FINAL REPORT

ON

Taxpayer Satisfaction Survey Under 'Value Added Tax and Supplementary Duty Act, 2012 Implementation (Vat Online) Project

GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH

Ministry of Finance, National Board of Revenue (NBR)

SURVEY REPORT

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CONJURATIO BANGLADESH LIMITED

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VAT and National Development:

Empirical studies have shown the close interlinks between the VAT performance of a country and its level of development. VAT proves to be an efficient tool for revenue collection; its performance, therefore, has direct impact on fiscal mobilization, macroeconomic stability, and development. Compared with alternatives in indirect taxation, the VAT has more revenue potential: it is generally more broad-based and entails a trail of invoices that helps improve tax compliance and enforcement.

VAT Regime in Bangladesh

In Bangladesh, the principal taxes are Value-Added-Tax (VAT), Customs Duty (CD), Supplementary Duty (SD) and personal income taxes and corporate income taxes. The standard rate of VAT is 15% levied on transaction value of most of the imports and supplies of goods and services. The top income tax rate for individuals is 30%. For the 2014/15 tax year (July 1, 2014–June 30, 2015) the top corporate rate was 45%. However, publicly traded companies registered in Bangladesh are charged a lower rate of 27.5%. Banks, financial institutions and insurance companies are charged the 45% rate. All other companies are taxed at the 37.5% rate. Effective 1 July 2011.

The National Board of Revenue (NBR) is the central authority for tax administration in Bangladesh. Administratively, it is under the Internal Resources Division (IRD) of the Ministry of Finance (MoF). MoF has 4 Divisions, namely, the Finance Division the Internal Resources Division (IRD), the Banking Division and the Economic Relations Division (ERD). Each division is headed by a Secretary to the Government. Secretary, IRD is the ex-office Chairman of NBR. NBR is responsible for formulation and continuous re-appraisal of tax-policies and tax-laws in Bangladesh.

In a nutshell, VAT is a form of indirect tax collected at various stages of production-and distribution chains. If properly designed and implemented, the tax, at any stage, is effectively collected on the pure value added generated at that stage. As such, the VAT can be viewed as equivalent to the single retail sales stage tax but implemented in a different fashion.

Government of Bangladesh has enacted a new VAT law in 2012 under the process of implementation for better and efficient VAT management in the country. The core importance that the new VAT law has emphasized on is, VAT collection should be client friendly. That is the new VAT law should content the VAT payers so that they do not consider VAT as a burden for them.

About National Board of Revenue (NBR) Bangladesh

The National Board of Revenue (NBR) is the apex authority of Tax administration in Bangladesh. It was established by the father of the nation Bangabondhu Sheikh Mujibur Rahman under President's order No-76 of 1972,Administratively, it is under the Internal Resources Division (IRD) of the Ministry Of Finance (MoF), The secretary , IRD, is the ex-officio Chairman of NBR.

NBR is responsible for formulation and continuous re-appraisal of tax policies and tax laws ,negotiating tax treaties with foreign governments and participating in inter ministerial deliberations on economic issues having a bearing on fiscal policies and tax administration. The main responsibility of NBR is to collect tax revenues (Primarily Value Added Tax (VAT), customs duty ,excise duty and Income Tax). It works with three tax type wings namely Customs wings, VAT wing and Income Tax wing. There are two more wings named IT wing and Research and Statistics wing under NBR .

About VAT Online Project (VOP)

National Board of Revenue (NBR) are taking steps towards strengthening the existing efforts of the government of the People's Republic of Bangladesh(GoB)in the area of public financial management reforms. The current VAT system of Bangladesh needs to be restructured due to outdated practices . In order to overcome challenges , a new VAT law was passed by the National Parliament in November 2012 . The government of Bangladesh approved a World Bank funded Project – VAT improvement program(VAT Online Project) in 2014. The developing system by VAT Online Project will connect 287 VAT circle offices. 84 divisional offices, 12 commissionerates. Two directorates , three appeal commissionerates and a tribunal in a single platform. It will also integrate with the Bangladesh Bank, the office of the Comptroller and Auditor General (CGA) and the income tax department of NBR with it.Once automated the system will substantially increase government revenue through identifying non-compliant taxpayers. It will also work to ensure revenue mobilization and transparency in the VAT administration system as well as a modern tax administration.

About Conjuratio Bangladesh Limited

Conjuratio Bangladesh Limited (CBL) is a Consultancy Firm which started its journey from 2010 by a group of highly qualified, development as well as research oriented professionals contributing their experiences and competencies in the growth of Government and Non-government, Public and Private sector in Bangladesh for a long time.

We have a strong management Team who are always forward to touch our vision giving their best effort for their client. Day by day this firm is increasing its capability to expand the scope of work through international level.

As an independent consulting firm Conjuratio Bangladesh Limited maintains various in house facilities to improve the level of expertise of its technical and professional workforce.

Repudiation

Conjuratio Bangladesh Limited, through Taxpayers Satisfaction survey implemented their best efforts, to afford high quality services hereunder and have relied on information provided to them by VAT Online Project Data base. However, they do not make any representations or warranties regarding the completeness or accuracy of the information included this report, or the results which would be achieved by following its recommendations.

Acknowledgements

This study ***"Tax payers Satisfaction Survey under "Value Added Tax and Supplementary Duty Act, 2012 implementation (VAT Online) Project*** "describes the baseline status of Taxpayers Satisfaction in Bangladesh on VAT discernment and compliance.

The conclusion and analysis presented in this study, including the questionnaire that was utilized to survey on Taxpayers business houses were produced by a team led by Professor Quamrul Ahsan Chowdhury (Baseline Survey Specialist) and Dr. Abdur Rahman. They were further supported by Md.Rezaul Hasan , Project Director ,VAT Online Project Md. Zakir Hossain, Deputy Project Director,VAT Online Project, Mr. Othello Chowdhury,Assistant Commissioner, VAT Online Project, Mrs. Nazmun Nahar Kaiser VAT Online Project were instrumental in providing guidance, support and suggestions.

Conjuratio Bangladesh Limited conducted the ***".Tax payers Satisfaction Survey under "Value Added Tax and Supplementary Duty Act, 2012 implementation (VAT Online) Project*** "survey with guidance from Professor Quamrul Ahsan Chowdhury, (Dhaka University – Department of Sociology) who was the focal person conducting the total Survey.Mr. Jose Luis Carvajal provided support in processing and analyzing both the qualitative and quantitative findings. Dr. Abu Talab (Senior Statistician) also provided support in conducting data analysis and presentation of findings. The team is very thankful for their contribution.

The team wishes to specially thank Mr. Jose Luis Carvajal and his team (World Bank) for reviewing for questionnaire and providing valuable feedback and comments. A big thank you to everyone who also provided valuable feedback in inspirational this survey report.

The study team also wishes to specially thank the team of VAT Online Project, National Board of Revenue for providing specific information on the existing VAT and tax legislations, new VAT rules and VAT procedures for businesses in Bangladesh.

Finally, the team would also like to extend their gratitude to all the commissionerate staff and enterprises which past the worst time to take part in the survey and provide their valuable inputs and opinion .

Executive Summery

National Board of Revenue (NBR) is the apex authority for tax administration in Bangladesh. The main responsibility of NBR is to collect domestic revenue for the government in adherence to three main legislations: Customs Act 1969, Income Tax Ordinance 1984 and VAT Act 1991. Under the overall control of the Internal Revenue Division (IRD) of the Ministry of Finance (MoF), NBR administers VAT, Income Tax, Customs and Excise services. Furthermore NBR is implementing Value Added Tax and Supplementary Duty Act 2012. The NBR is eager to endeavour the satisfaction level of the registered taxpayer within the VAT jurisdiction.

Why taxpayer's satisfaction survey conducted?

- To develop the outline of the *sampling methodology* for the taxpayer satisfaction survey with services provided by the VAT Wing of NBR.
- To provide explanation about impact of sampling procedure to the representativeness and possibility of generalization, and engage in detailed discussion of the underlining assumptions with the PIU team. In cooperation with PIU and WBG team, if necessary revise the sampling plan in order to achieve highest possible level of VAT taxpayer population.
- To field-test the survey with at least 40 formal enterprises in order to determine the questions those need to be adapted to make them appropriate to the context.
- To comment on, revise and finalize the survey questionnaire provided by PIU, as indicated by pre-testing analysis with approval of PIU and WBG team.

Snapshot of the Survey

Respondents and Location: Registered taxpayers/firms under 11 VAT Commissionerate and Large Taxpayers Unit (LTU).

Data & tools:

- Structured questionnaire
- Primary date
- Secondary data
- Tax related literature Review , Articles and Research Proposal

Chapter 1 : Introduction, Scope and Objectives of the Study

1.1 Introduction

One of the major sources of public revenue to meet a country's revenue and development expenditures with a view to accomplishing some economic and social objectives, such as redistribution of income, price stabilization and discouraging harmful consumption is taxation. It supplements other sources of public finance such as issuance of currency notes and coins, charging for public goods and services and borrowings.. Tax is 'a contribution exacted by the state'. It is a non penal but compulsory and unrequited transfer of resources from the private to the public sector, levied on the basis of predetermined criteria.

The Value Added Tax or VAT, is a general, broadly based consumption tax assessed on the value added to goods and services. The term "value added" refers to the sale price a business charges the customer for a product, minus the cost of materials and other taxable inputs. It applies more or less to all goods and services that are bought and sold for use or consumption in the Community. Thus, goods which are sold for export or services which are sold to customers abroad are normally not subject to VAT. Conversely imports are taxed to keep the system fair for producers so that they can compete on equal terms on the internal market with suppliers situated outside the Country.

A Value Added Tax (VAT) is a popular way of implementing a consumption tax in many developed and developing countries of the world. VAT differs from the sales tax in that; taxes are applied to the difference between the seller-purchased price and the resale price. This is accomplished by taking full tax on all sales, but refunding the tax difference to the sellers.

A VAT is like a sales tax in that; ultimately only the end consumer is taxed. It differs from the sales tax in that with the sales tax, the tax is collected and remitted to the government only once, at the point of purchase by the end consumer. With the VAT, on the other hand, collections, remittances to the government, and credits for taxes that are already paid occur each time a business in the supply chain purchases products.

1.2 Scope of the Study

This research study have been covered the topic ".Tax payers Satisfaction Survey under "Value Added Tax and Supplementary Duty Act, 2012 implementation (VAT Online) Project". This report will serve as the baseline for proper implementation of a client friendly VAT regime in Bangladesh. And also can be used as a secondary source for further purposes. The basis of study is Terms of Reference (TOR)

1.3 Objectives of the Survey

The basic objective of the proposed survey was to establish a data base on client's satisfaction under current VAT regime. Thus the specific objectives of the survey are to ascertain:

- Educational qualification of the respondents;
- Yearly turn over situation of the business;
- Legal status of the business
- Gender disaggregated data about the employees in the business;
- Problems faced by the respondents in obtaining TIN certificate and registering for Tax;
- VAT/Tax management in different types of business under both VAT registered and turn over tax payers;
- Advantages and difficulties faced by the respondents in registering for tax;
- Duties and Taxes the respondents pay to the government;
- VAT refund situation;
- Rating of Value added tax wing services by the clients;
- Client's opinion on Business environment in Bangladesh.

Chapter 2 : Bangladesh Tax and VAT Policy Administration

Bangladesh Tax and VAT Policy and Administration

The National Board of Revenue (NBR) is the central authority for tax administration in Bangladesh. It was established by President's Order No. 76 of 1972. Administratively, it is under the Internal Resources Division (IRD) of the Ministry of Finance (MoF). MoF has 4 Divisions, headed by 4 permanent Secretaries to the Government, namely, the Finance Division the Internal Resources Division (IRD), the Banking Division and the Economic Relations Division (ERD). The Secretary, IRD is the ex-officio Chairman of NBR. NBR is responsible for formulation and continuous re-appraisal of tax-policies and tax-laws, negotiating tax treaties with foreign governments and participating in inter-ministerial deliberations on economic issues having a bearing on fiscal policies and tax administration.

The main responsibility of NBR is to collect domestic revenue (primarily**,** Import Duties and Taxes, VAT and Income Tax) for the government. Other responsibilities include administration of all matters related to taxes, duties and other tax producing fees. Under the overall control of IRD, NBR administers the Excise, VAT, Customs and Income-Tax services.

Tax Legislation of Bangladesh

There are three primary tax legislations in Bangladesh that dictates tax policy and lays of the framework for tax collection and regulation in Bangladesh.

Bangladesh Income Tax Ordinance 1984

Income tax is applicable in case of all “persons” which includes individuals, a firm, as association of persons, a Hindu undivided family, a local authority, a company and every other artificial juridical person.

Heads of income on which taxes are imposed:

1) Salaries
2) Interest on securities
3) Income from house property
4) Agricultural income
5) Income from business or profession
6) Capital gains
7) Income from other sources

Tax rates applicability: In case of company tax-payers, taxes are imposed as per the following schedules:

- Publicly Traded Companies: In case of publicly traded companies (such companies which are formed under company law and are registered with Stock Exchange for concerned year). The tax rate is 27.5% on total income.

- Companies not publicly traded**:** A company which is not publicly traded, rates of tax for such companies are as follows. The rate of tax is at 37.5% (Corporate tax) or turn over tax at rate of 0.5%, whichever is higher (tax amount).

- Others: Bank, insurance company, leasing companies are to pay tax at the rate of 42.5%. Mobile phone operating company at 45%

VAT Act 1991

At present, VAT in Bangladesh has the following components:

i. VAT is imposed on goods and services at import stage, manufacturing, wholesale and retails levels
ii. A uniform VAT rate of 15% is applicable for both goods and services
iii. 15% VAT is applicable for all business or industrial units with an annual turnover of Taka 2 million and above
iv. Turnover tax at the rate of 4% can be levied where annual turnover is less than Taka 2 million
v. VAT is applicable to all domestic products and services with some exemptions
vi. VAT is payable at the time of supply of goods and services
vii. Tax paid on inputs is creditable/adjustable against output tax
viii. Export is exempt
ix. Cottage industries (defined as a unit with an annual turnover of less than Taka 2 million and with a capital machinery valued up to Taka 3,00,000) are exempt from VAT
x. Tax returns are to be submitted on monthly or quarterly or half yearly basis as notified by the Government.
xi. Supplementary Duty (SD) is imposed at local and import stage under the VAT Act, 1991. Existing statutory SD rates are as follows:
    a. On goods: 20%, 35%, 65%, 100%, 250% & 350%
    b. On services: 10%, 15% & 35%.

VAT in Bangladesh uses the destination principle as it taxes all value added, at home and abroad, to all good that have Bangladesh as their destination. Exports are exempt and imports are taxable.

