**[NEW PAY SCALE : 1.35 lakh more govt staff must pay income tax](http://newagebd.net/197642/new-pay-scale-1-35-lakh-more-govt-staff-must-pay-income-tax/%22%20%5Co%20%22Permalink%20to%20NEW%20PAY%20SCALE%20%3A%201.35%20lakh%20more%20govt%20staff%20must%20pay%20income%20tax)**

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**Jasim Uddin**

An additional 1.35 lakh public servants will come under income tax net from the next fiscal year due to a hike in their pay because of the implementation of the Pay Scale-2015, according to National Board of Revenue estimation.
The NBR estimation shows around 65,000 Class I officers from the grade nine to above and around 70,000 Class II officers up to the grade 10 will have to pay income tax from the FY 2016-2017 as their salaries exceeded the tax-free income limit of Tk 2.50 lakh due to the pay rise.
Government employees started receiving hiked basic salary under the Pay Scale-2015 from January this year with arrears from July, 2015. The new pay scale will be fully implemented from July this year.
Currently, some 75,000 Class I officers of the government pay income tax on their basic salary, bonus and festival allowances.
The other allowances they receive with salary including house rent and conveyance allowances are exempted from income tax.
Officials said the Class I employees with basic salary starting from Tk 22,000 will come under the income tax net while the Class II employees who have basic salary (with increment) Tk 18,000 and above will be taxed though their staring basic salary is Tk 16,000.
Currently, 1, 39,817 Class I officers are working in the civil service while the number of Class II government employees are 1, 42,763.
The NBR has already asked the field offices to monitor tax collection from the sector, officials said.
Payment authorities are asked to deduct the tax while disbursing salary against the government employees, they said.
The revenue board has not made any estimate how much income tax would come from the sector.
Officials, however, said that most of the Class II employees would be liable to pay minimum income tax which was now Tk 5,000 for individuals living in Dhaka and Chittagong city corporations area, Tk 4,000 for individuals living in other city corporations area and Tk 3,000 for individuals living in other areas in the country.
They also said that income tax wing of the NBR  might recommend that the government should bring all allowances of the public servants under taxation from the next fiscal year as the employees of semi-government, autonomous bodies and private sectors pay tax on both basic and all allowances.
During the preparation of this fiscal year’s budget, finance minister Abul Maal Abdul Muhith had agreed with such proposal of the revenue board but later retreated amid heavy pressure from different quarters against the move.
Tax treatment should be equal for both public and private individual taxpayers in paying income tax, officials said.
In its budget proposals for the current fiscal year, the Federation of Bangladesh Chambers of Commerce and Industry also demanded equal treatment for all by withdrawing the benefits for public servants.
Public servants have been paying income tax on their basic salaries since 2010 and before that they got refund of their paid tax by the government.