amount exceeding Taka 2,000.
- (4) Where the taxable income exceeds Taka 4,000 but does not exceed Taka 6,500. Taka 325 *plus* 15 per cent. of the amount exceeding Taka 4,000.
- (5) Where the taxable income exceeds Taka 6,500 but does not exceed Taka 10,000. Taka 700 *plus* 20 per cent. of the amount exceeding Taka 6,500.
- (6) Where the taxable income exceeds Taka 10,000 but does not exceed Taka 15,000. Taka 1,400 *plus* 25 per cent. of the amount exceeding Taka 10,000.
- (7) Where the taxable income exceeds Taka 15,000 but does not exceed Taka 25,000. Taka 2,650 *plus* 35 per cent. of the amount exceeding Taka 15,000.
- (8) Where the taxable income exceeds Taka 25,000 but does not exceed Taka 35,000. Taka 6,150 *plus* 50 per cent. of the amount exceeding Taka 25,000.
- (9) Where the taxable income exceeds Taka 35,000 but does not exceed Taka 50,000. Taka 11,150 *plus* 60 per cent. of the amount exceeding Taka 35,000.
- (10) Where the taxable income exceeds Taka 50,000 but does not exceed Taka 70,000. Taka 20,150 *plus* 65 per cent. of the amount exceeding Taka 50,000.
- (11) Where the taxable income exceeds Taka 70,000 but does not exceed Taka 1,00,000. Taka 33,150 *plus* 67.5 per cent. of the amount exceeding Taka 70,000.
- (12) Where the taxable income exceeds Taka 1,00,000. Taka 53,400 *plus* 70 per cent. of the amount exceeding Taka 1,00,000:

Provided that-

- (i) no income-tax shall be payable on a total income which before the deduction of the sums, if any, exempt under the first, third and fourth provisos to sub-section (1) of section 7, section 15, section 15A, section 15AA, section 15C, section 15CC, section 15D, section 15E, section 15F, section 15H and section 58F of the Income-tax Act, 1922 (XI of 1922), does not exceed Taka 8,400; and
- (ii) the income-tax payable shall in no case exceed (a) the amount by which the total income exceeds Taka 8,400 or (b) the amount representing seventy per cent. of the total income, whichever amount is the less and, where such income includes any income from a share of the income, profits and gains of a firm to which paragraph C of Part II applies, such portion of the Super-tax payable under the said paragraph as bears to the total amount of such Super-tax the same proportion as his share of income, profits and gains of the firm bears to the total income of the firm shall be added to the income-tax payable by such partner under this paragraph and, if the sum so arrived at exceeds seventy per cent. of the total income of such partner (including his share of income, profits and gains of the firm), the amount of income-tax payable by him under this paragraph shall be reduced by the amount of such excess.

Explanation. The expression "taxable income", as used in this paragraph, means-

- (a) in the case of an assessee to which sub-section (3) of section 11 of this Act or clause (a) of sub-section (1) of section 17 of the Income-tax Act, 1922 (XI of 1922) applies, the total income;
- (b) in any other case, the total income of an assessee as diminished by the allowance admissible under the first, third and fourth provisos to sub-section (1) of section 7, section 15, section 15A, section 15AA, section 15C, section 15CC, section 15D, section 15E, section 15F, section 15H and section 58F of the Income-tax Act, 1922 (XI of 1922).

- B. In the case of every company and local authority and in every case in which, under the provisions of the Income-tax Act, 1922 (XI of 1922), income-tax is to be charged at the maximum rate-

Rates.

On the total income, excluding such part thereof as consists of any dividend, bonus or bonus shares to which subparagraph (2) or (3) of paragraph A of Part II applies. 30 per cent of such income.

C. In the case of every Company-
On the part of the total income consisting of the amount of dividend, bonus or bonus shares to which subparagraph (2) or (3) of paragraph A of Part II applies: Nil.

Provided that, for the purposes of paragraph B, where a company distributes dividends out of its income, profits and gains in respect of which it has obtained a rebate of one anna in the rupee under the proviso to paragraph B of Part I of the Fourth Schedule to the Finance Act, 1958 (XXII of 1958), the Third Schedule to the Finance Act, 1957 (I of 1957), the Third Schedule to the Finance Act, 1956 (I of 1956), and the Third Schedule to the Finance (1955-56) Act, 1956 (XXX of 1956), an additional income-tax at the rate of 6.25 per cent shall be levied on the amount of such dividend and such amount shall be deemed for the purposes of this proviso to be a part of the total income of the company of the year in which such distribution is made.

PART II**Rates of Super Tax**

A. In the case of Company-

Rates.