Tax Base for VAT:

Import Stage:	Customs Assessable Value + Customs duty + Supplementary duty
Domestic/Local Stage:	a) Goods (manufacturing): [Production cost + Profit and Commission (if any) + Supplementary duty (if any)] b) Services: [total receipts excluding VAT but including supplementary duty (if any)]

Truncated Base / Fixed Value Addition**:** In some of the cases of goods and services producers and sellers face difficulties in availing VAT credit/adjustment facilities due to non availability of invoices from the sellers of input. In order to remove this operational difficulty, fixed bases such as 10%, 25%, 30%, and 60% value addition is taken into account for calculation of VAT for a number of goods and services. In such circumstances net VAT rate for different rates of value addition comes to 1.5%, 2.25%, 4.5% and 9%.

VAT at the wholesale and retail stage**:** In case of wholesalers and retailers, there is a special provision for a 1.5% percent VAT known as Trade VAT on the total sale, provided that the wholesaler/retailer do not avail the facility of input credit/adjustment. Such tax is also collected at the import stage from importers of finished goods as an advance trade VAT.

Tariff Value for imposition of VAT**:** Under the VAT Law, the government is empowered to fix Tariff Value for some items for the collection of VAT. For example: tariff value for mild-steel products produced from imported/locally procured re-rollable scraps is TK 4000.00 per MT. Normal VAT input credit is also not available under this system.

Deduction of VAT at source**:** As deduction at source is also practiced in case of VAT on certain services, Government, Semi-Government, Autonomous Bodies, NGOs, Banks, Insurance Companies and Limited Companies are authorized by the government to deduct applicable VAT on the services at source.

Excise Duty: At present excise duty applies to only two items: bank deposits and domestic air ticket (Tk. 250 per journey).

Chapter 3 : Area and Sampling Framework of the Study

Name of the Comissionerate	Sample Size
Customs Excise and VAT Commissionerate, Dhaka(South)	130
Customs Excise and VAT Commissionerate, Dhaka (North)	120
Customs Excise and VAT Commissionerate, Dhaka (East)	125
Customs Excise and VAT Commissionerate, Dhaka (West)	120
Customs Excise and VAT Commissionerate, Chittagong	130
Customs Excise and VAT Commissionerate, Rajshahi	70
Customs Excise and VAT Commissionerate, Jessore	70
Customs Excise and VAT Commissionerate, Khulna	70
Customs Excise and VAT Commissionerate, Rangpur	60
Customs Excise and VAT Commissionerate, Sylhet	60
Customs Excise and VAT Commissionerate, Comilla	50
Large Taxpayer Unite (LTU) (More in percentage because of high revenue yield)	50
Total -	**1055**

Chapter 4: Survey Methodology

4.0 Overview of the Survey Methodology

As per TOR of the proposed study, data have been collected by applying both Qualitative and Quantitative techniques It is proposed that the following four phases the study have carried out :

4.1 Phase 1

This phase is the preparatory phase. In this phase the study team have been formed, Literature review has done; data collection instruments are prepared, pre-tested and finalized. The study team has been briefed about the project objectives and methodology.

4.2 Phase 2:

Phase 2 of the study is completely devoted to field data collection. After training, the filed team members are sent to the field for data collection. Consultants have also intermittently visited the field during data collection to ensure reliability and validity of the data and to provide necessary guidance to the field enumerators and to collect qualitative information through Key Informant Interviews. Filed enumerators were sent back the collected information to Dhaka every after 15 days, so that collected data have been checked and necessary tabulation started simultaneously with field data collection. If any anomalies are found, field enumerators are informed and steps have taken for necessary corrections.

4.3 Phase 3:

On completion of Phase three of the study, the field have returned to Dhaka and data tabulation and checking have been completed.

4.4 Phase 4:

This is the final phase of the study. In phase-4 draft report has prepared and submitted to the Project Director, VAT Online Office, IDEB Bhaban, kakrail, Dhaka, Bangladesh for comments and suggestions. After receiving the comments, the report has been finalized and submitted.

4.5 Study Area

The study have been covered on the Tax payers under all the 11 Commissioonarates and Large Taxpayers Unit (LTU) of NBR, Bangladesh to ascertain the impact of **"Value Added Tax and Supplementary Duty Act, 2012 implementation (VAT Online) Project".** On Tax payers in different regions of the country, From each of the commisionerate `Tax payers from among different strata are selected proportionate to size of the Tax payers by applying multi stage stratified sampling procedure.

4.6 Sampling Design

Unit of Study: Individual tax payers and business houses were the basic units of the Study. In each category of small, medium and large tax payers. The proposed study has looked at the impact of VAT collection among the tax payers under each Commisiionrate of NBR. Since the basic goal of the proposed study is to ascertain tax payers satisfaction about VAT system, as such it is logical to choose individual tax payers and business houses to choose as the unit of analysis.

Data Collection Instruments: As per TOR the study has been carried out both by qualitative and quantitative surveys. The Quantitative survey has assessed the overall responses of the tax payers in different categories on VAT regime. On the other hand Qualitative survey in depth ascertained the impact of the VAT on the life pattern of the tax payers. For the Quantitative survey questionnaire has been designed and finalized after necessary pre-testing and similarly different check lists will be prepared for the qualitative survey such as check lists for FGD, KII.

***Non Registered Tax Payers*:** Besides registered tax payers there are a portion of population who have not been registered yet as a tax payers. It is difficult to ascertain or identify such tax payers. But since the TOR has mentioned about coverage of such tax payers in the survey.

4.7 Questionnaires

The questionnaires of the study are developed on the basis of the recommendation of the officials of VAT Online office and World Bank review.

4.8 Sources of Information

To fulfil the objective the proposed survey, relevant, accurate, standardized and needful information is unruffled To make the report reliable data have been collected from both

primary sources and secondary sources. All possible precautionary measures have been taken for reliable and valid data avoid.

4.9 Primary Sources

Primary data is defined as data, which originates as a result of that particular investigation. For the proposed study primary data on Tax Payers satisfaction" have been collected through survey from the tax payers in different categories. Each sampled respondents have been interviewed with the help of a survey questionnaire having both structured and unstructured questions. The following Customs Excise and VAT Commissionerates with Large Taxpayers Unit (LTU) have been covered .....

1. Customs Excise and VAT Commissionerate, Dhaka (South)
2. Customs Excise and VAT Commissionerate, Dhaka (East)
3. Customs Excise and VAT Commissionerate, Dhaka (West)
4. Customs Excise and VAT Commissionerate, Chittagong
5. Customs Excise and VAT Commissionerate, Jessore
6. Customs Excise and VAT Commissionerate, Comilla
7. Customs Excise and VAT Commissionerate, Sylhet
8. Customs Excise and VAT Commissionerate, Rajshahi
9. Customs Excise and VAT Commissionerate, Rangpur
10. Customs Excise and VAT Commissionerate, Khulna
11. Customs Excise and VAT Commissionerate, Dhaka (North)
12. Large Taxpayers Unit (LTU)

4.10 Secondary Sources

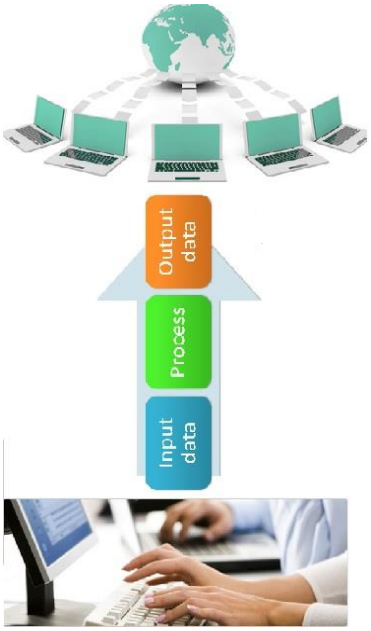
For background information secondary data also collected. Secondary data represents documents, reports etc which were prepared earlier on the aforesaid issue but would be useful for the purpose of the survey. As part of collecting data from secondary sources, for this study, review of different books official documents articles and so on, related to Taxation and VAT have been made.

5.0 Survey Resource:

Sl. No	Position	No. of Person
1	Team Leader	01
2	Deputy Team Leader	01
3	Project Director (Firm) /Project Coordinator	01
4	Sr. Statistician & Data Analyst	01
5	Data Management & Data Analyst Associate	01
6	Graphics Designer	01
7	Field - Coordinator	05
8	Field Supervisor	08
9	Data Collector	25

Chapter 5 : Data Processing , Analysis and Report Writings

5.1 Data Processing



The data processing activities have been involved, editing and coding of the data. Data have been processed in the computer using latest version of SPSS, STATA, SQL, MS Office and MS EXCEL. Two Senior Statistician or Data Analyst experts, Data entry operators and in-house staffs were engaged for processing of the data.

They have done the job of initial editing of filled in schedules, case studies and FGD information. The Team Leader, randomly checked edited schedules and other information from gathered by face to face interview and by rapport building method.

Chapter 6 : Analysis Reports of all Customs, Excise & VAT Commissionerates

Report on Large Taxpayers Unit (LTU)

Types of Taxpayers

There are 153 numbers of enlisted business enterprises under the Large Taxpayers Unit (LTU) . In Total 50 companies and business owners were sampled out for this survey from among the enlisted business houses by following the scientific sampling procedure that has been proposed in the survey proposal and was approved by the NBR. Of these total 50 companies, 38% were registered as public Limited,42 % were private Ltd, 8% joint ownership , 5 percent private ownership and the rest of the 7 percent business entrepreneurs were categorized as others category etc. (**See Table :**)

Nature of the Company paying Taxes	Percentage (%)
Public Limited	38.0 %
Private Limited	42.0%
Joint Ownership	8.0%
Private Ownership	5.0%
Others	7.0%

Source: Field Level Survey 2017

Type of Business:

Sampled Tax payers were engaged in different types of trading and business. Most of the sampled respondents (54%) were engaged in production oriented business while 4 percent were Trading Oriented activities followed by service oriented 42 percent under Large Taxpayers unit (LTU).

Table :

Types of business undertaken by the companies paying taxes	Large Taxpayers Unit (LTU)
Production Oriented	54.0%
Trading	4.0%
Service oriented business	42.0%
Others	0.0%

rce: Field Level Survey 2017

Employment Situation:

Gender aggregate employment in the business enterprises of the respondents under Large Taxpayers unit (LTU) showed 19.29 percent employees were females and the rest 80.71 percent were males. While talking to the respondents it was exposed that in recent times, due to reasonable development of communication, trade and commercial activities have been

expanding rapidly. Rapid expansion of trade and commerce consequently creating increased employment opportunities for both men and women. Usually in earlier periods women had little scope for employment outside the homestead due to strict social customs and norms, but with the changing pace of time women have debuting gradually and are joining in employment outside their own closed circle of homesteads and villages. To feed the labor needs for expanding trade and commercial activities, as well as for financial necessity of their own families, women in greater numbers are now participating in paid jobs in industries, offices, shops and works shops.

In Table : 3 below data on gender aggregated employment situation in surveyed business enterprises is presented.

Table 3. Gender Aggregated Employment Situation:

Gender of the Employers	Percentage (%)
Male	80.71
Female	19.29
Total	100 %

Source: Field Level Survey 2017

Complexities in obtaining TIN

This survey was meant at assessing Tax payers' satisfaction under VAT regime in Bangladesh. In order to assess the level of satisfaction among the tax payers, several issues were raised and responses were collected. One of the initial issues that were presented before the respondents was, whether they faced any complexities in obtaining Tax Identification Number (TIN) from the concerned office. Respondents were given several options to express their views. On the whole it was found that most of the respondents obtained the TIN from concerned office without hassle and easily. Out of total 50 respondents 59.5 percent tax payers reported easy process ,29.9 percent told very easy, 4.3 percent said it was extremely complex and rest of the 6.4 percent expressed Neither complex nor easy for them of obtaining TIN numbers.

In Table: 4 below, data on Respondents view about the complexities in obtaining Tin numbers is presented.

Table4: Responses on Complexities in Obtaining TIN

Responses on Complexities	Number
Extremely Complex	4.3
Complex	0.0
Neither Complex nor Easy	6.4
Easy	59.5
Very Easy	29.8

Source: Field Level Survey 2017

Sources of VAT Information

Respondents named various sources from where they became conversant about VAT and related information. They identified multiple sources that were useful to obtain information on VAT and related issues. Majority of the respondents (31.68%) became familiar about VAT and related issues from newspapers, 2.97 percent from Television, 16.84 percent by VAT related advertisement,16.83 percent from VAT officials and rest of the 31.68 percent were benefited by internet.

In table- 5 below Sources of information on VAT is presented.

Table 5 : Sources of Information

Sources of Information	Percentage
Television	2.97
Radio	0.0
Newspapers	31.68
Internet	31.68
VAT related Advertisement	16.84
From VAT Officials	16.83
Others	0%

Source: Field level Survey 2017

Difficulties in TAX Registration System

During survey, tax payers identified several problems and difficulties that they faced during TAX registration. Some issues came up in the dissuasion related to hassle that the tax payers usually face at the time of tax registration. Of these; lack of information about tax registration was identified as the most serious problem by the respondents (12.0%) in registering themselves or their business for TIN followed by their lack of knowledge about how to proceed or what are the procedures of the tax registration (. 14.28%) . Also 14.29 percent respondents complained about the improper assessment of their taxable income by the VAT officials and 28.0% percent respondents expressed about the negligence of VAT officials in discharging their duties like helping tax payers in assessing tax return, about registration and so on.

Tax Payment by the Respondents:

Majority of the respondents (98%) paid their VAT & also 98 percent Income taxes to the government during the fiscal year 2015-2016. The trend indicates higher enrollment of tax payers in the taxation system under Large Taxpayers Unit (LTU) and that consequently paving the way for higher revenue collections by the government. Of the total respondents 98 percent enrolled tax payers paid their taxes and VAT to the government treasury.

Table 6: Tax payment by the Respondents:.

Components	Percentage (%)
Payment of Taxes	98.0
VAT	98.0
Customs Duty	85.0
Supplementary Taxes	86.0
Taxes on assets	88.0
Tax deduction at source	84.0
Tax deduction from salaries of the employees	96..0

Source: Field Level Survey 2017 Due to multiple answers total exceeds 100 percent

Sector wise, 98 percent respondents paid VAT. Followed by 98 percent respondents who paid income taxes of the employees from the deduction of their salary, Over 84 percent paid taxes deducted at the source of their products, while 85 percent informed about taxation payment as customs duty, 88 percent paid asset taxes and rest of the 86 percent also paid supplementary taxes to the government as well as 96 percent large taxpayers paid tax which were deducted from the salaries of their employees ..

Respondents were asked whether they applied for VAT return or not? In response, over 95 percent respondents reported that they did not apply for VAT return and the rest did . Those who did not apply for tax return stated different reasons for not submitting any applications for the same.

The most pertinent reason identified by the respondents who did not file any application for VAT return was more complexities (38.16). Interestingly over 14.08 percent respondents were scared to file for tax return because for Very lengthy process of refund they believe. Procedural hassle also was a reason for 8.5.3 percent respondents for not filing any tax refund application. It shows that VAT regime needs further improvement in its services to the tax payers to make it people's friendly taxation system.

Table-7: Below reasons for not filing tax return application by the respondents is presented

Reasons	Percentage (%)
Small Refund	2.04
Extreme procedural hassle	8.35
Extreme costly process of refund	9.23
Very lengthy process of refund	14.08
No idea that one can get refund	2.24
Asking about VAT refund in turn might invite more complexities , hassles, Audit, Inspection	38.16
Ignorant about how to apply for refund	1.37
Others	18.53

Source; Filed Level Survey 2017

VAT Refund Issues

Most for the applicants (5.8%) who applied for VAT refund, received their refund money within a span of 1.52 months and they opined it as a reasonable time for getting the refund back. But ironically 25.8 percent applicant complained about paying bribe to the dealing staffs for getting back the return. But at the same time sent percent respondents also informed that they found no anomalies in VAT assessment by the VAT staffs. Filing tax return application was easy for 98 percent applicants and the rest 2 percent said it was difficult for them. Over 66 percent responds expressed their happiness on the performance of officials and staffs in the VAT office .(For details see Annexure-1).

Rating Vat Activities:

Opinion assessment of the respondents on the efficacy of the VAT activities was done during the survey. With regard to efficiency and capabilities of the VAT staffs 52 percent respondents stated it was average and the rest 25 percent expressed their happiness about the efficiency of the VAT staffs under Large Taxpayers Unit (LTU) Of the total 50 respondents 48 percent respondents expressed their happiness on the supportive attitude of the VAT officials in Large Taxpayers Unit (LTU) and the rest 24 percent stated that the supportive attitude of the VAT officials was average. Politeness of the dealing staffs in VAT wing of Large Taxpayers Unit (LTU) was assessed as average by 50 percent respondents while 24 percent said they were happy. Majority of the respondents informed that honesty of the VAT staffs under Large Taxpayers Unit (LTU) were happy at 51 while 22.4 expressed it was normal or average quality only 26.6 percent respondents were very happy about the honesty of the VAT staffs.

Table 8: Rating VAT activities by the Respondents

Rating	Competence and qualification of the VAT staff	Cooperation of VAT staff	Humility of VAT staff	Honesty of the VAT staffs	Fairness in valuation
Very Unhappy	0	0	0	0	0.0
Unhappy	4.0	2.0	4.0	0	3.4
Normal	52.0	24.0	50.0	22.4	52.7
Happy	22.0	26.0	24.0	51.0	40
Very happy	19.0	48.0	22.0	26.6	3.9

Problems faced by the Respondents during Tax return

Respondents faced various problems while submitting Tax returns under Large Taxpayers Unit (LTU). The most painstaking problem that the respondents faced (43.2%) was declining of supporting documents in submitting tax return. Another major problem for the respondents (39.1%) for submitting tax return under Large Taxpayers Unit (LTU) was procedural repetitions in the system and they viewed this procedural repetition or in other words red tapism actually is the reason for taking long time in submitting tax return to the appropriate authority. Respondents expressed their hope that concerned authority will do whatever is needed to easy the submission procedure so that the tax payers can submit their tax returns with no hassle and within a short span of time.

Table 9: Problems faced by the Respondents during submission of Tax Return

Problems	Yes (%)	No (%)
Bribe	22.0	78.0
Excess Tax levy	8.0	92.0
Books of accounts declined	15.0	85.0
Refused to accept Relevant papers in support of VAT payment by the officials	43.2	56.8
Red Tapism	39.1	60.9

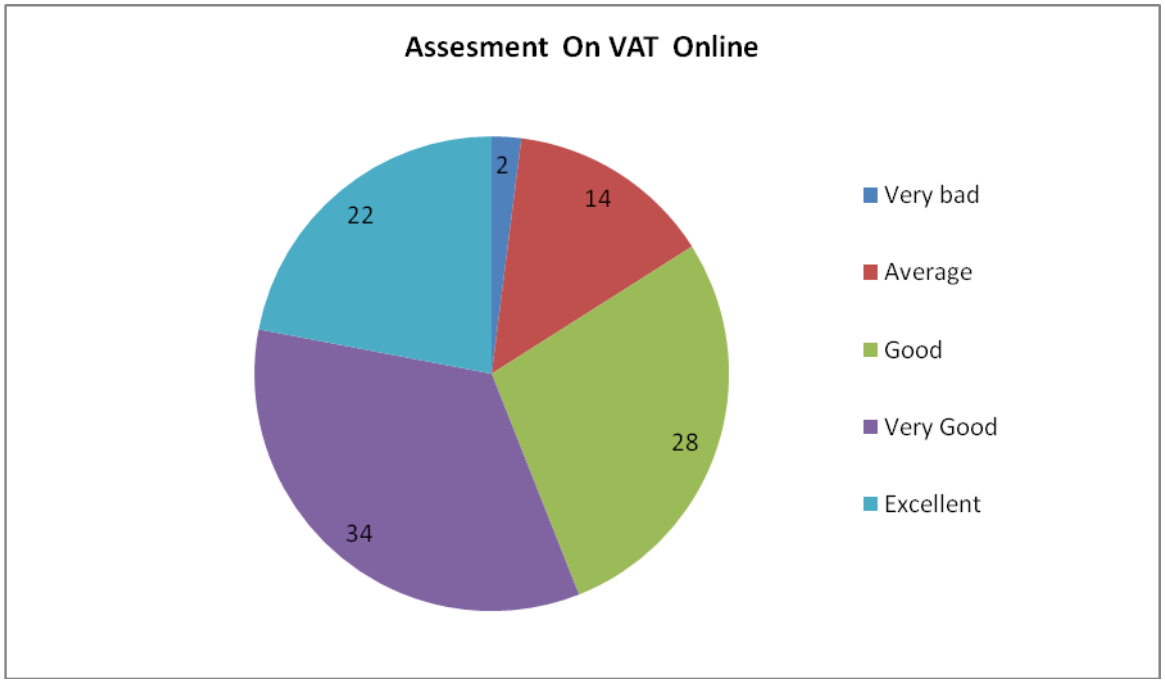
Source; Field Level survey 2017

Respondent's opinion Online VAT program

The Ministry of Finance, Government of Bangladesh has introduced VAT Online Project to make VAT payment easy and accountable. Respondents were asked to provide their views on online VAT program of Bangladesh Government. Majority respondents (22 %) said this is an excellent step in fiscal management of government. 34 percent viewed the program as very good and the rest opined it as good measure.

Table -10 : Assessment On VAT Online

Very bad	Average	Good	Very Good	Excellent
2.0	14.0	28.0	34.0	22.0



Annual Turn Over, Bank Transactions

During the fiscal year 2015-2016 the net turnover of the surveyed companies/business enterprises under Large Taxpayers Unit (LTU) show that maximum (98%) of the of the business enterprises had financial annual turnover Taka 1000000 while rest of the 2 percent had annual turnover between Tk 500000 to Tk 800000

Respondents Business houses mostly do financial transaction in banking channel (90%) while only 10 percent do financial transaction cash although 100 percent respondents had Bank accounts.

All the respondents agreed on the importance of getting purchase receipt in doing transactions. While inquiring about the academic qualifications of the respondents it was found that 86 percent respondents were graduate or had post graduate degrees, while 12 percent had qualified on FCA/ICMA, rest of the 2 percent were diploma in accounting degree holders.

Respondents Views on complicacies of VAT assessment

Survey data show that tax payers are not at all happy about the procedure followed by the NBR to assess VAT. They stated multiple problems that they face during assessing their VAT. Most serious difficulty that the tax payers face during assessing their VAT is the assessment procedure itself. Over 15.25 percent of the respondents informed during the survey that VAT assessment procedure is a real cumbersome process. Improper assessment by the officials (25.85) Complex procedure (15.78%) , different paper works (20.15), complex procedure is one of the main obstacle for the 15.78 respondents and official hassle(7.84%) are the other problems that the traders face often in doing their business. They demanded NBR should give proper attention to this and should introduce easy and hassle free VAT assessment procedure. (Table: 11)

Table 11: Difficulties in VAT assessment:

Problems	Percentage (%)
Different Assessment	15.25
Improper Assessment	25.85
Different Paper	20.15
Different Information	15.13
Complex Procedure	15.78
Official Hassel	7.84

Respondents' suggestions to make VAT regime more understandable and easy to the VAT payers:

Respondents were asked to suggest how to make VAT regime more pro people and hassle free. Multiple answers were received from them. Nearly 35 percent of the respondents emphasized on the increased and frequent advertisements in the national and local dailies depicting the importance of VAT and the procedure for submitting the same to the state treasury. This would help business as well as general people to know about VAT (10%). Also the respondent tax payers (10%) demanded that the concerned offices should provide the VAT payers proper and just information so that they can pay the tax as per government rules and regulations. Tax payers (15%) suggested further that NBR should open help line to provide necessary helps to tax payers under Large Taxpayers Unit (LTU). Of the tax payers, nearly 10 percent emphasized on the importance of experienced staffs in the commissionerate. They demanded that Large Taxpayers Unit (LTU) should be well equipped with honest and experienced staffs to deal with VAT issues. Lastly slightly over 20 percent respondents suggested that NBR should also initiate awareness campaign about VAT at the earliest to make people aware about the necessity of VAT. (Table -12)

Table 12: Suggestions of the Respondents.

Opinion	Percentage (%)
Improve staff expertise	10.0
Provide correct information	10.0
Increase Add	35.0
Let people know the advantage of VAT	10.0
Help for online VAT	15.0
Awareness regarding VAT	20.0

VAT management by the Tax Payers under Large Taxpayers Unit (LTU)

All the business houses or enterprises (100%) Large Taxpayers Unit (LTU) have entrusted some personnel to look after VAT related issues for their companies or business. On an average there responsible persons looking after company's VAT spend 4.41 hours a day to keep the record up to date. All the respondents (100%) affirmed that they are acquainted with the new VAT laws to be introduced by the Government of Bangladesh. None of the respondents (100%) had to face any litigation in relation to VAT

Tax Payers assessment on the VAT officials under Large Taxpayers Unit (LTU)

VAT payers opinion in the survey revealed that, officials responsible for VAT administration under Large Taxpayers Unit (LTU) were very sincere in discharging their duties. According to percent respondents views show that , these officials visited them one time which percentage is 4.2 %. 18.8 % percent respondents said the officials came to their office twice, 31.2 third time and 45.8 percent respondents said that VAT related staff cam three times during the during the fiscal year 2015-206.

(See Details in Annexure: 1)

Tax Payers Assessment on the VAT service Providers.

Tax payers opinion on the performance of different offices or directorates engaged in providing services to the Tax payers exposed that they were more or less quite happy with the role these office have been paying a good role in extending their helping hands to the tax payers.

Table 13.: Assessment of the Respondents on VAT service providers.

Name of the Offices	Scale	Percentage (%)
NBR	Low	0
	Average	12.0
	Good	48.0
	Very Good	16.0
	Excellent	24.0
VAT Online	Low	0
	Average	4.1
	Good	22.4
	Very Good	16.3
	Excellent	57.2

Source: Filed level Survey 2017

About NBR 48 percent respondents expressed their satisfaction on the services this office is providing and respondents termed it as very good which is 16 percent and for the rest 24 percent treated as excellent. On the subject of VAT online 57 percent respondents stated its services as excellent while 22 percent said as good,4.1 percent told average and the rest16.3 percent termed their service as very good. Service provided by the Large Taxpayers Unit (LTU) to the tax payers was equally satisfactory.

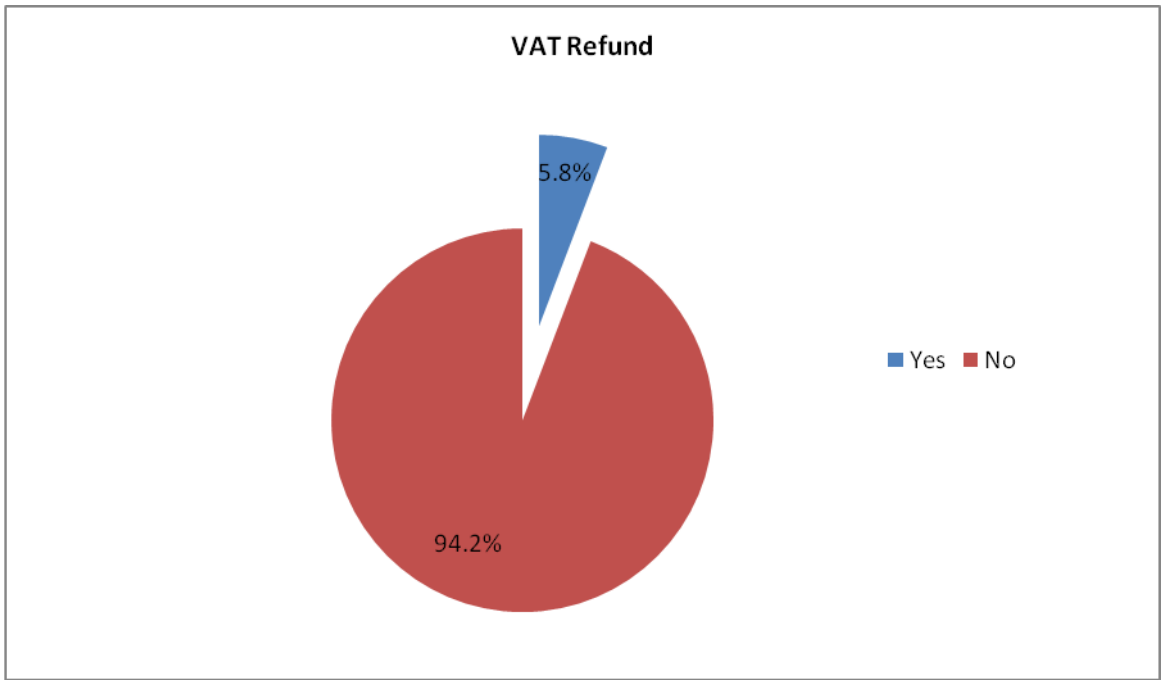
ANNEXURE

Q.12 & Q.13 : VAT refund and Days took to receive the refund money

Received VAT Refund?	Percentage (%)
Yes	5.8
No	94.2
Time Required to get the VAT Refund	
Days	30
Months	1.52

Q.14 Paying Money for getting back VAT refund

Did you have to pay any extra money to get the VAT refund money	Percentage (%)
YES	25.8
NO	74.2