- (1) On the whole of the total income excluding income to which paragraph C of Part I applies. 30 per cent of such total income:

Provided that, where a company, in respect of the profits and gains liable to tax under the Income-tax Act, 1922 (XI of 1922), has made such effective arrangements as may be prescribed by the National Board of Revenue in this behalf for the declaration and payment in the taxable territories of dividends payable out

of such profits and gains and for the deduction of tax from such dividends, rebate shall be allowed as follows:-

- (i) a rebate of 5 per cent. to such company if it is a public company;
- (ii) a rebate of 5 per cent. to such company if it is a public company to which clause (iii) does not apply, if its paid-up capital *plus* free reserves as on the last day of the previous year does not exceed Taka 5,00,000;
- (iii) a rebate of 5 per cent. on so much of the income, profits and gains of such company, being a public company, as are derived by it from an industrial undertaking if its paid-up capital *plus* free reserves as on the last day of the previous year does not exceed Taka 10,00,000;
- (iv) a rebate of 10 per cent. to such company in respect of its income, profits and gains to which sub-section (9) of section 10 of the Income-tax Act, 1922 (XI of 1922), applies or which are derived by it in Bangladesh from processing, freezing, preserving and canning of food, vegetables, fruit, grain, meat, fish and poultry;
- (v) a rebate of 15 per cent. to such company on so much of the income, profits and gains accruing or arising outside the taxable territories to which sub-section (4) of section 11 of this Act does not apply as are brought by it into Bangladesh.

Explanation. The term “industrial undertaking”, as used in clause (iii) means an undertaking which is set up or commenced in the taxable territories on or after the 14th day of August, 1947, and which employs (i) ten or more persons in taxable territories and involves the use of electrical energy or any other form of energy which is mechanically transmitted and is not generated by human or animal agency or (ii) twenty or more persons in the taxable territories and does not involve the use of the electrical energy or any other form of energy which is mechanically transmitted and is not generated by human or animal agency and which is-

- (i) engaged in-
 - (a) the manufacture of goods or materials or the subjection of goods or materials to any process, which substantially changes their original conditions;
 - (b) ship-building;

- (c) generation, transformation, conversion, transmission or distribution of electrical energy or the supply of hydraulic power;
- (d) the working of any mine, oil-well or other source of mineral deposits not being an undertaking to which the Second and Third Schedules to the Income-tax Act, 1922 (XI of 1922) apply; or
- (ii) any other industrial undertaking which may be approved by the National Board of Revenue for the purposes of this clause.
- (2) On the amount representing income from dividends from a company having its registered office in Bangladesh-

Rates.

- (a) Where such dividends are received by a public company and are declared and paid by a company formed and registered in Bangladesh under the Companies Act, 1913 (VII of 1913), or a body corporate formed in pursuance of an Act, in respect of the share-capital issued, subscribed and paid after the fourteenth day of August, 1947; 15 per cent of such amount.
- (b) In other cases 20 per cent of such amount.

- (3) On the whole of the amount representing the face value of any bonus shares or the amount of any bonus issued by the company to its shareholders with a view to increasing its paid-up capital-

Rates.

- (a) Where a company which issues bonus shares or bonus, as the case may be, is a public company; 15 per cent of such amount.
- (b) In other cases 20 per cent of such amount.

- B. In the case of every local authority-

Rates.

- On the whole of the total income 12.5 per cent of the total income.

C. In the case of every registered firm-

Rates.

- | | |
|---|--|
| (1) Where the total income does not exceed Taka 10,000. | Nil. |
| (2) Where the total income exceeds Taka 10,000 but does not exceed Taka 15,000. | 5 per cent of the amount exceeding Taka 10,000. |
| (3) Where the total income exceeds Taka 15,000 but does not exceed Taka 30,000. | Taka 250 <i>plus</i> 7.5 per cent of the amount exceeding Taka 15,000. |
| (4) Where the total income exceeds Taka 30,000 but does not exceed Taka 60,000. | Taka 1,375 <i>plus</i> 12.5 per cent of the amount exceeding Taka 30,000. |
| (5) Where the total income exceeds Taka 60,000 but does not exceed Taka 1,00,000. | Taka 5,125 <i>plus</i> 20 per cent of the amount exceeding Taka 60,000. |
| (6) Where the total income exceeds Taka 1,00,000. | Taka 13,125 <i>plus</i> 30 per cent of the amount exceeding Taka 1,00,000. |

Explanation. The term "registered firm" as used in this paragraph, means a firm registered under section 26A of the Income-tax Act, 1922 (XI of 1922), or a firm treated as a registered firm under clause (b) of sub-section (5) of section 23 of the Income-tax Act, 1922 (XI of 1922).

PART III

(See section 12)

Rates of Surcharge*Rates.*

- | | |
|---|---|
| A. In the case of a company | Nil. |
| B. In the case of every assessee, not being a company, whose total income, profits and gains exceed Taka thirty-six thousand. | 10 per cent of the income-tax and super-tax, if any, payable under the Income-tax Act, 1922 (XI of 1922): |

Provided that the surcharge payable shall not in any case exceed the amount by which the total income, profits and gains exceed Taka thirty-six thousand.