15: Anomalies in VAT assessment by NBR

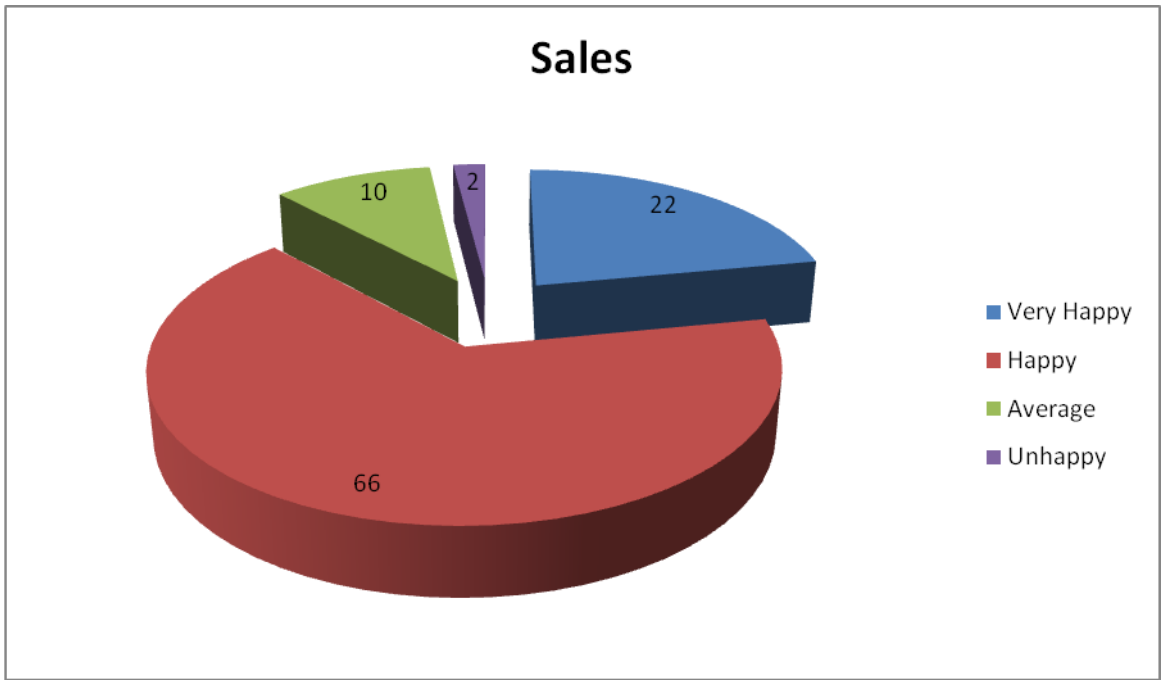
Opinion	Percentage (%)
Yes	0
No	100.0

Q 16 : Do you find the forms for VAT submission easy?

Did you find Filling Taxes return Forms easy	
Yes	98.0 %
No	2.0 %

Q 17: The satisfaction with the information service provided by the VAT wing?

Opinion	Percentage (%)
Very Happy	22.0
Happy	66.0
Average	10.0
Unhappy	2.0



Q.18: Rating of the Respondents regarding Activities of VAT wings

	Rating	Competence and qualification of the VAT staff	Cooperation of VAT staff	Humility of VAT staff	Honesty of the VAT staffs	Fairness in valuation
Large Taxpayers Unit (LTU)	Very Unhappy	0	0	0	0	0.0
	Unhappy	4.0	2.0	4.0	0	3.4
	Normal	52.0	24.0	50.0	22.4	52.7
	Happy	22.0	26.0	24.0	51.0	40
	Very happy	19.0	48.0	22.0	26.6	3.9

Q.28 and 29: Presence of employees for looking after VAT matters and time spent on VAT related works

Large Taxpayers	Do you have any Employees to look after	If yes average how much do they spend to look

Unit (LTU)	VAT related works		after VAT related works?
	Yes	No	
	100.0	0	4.41

Q.30. Knowledge about New VAT law

Large Taxpayers Unit (LTU)	Do you have any knowledge about New VAT Law introduced by the Govt of Bangladesh?	
	Yes (%)	No (%)
	100	0.0

Q.31: Any experience on VAT related litigation?

Large Taxpayers Unit (LTU)	Do you have any experience on VAT related Litigations?	
	Yes	No
	62.0	38.0

Comprehensive Analysis of Customs, Excise & VAT Commissionerate For Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North)

Types of Taxpayers

In Total 495 companies and business owners (Dhaka West, South, East & North) were sampled out for this survey from among the enlisted business houses by following the scientific sampling procedure that has been proposed in the survey proposal was approved by the NBR. Of these total 495 companies in four commissionerate in Dhaka 5.3 % were registered as Public Limited company in Dhaka (West), 8.2 % in Dhaka (South), 15.1% in Dhaka (East), 8.2 % in Dhaka (North) . Under Dhaka (West) 20 % were private Limited Company while Dhaka(South) were 39.1%, Dhaka (East) 24.5% and 53.4 % were registered in Dhaka (North) . In Dhaka (West) 61.1 % found as private ownership company where 43.17 % Dhaka (South), 58.5 % in Dhaka (East) and 23.0 % were in Dhaka (North). Survey found that 6.3 % Joint Ownership company in Dhaka (West), 15.6% in Dhaka (South), 1.9% in Dhaka (East) and the 15.6 % in Dhaka (North) and in an average (1.85%) rest of the company were registered in other category in four commissionerate under Dhaka.

Nature of Business:

Sampled Tax payers were engaged in different types of trading and business. Most of the sampled respondents in an average 45.15 % were engaged in Production Oriented activities in four commissionerate under Dhaka, (West), Dhaka (South), Dhaka (East) and Dhaka (North) followed by Trading (33%), service Oriented Business (15.25 %) and others (7.35).

Employment Situation:

Gender aggregate employment in the business enterprises of the respondents showed nearly 21.02 % (average) percent employees were females and the rest were males. While talking to the respondents it was revealed that in recent times, due to reasonable development of communication, trade and commercial activities have been expanding rapidly. Rapid expansion of trade and commerce consequently creating increased employment opportunities for both men and women. Usually in earlier periods women had little scope for employment outside the homestead due to strict social customs and norms, but with the changing pace of time women have debuting gradually and are joining in employment outside their own closed circle of homesteads and villages. To feed the labor needs for expanding trade and commercial activities, as well as for financial necessity of their own families, women in

greater numbers are now participating in paid jobs in industries, offices, shops and works shops. In the total 495 sampled business, houses offices or the business entrepreneurs in Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North) there were 78.98 % employees were males and the rest 21.02 % were females.

In table below data on gender aggregated employment situation in surveyed business enterprises is presented.

Table. Gender Aggregated Employment Situation:

Gender of the Employers (Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North)	**Percentage (Average)**
Male	78.98
Female	21.02
Total	100 %

Source: Field Level Survey 2017

Complexities in obtaining TIN

This survey was aimed at assessing Tax payers' satisfaction under VAT regime in Bangladesh. In order to assess the level of satisfaction among the tax payers, several issues were raised and responses were collected. One of the initial issues that were presented before the respondents was, whether they faced any complexities in obtaining Tax Identification Number (TIN) from the concerned office. Respondents were given several options to express their views. On the whole it was found that most of the respondents obtained the TIN from concerned office without hassle and easily. Out of total 495 respondents in Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North) commissionerate 57.48 % tax payers reported easy process of obtaining TIN numbers and the rest said it was easy for them. In Table below, data on Respondents view about the complexities in obtaining Tin numbers is presented.

Table4: Responses on Complexities in Obtaining TIN

Responses on Complexities	Percentage (%)
Extremely Complex	0.95
Complex	5.43
Neither Complex nor Easy	0.68
Easy	57.48
Very Easy	35.47

Source: Field Level Survey 2017

Sources of VAT Information

Respondents named various sources from where they became conversant about VAT and related information. They identified multiple sources that were useful to obtain information on VAT and related issues. Majority of the respondents from four commissionerate office Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North) 28.20 % became familiar

about VAT and related issues from News Papers and 28.20 percent were benefited about VAT related information from Television and another were informed by the Radio which percentage were 8.56 percent as well as 11.17 percent respondents stated that VAT related advertisement by the NBR made them aware about the issue. VAT officials played a key role in making the respondents conscious about VAT. Over 9.11 percent respondents informed during the survey that VAT officials briefed them about VAT and related issues. Another 17.74 percent also became knowledgeable on VAT from Internet. In table below Sources of information on VAT is presented.

Table : Sources of Information

Sources of Information	Percentage
Television	25.09 %
Radio	8.56%
Newspapers	28.20%
Internet	17.74%
VAT related Advertisement	11.17%
From VAT Officials	9.11%
Others	0.0%

Source: Field level Survey 2017

Difficulties in TAX Registration System

During survey, tax payers identified several problems and difficulties that they faced during TAX registration. Some issues came up in the dissuasion related to hassle that the tax payers usually face at the time of tax registration. Of these; lack of information about tax registration was identified as the most serious problem by the respondents (15.90%) in registering themselves or their business for TIN followed by their lack of knowledge about how to proceed or what are the procedures of the tax registration (13.74 %). Also 29.73 percent respondents complained about the improper assessment of their taxable income by the VAT officials and 21.35 percent respondents in four commissionerate like Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North) whined about the negligence of VAT officials in discharging their duties like helping tax payers in assessing tax return, about registration and so on.

Tax Payment by the Respondents

In the Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North) commissionerate office majority of the respondents (96.28 %) paid their taxes to the government during the fiscal year 2015-2016. The trend indicates higher enrollment of tax payers in the taxation system under Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North) and that consequently paving the way for higher revenue collections by the government. Of the total respondents 97.56 percent enrolled tax payers paid their VAT to the government treasury.

Table 6: Tax payment by the Respondents:

Components	Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North)
Payment of Taxes	96.28%
VAT	97.65%
Customs Duty	21.60%
Supplementary Taxes	11.03%
Taxes on assets	29.95%

Tax deduction at origin	40.58%
Tax deduction from salaries of the employees	31.23%

Source: Field Level Survey 2017 Due to multiple answers total exceeds 100 percent

Sector wise, 97.56 percent respondents of Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North) paid VAT. Followed by 31.23 percent respondents who paid taxes of the employees from the deduction of their salary, Over 40.58 percent paid taxes deducted at the source of their products, 21.60 percent informed about taxation payment as customs duty, 29.95 percent paid asset taxes and 11.03 percent also paid supplementary taxes to the government.

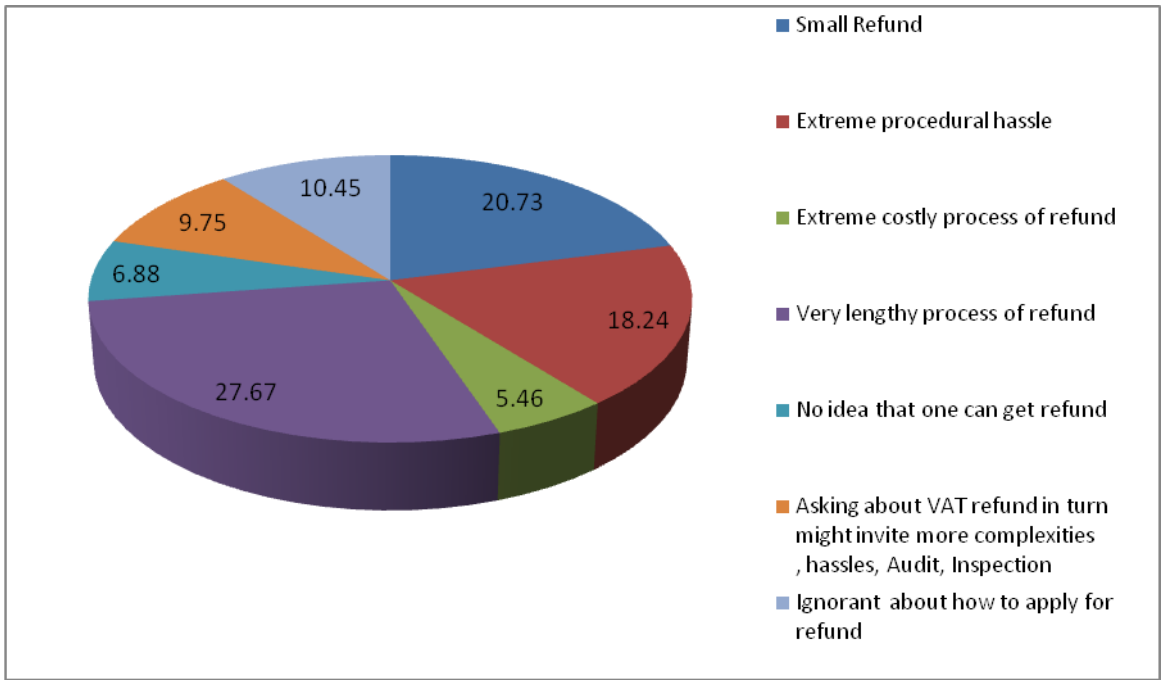
Respondents were asked whether they applied for tax return or not? In response, over 9.16 percent respondents reported that they applied for tax return and the rest did not. Those who did not apply for tax return stated different reasons for not submitting any applications for the same.

The most pertinent reason identified by the respondents who did not file any application for tax return no idea to get refund and (27.67) was small refund that they might receive (20.73 %). Interestingly over 27.67 percent respondents were scared to file for tax return because of lengthy process and 9.75 % believ this might create or invite more complicacies in their business. 10.45 percent respondents also reported that they had no idea about possibilities of getting back refund from their tax payment. Procedural hassle also was a reason for 18.24 percent respondents for not filing any tax refund application in Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North). It shows that VAT regime needs further improvement in its services to the tax payers to make it people's friendly taxation system.

Table : Below reasons for not filing tax return application by the respondents

Reasons	Percentage
Small Refund	20.73
Extreme procedural hassle	18.24
Extreme costly process of refund	5.46
Very lengthy process of refund	27.67
No idea that one can get refund	6.88
Asking about VAT refund in turn might invite more complexities , hassles, Audit, Inspection	9.75
Ignorant about how to apply for refund	10.45

Source; Filed Level Survey 2017



VAT Refund Issues

Most for the applicants (9.16 %) in Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North) who applied for VAT refund, received their refund money within a span of 1.43 months and they opined it as a reasonable time for getting the refund back. But sardonically applicant complained about paying bribe to the dealing staffs for getting back the return. But at the same time hundred percent respondents of Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North) also informed that they found no anomalies in VAT assessment by the VAT staffs. Filing tax return application was easy for 81.90 percent applicants and the rest 18.10 percent said it was difficult for them. These small percent of respondents belonged to small business entrepreneurs having little or no education. Over 62.98 percent responds expressed their happiness on the performance of officials and staffs in the VAT office.

Rating on Vat Wing Activities

Opinion assessment of the respondents from Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North) on the efficacy of the VAT activities was done during the survey. With regard to efficiency and capabilities of the VAT staffs 30.98 percent respondents stated happiness and the rest 41.30 percent expressed their views as average or normal about the efficiency of the VAT staffs under Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North). Of the total respondents in an average of the four commissionerate in Dhaka city 42.28 percent

respondents expressed their happiness on the supportive attitude of the VAT officials and the rest 32.60 percent stated that the supportive attitude of the VAT officials was average. Politeness of the dealing staffs in VAT wing of Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North) were assessed as average by 64.58 percent while 23.43 percent said they were happy . Majority of the respondents under Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North) commissionerate informed that honesty of the VAT staffs were average (60.20%) and only 4.38 percent respondents were happy about the honesty of the VAT staffs.

Table 8: Rating VAT activities by the Respondents

Rating	Competence and qualification of the VAT staff	Cooperation of VAT staff	Humility of VAT staff	Honesty of the VAT staffs	Fairness in valuation
Very Unhappy (%)	25.10	14.93	24.85	28.50	24.23
Unhappy (%)	2.63	11.70	5.95	6.10	5.75
Normal (%)	41.30	32.60	64.58	60.20	36.60
Happy (%)	30.98	12.85	4.38	5.20	31.50
Very happy (%)	24.53	42.28	23.43	23.60	22.53

Problems faced by the Respondents during Tax return

Respondents in Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North) commissionerate faced various problems while submitting Tax returns The most painstaking problem that the respondents faced (35.43%) was procedural repetition in submitting tax return under in the system and they viewed this procedural repetition or in other words red tapism actually is the reason for taking long time in submitting tax return to the appropriate authority. Respondents expressed their hope that concerned authority will do whatever is needed to easy the submission procedure so that the tax payers can submit their tax returns with no hassle and within a short span of time.

Table: Problems faced by the Respondents during submission of Tax Return

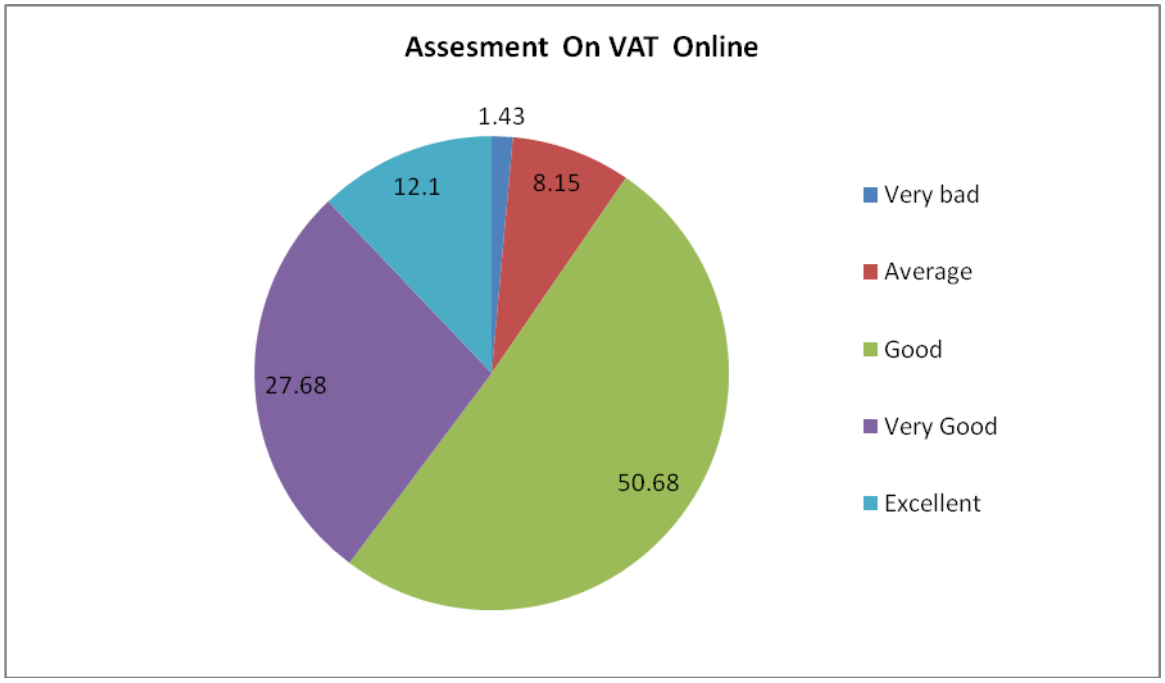
Problems	Yes (%)	No (%)
Bribe	6.30	93.70
Excess Tax levy	0.63	99.38
Refused to accept Relevant papers in support of VAT payment by the officials	1.70	98.30
Books of accounts decline (%)	2.83	97.18
Red Tapism	35.43	64.58

Respondent's opinion Online VAT program

The Ministry of Finance, Government of Bangladesh has introduced VAT Online Program to make VAT payment easy and accountable. Respondents were asked to provide their views on online VAT program of Bangladesh Government. Majority respondents of the four commissionerate Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North) (50.68%) said this is good and 12.10 % said this is an excellent step in fiscal management of government and 27.68 percent viewed the program as very good.

Table: Assessment on VAT Online

Very bad	Average	Good	Very Good	Excellent
1.43	8.15	50.68	27.68	12.10



Annual Turn Over, Bank transactions

During the fiscal year 2015-2016 the net turnover of the surveyed companies/business enterprises under Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North) show that 30 percent business enterprises had financial annual turnover within Taka 200000 to 500000, while rest 23.28 percent had annual turnover between Tk 500000 to Tk 800000 and rest of

the 46.73 percent respondents of Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North) were Tk-1000000 and above .

Respondents or Business houses of the Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North) mostly do financial transaction through Bank 54.33 % cash payment 38.95 % though 95.58 percent respondents had Bank accounts.

All the respondents agreed on the importance of getting purchase receipt in doing transactions. While inquiring about the academic qualifications of the respondents of the Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North) commissionerate it was found that 71.60 percent owners were graduate or had post graduate degrees, while 17.20 percent passed either SSC or HSC and only5.50 percent had academic qualification of FCA/ICMA

Academic Qualification of the Respondents

Level of Education	Commissionerate				
	Dhaka (West)	Dhaka (South)	Dhaka (East)	Dhaka (North)	Average
Academic qualification of the Respondents					
Less than SSC (%)	1.1	3.2	7.5	3.2	3.75
SSC/HSC (%)	12.6	18.3	20.8	17.1	17.20
Graduate/Masters (%)	83.7	70.4	59.8	72.5	71.60
Diploma in Accounting (%)	0	2.8	1.9	2	1.68
FCA/ICMA (%)	1.5	5.3	10	5.2	5.50
Others (%)	1.1	0	0	0	0.28

Respondents Views on complicacies of VAT assessment

Survey data show that tax payers are not at all happy from the Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North) commissionerate about the procedure followed by the NBR to assess VAT. They stated multiple problems that they face during assessing their VAT. Most serious difficulty that the tax payers face during assessing their VAT is the assessment procedure itself. Over 39 percent of the respondents informed during the survey that VAT assessment procedure is a real cumbersome process. Improper assessment by the officials (50.70 %) demand for excess information by the VAT officials and official hassle (18.16 %) are the other problems that the traders face often in doing their business. They demanded

NBR should give proper attention to this and should introduce easy and hassle free VAT assessment procedure.

Table : Difficulties in VAT assessment:

Problems	Percentage (%)
Difficult Assessment Procedure	4.59
Improper Assessment	50.70
Different Information	2.28
Too much paper works	20.22
Hassle During Deposit	18.16

Respondents' suggestions to make VAT regime more understandable and easy to the VAT payers:

Respondents of the Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North) commissionerate were asked to suggest how to make VAT regime more pro people and hassle free. Multiple answers were received from them. Nearly 30.67 percent of the respondents emphasized on the increased and frequent advertisements in the national and local dailies depicting the importance of VAT and the procedure for submitting the same to the state treasury. This would help business as well as general people to know about VAT . Also the tax payers (5.87 %) demanded that the concerned offices should provide the VAT payers proper and just information so that they can pay the tax as per government rules and regulations. Tax payers (25.94%) suggested further that NBR should open help line to provide necessary helps to tax payers under Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North) commissionerate. Of the tax payers, nearly 7.60 percent emphasized on the importance of experienced staffs in the Commissionerate. They demanded that Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North) commissionerate. Should be well equipped with honest and experienced staffs to deal with VAT issues. Respondents (25.90 %) furthermore demanded that they should be provided correct and necessary information about VAT by the officials by arranging the campaign for creating awareness .

Table : Suggestions of the Respondents.

Opinion	Percentage (%)
Improve staff expertise	7.60
Provide correct information	5.87
Increase Add	30.67
Let people know the advantage of VAT	3.85
Help for online VAT	25.94
Awareness regarding VAT	25.90

VAT management by the Tax Payers under Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North)

Maximum of the business houses or enterprises (82.3%) have entrusted some personnel to look after VAT related issues for their companies or business. There are responsible persons looking after company's VAT who spend 1.9 hours a day to keep the record up to date. 84.2% of the respondents affirmed that they are acquainted with the new VAT laws to be introduced by the Government of Bangladesh. In four commissionerate of the Dhaka city such as Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North) commissionerate 9.4 percent had to face litigation in relation to VAT.

Tax Payers assessment on the VAT officials under Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North) commissionerate.

VAT payers opinion in the survey revealed that, officials responsible for VAT administration under Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North) commissionerate were very sincere in discharging their duties. According to 50.9 percent respondents, these officials visited them once during the fiscal year 2015-2016. 15.6 percent respondents said the officials came to their office twice and 10.3 percent respondents said that VAT related staff cam three times during the same period and rest of the 23.0 percent respondents of the Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North) commissionerate argued that the vat officials visited their business houses at four times .

Tax Payers Assessment on the VAT service Providers

Tax payers opinion on the performance of different offices or directorates engaged in providing services to the Tax payers exposed that they were more or less quite happy with the role these office have been paying a good role in extending their helping hands to the tax payers.

Table : Assessment of the Respondents on VAT service providers.

Name of the Offices	Scale	Percentage (%)
NBR	Low	0.38
	Average	8.93
	Good	82.98
	Very Good	7.73
	Excellent	0.00
VAT Online	Low	0.30
	Average	8.13
	Good	26.50
	Very Good	45.63
	Excellent	19.28
Commissionerate	Low	1.55
	Average	39.40
	Good	52.50
	Very Good	5.18
	Excellent	1.38
Divisional VAT Office	Low	4.48
	Average	25.18
	Good	62.08
	Very Good	4.35
	Excellent	0.38

About NBR on an average 82.98 percent tax payers expressed their satisfaction on the services this office is providing and respondents termed it was good and for the 7.73 percent it was very good and rest of the respondents of the Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North) commissionerate said it was excellent . About VAT online 26.50 percent respondents state its service as good, 26.50 percent as very good and the rest 19.28 percent termed their service as excellent. Service provided by the Commissionerate to the tax payers were equally satisfactory 52.50 percent termed the services provided by the Commissionerate to the tax payers, 39.40 percent treated as good, and the rest 1.38 percent as excellent. About Divisional VAT office 62.08 percent respondent told its services to the tax payers as good , 25.18 percent said average and 4.35 percent as very good for the taxpayers of Dhaka (West), Dhaka (South), Dhaka (East) and Dhaka (North) commissionerate.

CUSTOMS, EXCISE AND VAT COMMISSIONERATE, COMILLA:

Types of Taxpayers

In Total 45 companies and business owners were sampled out for this survey from among the enlisted business houses by following the scientific sampling procedure that has been proposed in the survey proposal and was approved by the NBR. Of these total 45 companies, 31.11 % were registered as private Limited , 64.45% were privately owned, another 2.22 % were Public Limited Company and the rest 2.22% business entrepreneurs were categorized as joint ownership etc.

Nature of Business:

Sampled Tax payers were engaged in different types of trading and business. Most of the sampled respondents (48.89%) were engaged in Production Oriented activities followed by Trading (22.22%), service Oriented Business (4.44%) and others (24.45).

Employment Situation:

Gender aggregate employment in the business enterprises of the respondents showed nearly 24.5 percent employees were females and the rest were males. While talking to the respondents it was revealed that in recent times, due to reasonable development of communication, trade and commercial activities have been expanding rapidly. Rapid expansion of trade and commerce consequently creating increased employment opportunities for both men and women. Usually in earlier periods women had little scope for employment outside the homestead due to strict social customs and norms, but with the changing pace of time women have debuting gradually and are joining in employment outside their own closed circle of homesteads and villages. To feed the labor needs for expanding trade and commercial activities, as well as for financial necessity of their own families, women in greater numbers are now participating in paid jobs in industries, offices, shops and works shops. In the total 45 sampled business, houses offices or the business entrepreneurs, there were 75.5 employees of which 100 % were males and the rest 24.5 % were females. Female employees were mostly employed in trading such as shop and shopping mall an auxiliary of the male or husband.

In Table below data on gender aggregated employment situation in surveyed business enterprises is presented.

Table: Gender Aggregated Employment Situation:

Gender of the Employers	Number
Male	75.5 %
Female	24.5 %
Total	100 %

Source: Field Level Survey 2017

Complexities in obtaining TIN

This survey was aimed at assessing Tax payers' satisfaction under VAT regime in Bangladesh. In order to assess the level of satisfaction among the tax payers, several issues were raised and responses were collected. One of the initial issues that were presented before the respondents was, whether they faced any complexities in obtaining Tax Identification Number (TIN) from the concerned office. Respondents were given several options to express their views. On the whole it was found that most of the respondents obtained the TIN from concerned office without hassle and easily. Out of total 45 respondents 84.45 % tax payers reported very easy process of obtaining TIN numbers and the rest said it was easy for them. In Table 4 below, data on Respondents view about the complexities in obtaining Tin numbers is presented.

Table: Responses on Complexities in Obtaining TIN

Responses on Complexities	Number
Extremely Complex	-
Complex	4.44
Neither Complex nor Easy	-
Easy	11.11%
Very Easy	84.45 %
Total	**100 %**

Source: Field Level Survey 2017

Sources of VAT Information

Respondents named various sources from where they became conversant about VAT and related information. They identified multiple sources that were useful to obtain information on VAT and related issues. Majority of the respondents (44.44%) became familiar about VAT and related issues from News Papers and 22.22 percent were benefited about VAT related information from Television and another were informed bt the Radio which percentage were 11.11. As well as **11.11** percent respondents stated that VAT related advertisement by the NBR made them aware about the issue. VAT officials played a key role in making the respondents

conscious about VAT. Over 4.46 percent respondents informed during the survey that VAT officials briefed them about VAT and related issues. Another 6.66 percent also became knowledgeable on VAT from Internet. In table 5 below Sources of information on VAT is presented.

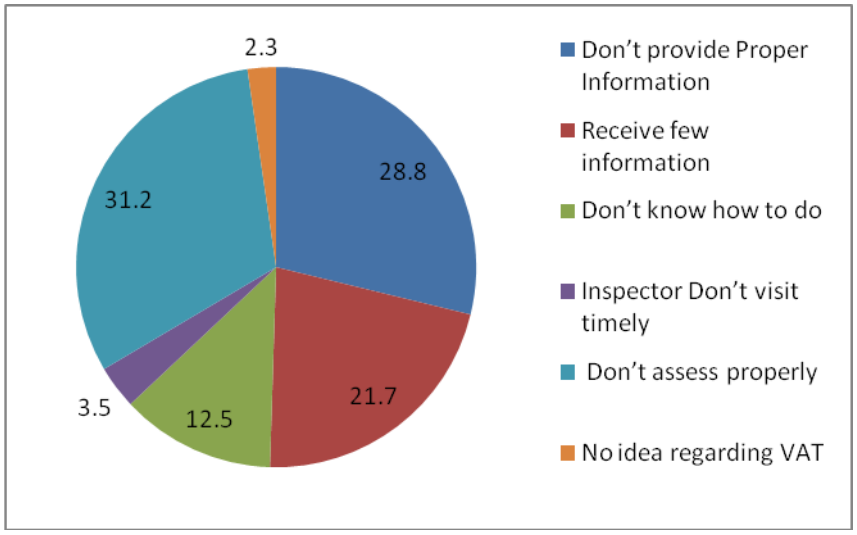
Table : Sources of Information

Sources of Information	Percentage
Television	22.22 %
Radio	11.11%
Newspapers	44.44%
Internet	6.66% %
VAT related Advertisement	11.11%
From VAT Officials	4.46
Others	0.0%

Source: Field level Survey 2017

Difficulties in TAX Registration System

During survey, tax payers identified several problems and difficulties that they faced during TAX registration. Some issues came up in the dissuasion related to hassle that the tax payers usually face at the time of tax registration. Of these; lack of information about tax registration was identified as the most serious problem by the respondents (28.8%) in registering themselves or their business for TIN followed by their lack of knowledge about how to proceed or what are the procedures of the tax registration (2.3%). Also 31.2 percent respondents complained about the improper assessment of their taxable income by the VAT officials and 3.5 percent respondents whined about the negligence of VAT officials in discharging their duties like helping tax payers in assessing tax return, about registration and so on.



Tax Payment by the Respondents:

Majority of the respondents (95.6%) paid their taxes to the government during the fiscal year 2015-2016. The trend indicates higher enrollment of tax payers in the taxation system under Comilla Commisisionarate, and that consequently paving the way for higher revenue collections by the government. Of the total respondents 95.6 percent enrolled tax payers paid their due taxes and 95.6% paid their VAT to the government treasury.

Table : Tax payment by the Respondents:.

Components	Customs excise and VAT Commissionerate Comilla
Payment of Taxes	95.6 %
VAT	95.6 %
Customs Duty	44.4 %
Supplementary Taxes	13.3 %
Taxes on assets	35.6 %
Tax deduction at origin	71.1 %
Tax deduction from salaries of the employees	84.4 %

Source: Field Level Survey 2017

Due to multiple answers total exceeds 100 percent

Sector wise, 95.6 percent respondents paid VAT. Followed by 84.4 percent respondents who paid taxes of the employees from the deduction of their salary, Over 71.7 percent paid taxes deducted at the source of their products, 44.4 percet informed about taxation payment as customs duty, 35.5 percent paid asset taxes and 13.3 percent also paid supplementary taxes to the government.

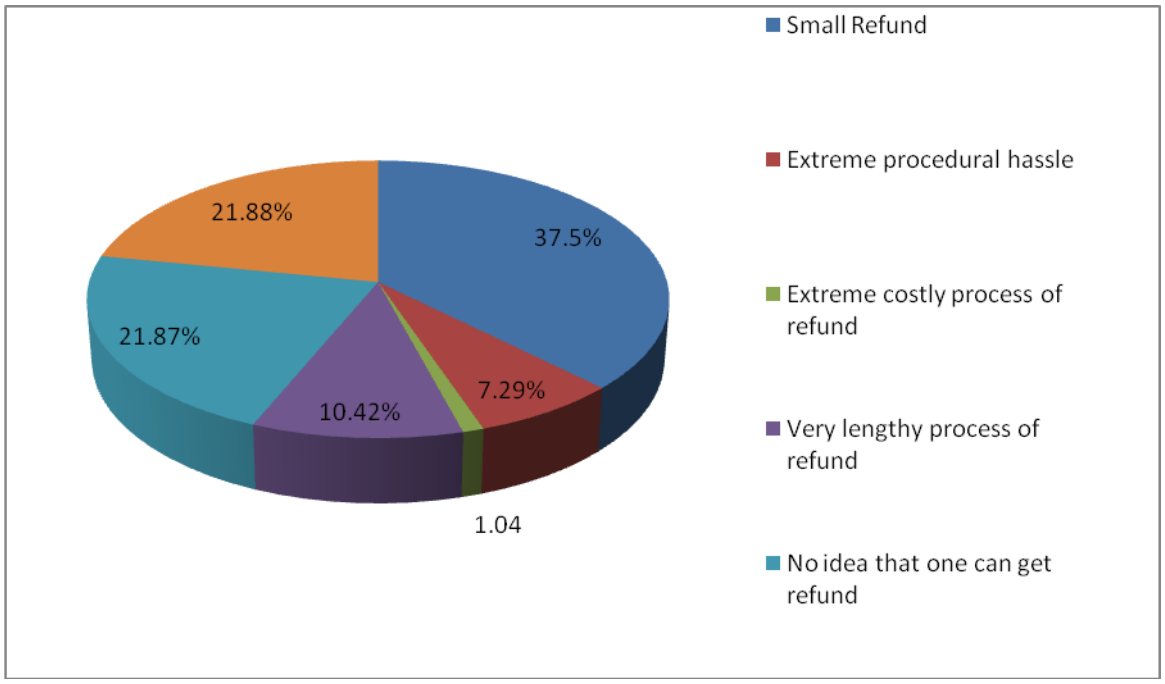
Respondents were asked whether they applied for tax return or not? In response, over 93 percent respondents reported that they applied for tax return and the rest did not. Those who did not apply for tax return stated different reasons for not submitting any applications for the same.

The most pertinent reason identified by the respondents who did not file any application for tax return was small refund that they might receive (37.5%) . Interestingly over 21.88 percent respondents were scared to file for tax return because they believe this might create or invite more complicacies in their business. Similar proportion of respondents also reported that they had no idea about possibilities of getting back refund from their tax payment. Procedural hassle also was a reason for 7.29 percent respondents for not filing any tax refund application. It shows that VAT regime needs further improvement in its services to the tax payers to make it people's friendly taxation system.

Table- Below reasons for not filing tax return application by the respondents is presented

Reasons	Number
Small Refund	37.50 %
Extreme procedural hassle	7.29 %
Extreme costly process of refund	1.04 %
Very lengthy process of refund	10.42 %
No idea that one can get refund	21.87 %
Asking about VAT refund in turn might invite more complexities , hassles, Audit, Inspection	21.88 %
Ignorant about how to apply for refund	-

Source; Filed Level Survey 2017



VAT Refund Issues

Most for the applicants (6.7 %) who applied for VAT refund, received their refund money within a span of 1.5 months and they opined it as a reasonable time for getting the refund back. But ironically 91.1 percent applicant complained about paying bribe to the dealing staffs for getting back the return. But at the same time over 97 percent respondents also informed that they found no anomalies in VAT assessment by the VAT staffs. Filing tax return application was easy for 95.6 percent applicants and the rest 4.4 percent said it was difficult for them. These small percent of respondents belonged to small business entrepreneurs having little or no education. Over 84 percent responds expressed their happiness on the performance of officials and staffs in the VAT office.(For details see Annexure).

Rating Vat Activities:

Opinion assessment of the respondents on the efficacy of the VAT activities was done during the survey. With regard to efficiency and capabilities of the VAT staffs 55.6 percent respondents stated it was average and the rest 44.4 percent expressed their happiness about the efficiency of the VAT staffs under Comilla Commissiorate. Of the total respondents 82.2 percent respondents expressed their happiness on the supportive attitude of the VAT officials in Comilla Commisiotrate and the rest 17.8 percent stated that the supportive attitude of the VAT officials was average. Politeness of the dealing staffs in VAT wing of Comilla Comissionarate was assessed as average by 40 percent respondents while 37.8 percent said they were happy and the rest 22.2 percent expressed very happy opinion about the polite behavior of the VAT staffs in Comilla commisiorate. Majority of the respondents informed that honesty of the VAT staffs under Comilla Commisiorate was average and only 11.6 percent respondents were happy about the honesty of the VAT staffs.

Table 8: Rating VAT activities by the Respondents

Rating	Competence and qualification of the VAT staff	Cooperation of VAT staff	Humility of VAT staff	Honesty of the VAT staffs	Fairness in valuation
Very Unhappy	-	-	-	-	-
Unhappy	-	-	-	-	-
Normal	55.6	17.8	40.0	88.4	74.5
Happy	44.4	82.2	37.8	11.6	22.4
Very happy	-	-	22.2	-	3.1

Problems faced by the Respondents during Tax return

Respondents faced various problems while submitting Tax returns under Comilla Commisionarate. The most painstaking problem that the respondents faced (93%) was spending very long time in submitting tax return. Another major problem for the respondents (86%) in submitting tax return under Comilla Commisionarate was procedural repetitions in the system and they viewed this procedural repetition or in other words red tapism actually is the reason for taking long time in submitting tax return to the appropriate authority. Respondents expressed their hope that concerned authority will do whatever is needed to easy the submission procedure so that the tax payers can submit their tax returns with no hassle and within a short span of time.

Table : Problems faced by the Respondents during submission of Tax Return

Problems	Yes	No
Bribe	-	-
Excess Tax levy	4.8	95.2
Refused to accept Relevant papers in support of VAT payment by the officials	14.0	86.0
Long time needed for submission of return	93.0	7.0
Red Tapism	86.0	14.0

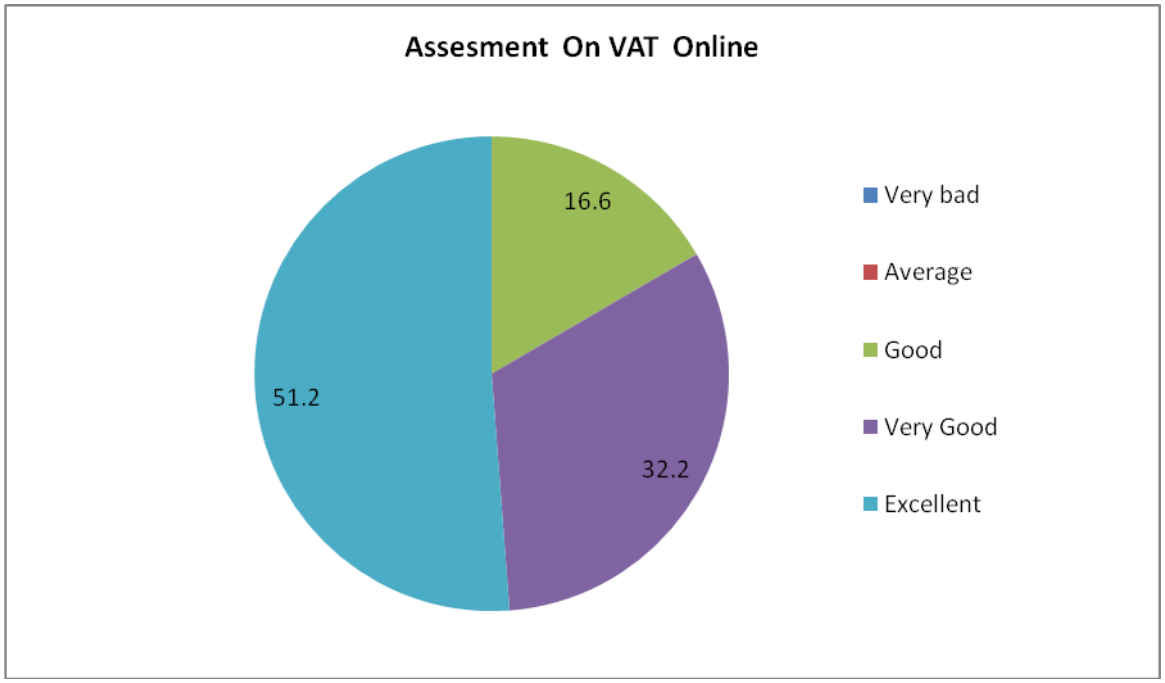
Source; Field Level survey 2017

Respondent's opinion Online VAT program

The Ministry of Finance, Government of Bangladesh has introduced VAT Online Program to make VAT payment easy and accountable. Respondents were asked to provide their views on online VAT program of Bangladesh Government. Majority respondents (51.2%) said this is an excellent step in fiscal management of government. 32.2 percent viewed the program as very good and the rest opined it as good measure.

Table : Assessment On VAT Online

Very bad	Average	Good	Very Good	Excellent
-	-	16.6	32.2	51.2



Annual Turn Over, Bank transactions

During the fiscal year 2015-2016 the net turnover of the surveyed companies/business enterprises under Comilla Commisisionerate show that nearly two third of the business enterprises had financial annual turnover within Taka 200000 to 500000, while rest 25.6 percent had annual turnover between Tk 500000 to Tk 1000000

Respondents Business houses mostly do financial transaction through cash payment (95.3%) while only 4.7 percent do financial transaction through Bank, though 95.3 percent respondents had Bank accounts.

All the respondents agreed on the importance of getting purchase receipt in doing transactions. While inquiring about the academic qualifications of the respondents it was found that 53.5 percent owners were graduate or had post graduate degrees, while 39.5 percent passed either SSC or HSC and only 7 percent had academic qualification below SSC.

Respondents Views on complicacies of VAT assessment

Survey data show that tax payers are not at all happy about the procedure followed by the NBR to assess VAT. They stated multiple problems that they face during assessing their VAT. Most serious difficulty that the tax payers face during assessing their VAT is the assessment procedure itself. Over 39 percent of the respondents informed during the survey that VAT assessment procedure is a real cumbersome process. Improper assessment by the officials (25.69) Complex procedure (22.94%) , demand for excess information by the VAT officials (7.34%), increased VAT assessment instead of real estimation(2.75%) and official hassle(1.83%) are the other problems that the traders face often in doing their business. They demanded NBR should give proper attention to this and should introduce easy and hassle free VAT assessment procedure.

Table : Difficulties in VAT assessment:

Problems	Percentage (%)
Difficult Assessment Procedure	39.45 %
Improper Assessment	25.09 %
Complex Procedure	22.95 %
Different Information	7.34 %
Too much paper works	2.75 %
Hassle During Deposit	1.83 %

Respondents' suggestions to make VAT regime more understandable and easy to the VAT payers:

Respondents were asked to suggest how to make VAT regime more pro people and hassle free. Multiple answers were received from them. Nearly 37 percent of the respondents emphasized on the increased and frequent advertisements in the national and local dailies depicting the importance of VAT and the procedure for submitting the same to the state treasury. This would help business as well as general people to know about VAT (23.85%) . Also the respondent tax payers (12.84%) demanded that the concerned offices should provide the VAT payers proper and just information so that they can pay the tax as per government rules and regulations. Tax payers (22.94%) suggested further that NBR should open help line to provide necessary helps to tax payers under Comilla Commisionartae. Of the tax payers, nearly 12 percent emphasized on the importance of experienced staffs in the commisionarate. They demanded that Comilla Commsisionarte should be well equipped with honest and experienced staffs to deal with VAT issues. Respondents (12.84%) furthermore demanded that they should be provided correct and necessary information about VAT by the officials which at present they are not getting. Lastly slightly over 11 percent respondents suggested that NBR should also initiate awareness campaign about VAT at the earliest to make people aware about the necessity of VAT. (Table -11)

Table 11: Suggestions of the Respondents.

Opinion	Percentage (%)
Improve staff expertise	11.93 %
Provide correct information	12.84 %
Increase Add	36.70 %
Let people know the advantage of VAT	23.85 %
Help for online VAT	22.94 %
Awareness regarding VAT	11.01 %

VAT management by the Tax Payers under Comilla Commsisionarate.

All the business houses or enterprises (100%) have entrusted some personnel to look after VAT related issues for their companies or business. On an average there responsible persons looking after company's VAT spend 1.4 hours a day to keep the record up to date. All the respondents (100%) affirmed that they are acquainted with the new VAT laws to be introduced by the Government of Bangladesh. None of the respondents (100%) had to face any litigation in relation to VAT

Tax Payers assessment on the VAT officials under Comilla Commisionrate

VAT payers opinion in the survey revealed that, officials responsible for VAT administration under Comilla Commisionrate were very sincere in discharging their duties. According to 60.2 percent respondents , these officials visited them once during the fiscal year 2015-206. 19.3 percent respondents said the officials came to their office twice and 20.5 respondents said that VAT related staff cam three times during the same period. (See Annexure for details)

Tax Payers Assessment on the VAT service Providers.

Tax payers opinion on the performance of different offices or directorates engaged in providing services to the Tax payers exposed that they were more or less quite happy with the role these office have been paying a good role in extending their helping hands to the tax payers.

Table : Assessment of the Respondents on VAT service providers.

Name of the Offices	Scale	Percentage (%)
NBR	Low	-
	Average	65.3
	Good	25.3
	Very Good	9.4
	Excellent	-
VAT Online	Low	-
	Average	-
	Good	4.7
	Very Good	12.3
	Excellent	83.0
Commissionerate	Low	-
	Average	67.4
	Good	20.5
	Very Good	10.1
	Excellent	2.0
Divisional VAT Office	Low	-
	Average	58.9
	Good	30.4
	Very Good	8.7
	Excellent	2.0

Source: Filed level Survey 2017

About NBR on an average 65.3 percent tax payers expressed their satisfaction on the services this office is providing and respondents termed it as good which is 25.3 percent and for the rest 9.4 percent it was very good. About VAT online 4.7 percent respondents state its service as good, 12.3 percent as very good and the rest 83.0 percent termed their service as

excellent. Service provided by the Comilla Commisionarate to the tax payers were equally satisfactory 67.4 percent termed the services provided by the commisionartae to the tax payers, 20.5 percent treated as good, 10.1 percent as very good and the rest 2.0 percent as excellent. About Divisional VAT office 58.9 percent respondent told its services to the tax payers as average, 30.4 percent as good, 8.7 percent as very good and the rest 2.0 percent as excellent.

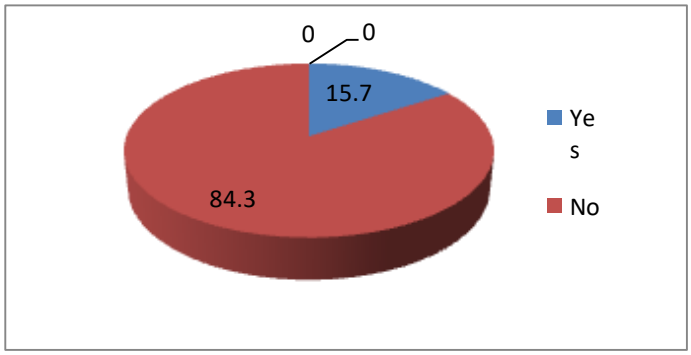
ANNEXURE

Q.12 & Q.13; VAT refund and Days took to receive the refund money

Received VAT Refund ?	Percentage (%)
Yes	15.7
No	84.3
Time Required to get the VAT Refund	
Days	38.41
Months	1.52

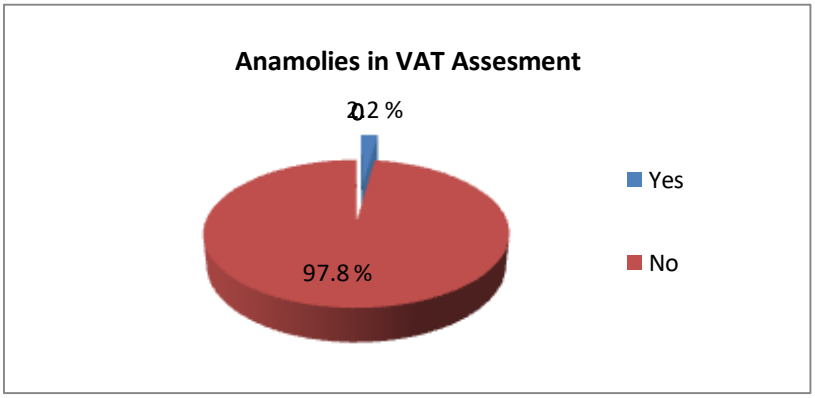
Q.14 Paying Money for getting back VAT refund

Received VAT Refund?	Percentage (%)
Did you have to pay any extra money to get the VAT refund	
YES	15.7
NO	84.3



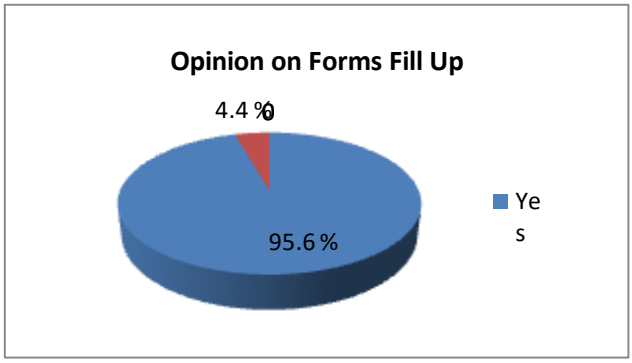
15: Anomalies in VAT assessment by NBR

Opinion	Percentage (%)
Did you notice any anomalies on assessing your VAT during the fiscal year 2015-2016 by NBR?	
Yes	2.2
No	97.8
If yes: Type(s) of Anomalies	
1	
2	



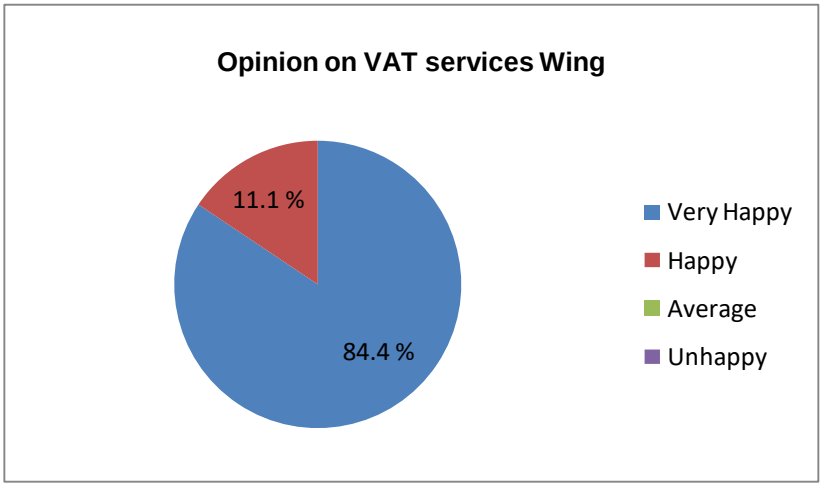
Q 16 Do you find the forms for VAT submission easy?

Opinion	Percentage (%)
Did you find Filling Taxes return Forms easy	
Yes	95.6
No	4.4



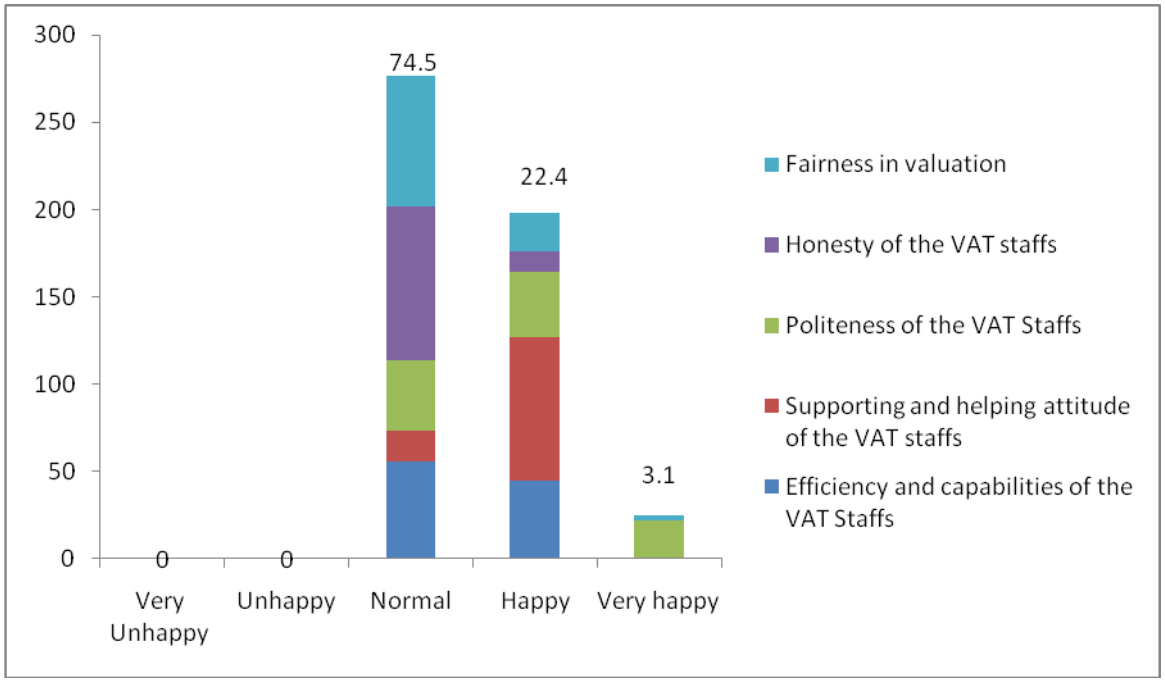
Q 17 . Are you satisfied with the information service provided by the VAT wing?

Opinion	Percentage (%)
Are you happy about the services provided by the VAT wing	
Very Happy	84.4
Happy	15.6
Average	-
Unhappy	-



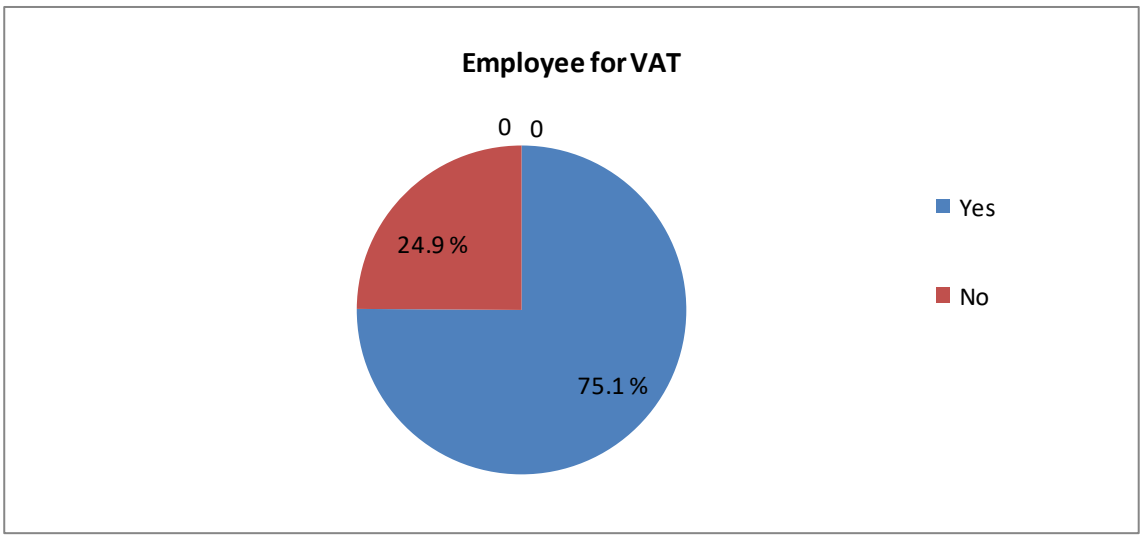
Q.18. : Rating of the Respondents regarding Activities of VAT wings

	Rating	Competence and qualification of the VAT staff	Cooperation of VAT staff	Humility of VAT staff	Honesty of the VAT staffs	Fairness in valuation
Customs excise and VAT Commissionerate Comilla	Very Unhappy	-	-	-	-	-
	Unhappy	-	-	-	-	-
	Normal	55.6	17.8	40.0	88.4	74.5
	Happy	44.4	82.2	37.8	11.6	22.4
	Very happy	-	-	22.2	-	3.1



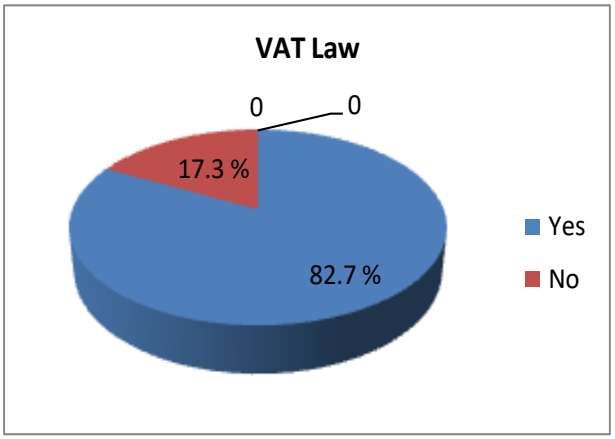
Q.28 and 29 : Presence of employees for looking after VAT matters and time spent on VAT related works

Commissionarate	Do you have any Employees to look after VAT related works		If yes average how much do they spend to look after VAT related works?
	Yes (%)	No (%)	hours
Customs excise and VAT Commissionerate Comilla	75.10	24.90	1.44



Q.30. Knowledge about New VAT law

Commissionarate	Do you have any knowledge about New VAT Law introduced by the Govt of Bangladesh?	
	Yes (%)	No (%)
Customs excise and VAT Commissionerate Comilla	82.7 %	17.3 %



Q.31: Any experience on VAT related litigation?

Commissionarate	Do you have any experience on VAT related Litigations?	
	Yes (%)	No (%)
Customs excise and VAT Commissionerate Comilla	-	100.0

CUSTOMS, EXCISE AND VAT COMMISSIONERATE, SYLHET:

Types of Taxpayers

In Total 60 companies and business owners were sampled out for this survey from among the enlisted business houses by following the scientific sampling procedure that has been proposed in the survey proposal and was approved by the NBR. Of these total 60 companies, 9.8 % were registered as public ltd, 30.0 percent private Limited , 3 % were joint ownership, 41.4 % were privately owned, another 15.8 % were included in other category etc.

Nature of Business:

Sampled Tax payers were engaged in different types of trading and business. Most of the sampled respondents were engaged in Trading (55.9%), Production Oriented activities (10.0%), followed by 23.7 % service Oriented Business and others 9.8 percent .

Employment Situation:

Gender aggregate employment in the business enterprises of the respondents showed nearly 28.79 percent employees were females and the rest were males. While talking to the respondents it was revealed that in recent times, due to reasonable development of communication, trade and commercial activities have been expanding rapidly. Rapid expansion of trade and commerce consequently creating increased employment opportunities for both men and women. Usually in earlier periods women had little scope for employment outside the homestead due to strict social customs and norms, but with the changing pace of time women have debuting gradually and are joining in employment outside their own closed circle of homesteads and villages. To feed the labor needs for expanding trade and commercial activities, as well as for financial necessity of their own families, women in greater numbers are now participating in paid jobs in industries, offices, shops and works shops. In the total 60 sampled business, houses offices or the business entrepreneurs, there were 71.21 percent employees of which were males and the rest 28.79 % were females.

In Table below data on gender aggregated employment situation in surveyed business enterprises is presented.

Table: Gender Aggregated Employment Situation:

Gender of the Employers	Percentage (%)
Male	71.21
Female	28.79
Total	100 %

Source: Field Level Survey 2017

Complexities in obtaining TIN

This survey was aimed at assessing Tax payers' satisfaction under VAT regime in Bangladesh. In order to assess the level of satisfaction among the tax payers, several issues were raised and responses were collected. One of the initial issues that were presented before the respondents was, whether they faced any complexities in obtaining Tax Identification Number (TIN) from the concerned office. Respondents were given several options to express their views. On the whole it was found that most of the respondents obtained the TIN from concerned office without hassle and easily. Out of total 60 respondents 66.1 % tax payers reported easy process of obtaining TIN numbers and the rest 28.8 percent said it was very easy for them.

In Table below, data on Respondents view about the complexities in obtaining Tin numbers is presented.

Table: Responses on Complexities in Obtaining TIN

Responses on Complexities	Number
Extremely Complex	-
Complex	-
Neither Complex nor Easy	5.1
Easy	66.1
Very Easy	28.8
Total	**100 %**

Source: Field Level Survey 2017

Sources of VAT Information

Respondents named various sources from where they became conversant about VAT and related information. They identified multiple sources that were useful to obtain information on VAT and related issues. Majority of the respondents (34.92%) became familiar about VAT and related issues from internet while 17.46 % from news Papers and 31.75 percent were benefited about VAT related information from VAT related Advertisement 11.11 percent were from Television and another were informed by the VAT officials which percentage were 4.76

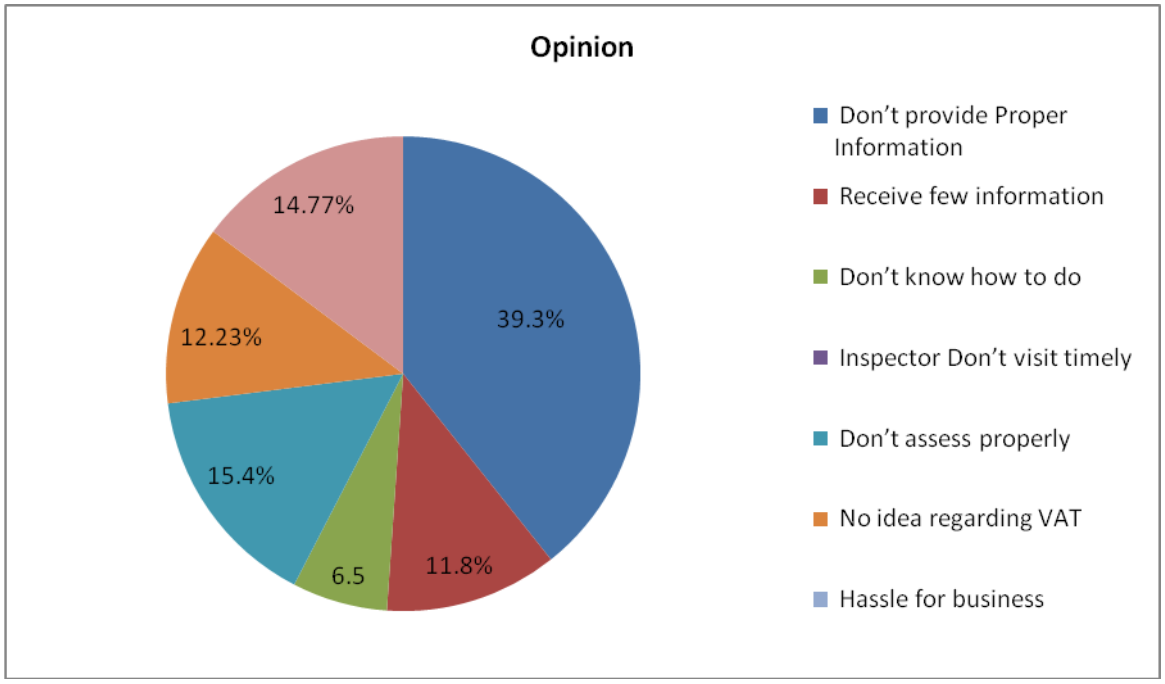
Table : Sources of Information

Sources of Information	Percentage
Television	11.11
Radio	0.0
Newspapers	17.46
Internet	34.92
VAT related Advertisement	31.75
From VAT Officials	4.76
Others	0.0%

Source: Field level Survey 2017

Difficulties in TAX Registration System

During survey, tax payers identified several problems and difficulties that they faced during TAX registration. Some issues came up in the dissuasion related to hassle that the tax payers usually face at the time of tax registration. Of these; lack of information about tax registration was identified as the most serious problem by the respondents (39.3%) in registering themselves or their business for TIN followed by their lack of knowledge about how to proceed or what are the procedures of the tax registration (6.5%). Also 15.4 percent respondents complained about the improper assessment of their taxable income by the VAT officials and 11.8 percent respondents whined about the negligence of VAT officials in discharging their duties like helping tax payers in assessing tax return, about registration and so on.



Tax Payment by the Respondents:

All of the respondents (100%) paid their VAT to the government during the fiscal year 2015-2016. The trend indicates higher enrollment of tax payers in the taxation system under Sylhet Commisisionarate, and that consequently paving the way for higher revenue collections by the government. Of the total respondents 95.6 percent enrolled tax payers paid their due taxes and 100 % paid their VAT to the government treasury.

Table : Tax payment by the Respondents:.

Components	Percentage (%)
Payment of Taxes	95.0
VAT	100.0
Customs Duty	70.0
Supplementary Taxes	65.0
Taxes on assets	75.0
Tax deduction at source	51.7
Tax deduction from salaries of the employees	65.0

Source: Field Level Survey 2017

Due to multiple answers total exceeds 100 percent

Sector wise, hundred percent respondents paid VAT. Followed by 65 percent respondents who paid taxes of the employees from the deduction of their salary, Over 51.7 percent paid taxes deducted at the source of their products, 70 percent informed about taxation payment as customs duty, 75 percent paid asset taxes and 65 percent also paid supplementary taxes to the government.

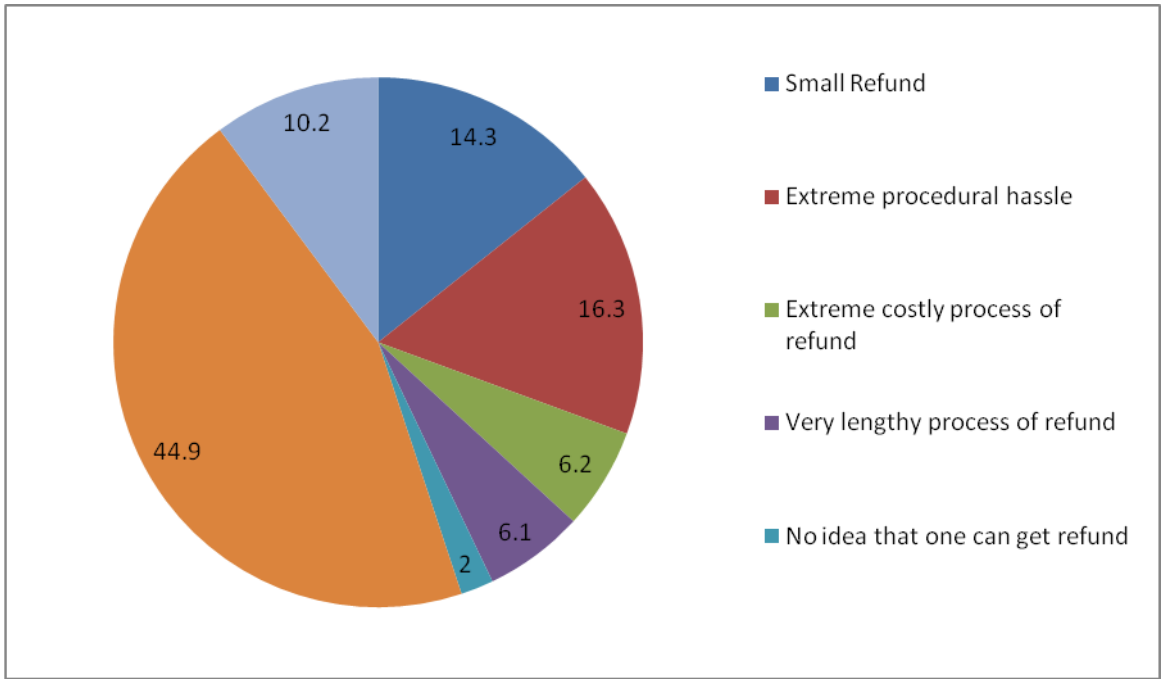
Respondents were asked whether they applied for tax return or not? In response, over 95.9 percent respondents reported that they applied for tax return and the rest did not. Those who did not apply for tax return stated different reasons for not submitting any applications for the same.

The most pertinent reason identified by the respondents who did not file any application for tax return was small refund that they might receive (14.3.5%) . Interestingly over 44 percent respondents were scared to file for tax return because they believe this might create or invite more complicacies in their business. 16.3 percent respondents reported for extreme procedural hassle,2.0 % had no idea about possibilities of getting back refund from their tax payment. 6.2 percent also informed that was a reason for not filing any tax refund application. It shows that VAT regime needs further improvement in its services to the tax payers to make it people's friendly taxation system.

Table- Below reasons for not filing tax return application by the respondents is presented

Reasons	Percentage (%)
Small Refund	14.3
Extreme procedural hassle	16.3
Extreme costly process of refund	6.2
Very lengthy process of refund	6.1
No idea that one can get refund	2.0
Asking about VAT refund in turn might invite more complexities , hassles, Audit, Inspection	44.9
Ignorant about how to apply for refund	-

Source; Filed Level Survey 2017



VAT Refund Issues

Most for the applicants (6.7 %) who applied for VAT refund, received their refund money within a span of 1.5 months and they opined it as a reasonable time for getting the refund back. But ironically maximum applicant complained about paying bribe to the dealing staffs for getting back the return. But at the same time over 98.3 percent respondents also informed that they found no anomalies in VAT assessment by the VAT staffs. Filing tax return application was easy for 72,0 percent applicants and the rest 28 percent said it was difficult for them. These small percent of respondents belonged to small business entrepreneurs having little or no education. Over 56.7 percent responds expressed their happiness on the performance of officials and staffs in the VAT office.(For details see Annexure).

Rating Vat Activities:

Opinion assessment of the respondents on the efficacy of the VAT activities was done during the survey. With regard to efficiency and capabilities of the VAT staffs 48 percent respondents stated it was average and the rest 30 percent expressed their happiness about the efficiency of the VAT staffs under Sylhet Commissiorate. Of the total 60 respondents of the Sylhet Commissionerate 36.7 percent respondents expressed their happiness on the supportive attitude of the VAT officials in Sylhet Commisiotrate and the rest 50 percent stated that the supportive attitude of the VAT officials was average. Politeness of the dealing

staffs in VAT wing of Sylhet Comissionarate was assessed as average by 40 percent respondents while 38.3 percent said they were happy and the rest 11.1 percent expressed very happy opinion about the polite behavior of the VAT staffs in Sylhet commisiorate. Majority of the respondents informed that honesty of the VAT staffs under Sylhet Commisiorate was average and only 10 percent respondents were happy about the honesty of the VAT staffs.

Table 8: Rating VAT activities by the Respondents

Rating	Competence and qualification of the VAT staff	Cooperation of VAT staff	Humility of VAT staff	Honesty of the VAT staffs	Fairness in valuation
Very Unhappy	0	0	0	0	0.0
Unhappy	6.7	5.0	10.0	10.0	10.7
Normal	48.3	50.0	38.3	45.0	65.8
Happy	35.0	36.7	40.0	35.0	20.6
Very happy	10.0	8.3	11.7	10.0	2.9

Problems faced by the Respondents during Tax return

Respondents faced various problems while submitting Tax returns under Sylhet Commisionarate. The most painstaking problem that the respondents faced was spending very long time in submitting tax return. Another major problem for the respondents (80%) in submitting tax return under Sylhet Commisionarate was procedural repetitions in the system and they viewed this procedural repetition or in other words red tapism actually is the reason for taking long time in submitting tax return to the appropriate authority. Respondents expressed their hope that concerned authority will do whatever is needed to easy the submission procedure so that the tax payers can submit their tax returns with no hassle and within a short span of time.

Table 9: Problems faced by the Respondents during submission of Tax Return

Problems	Yes (%)	No (%)
Bribe	18.0	82.0
Excess Tax levy	8.7	91.3
Refused to accept Relevant papers in support of VAT payment by the officials	20.0	80.0
Long time needed for submission of return	14.0	86.0
Red Tapism	20.0	80.0

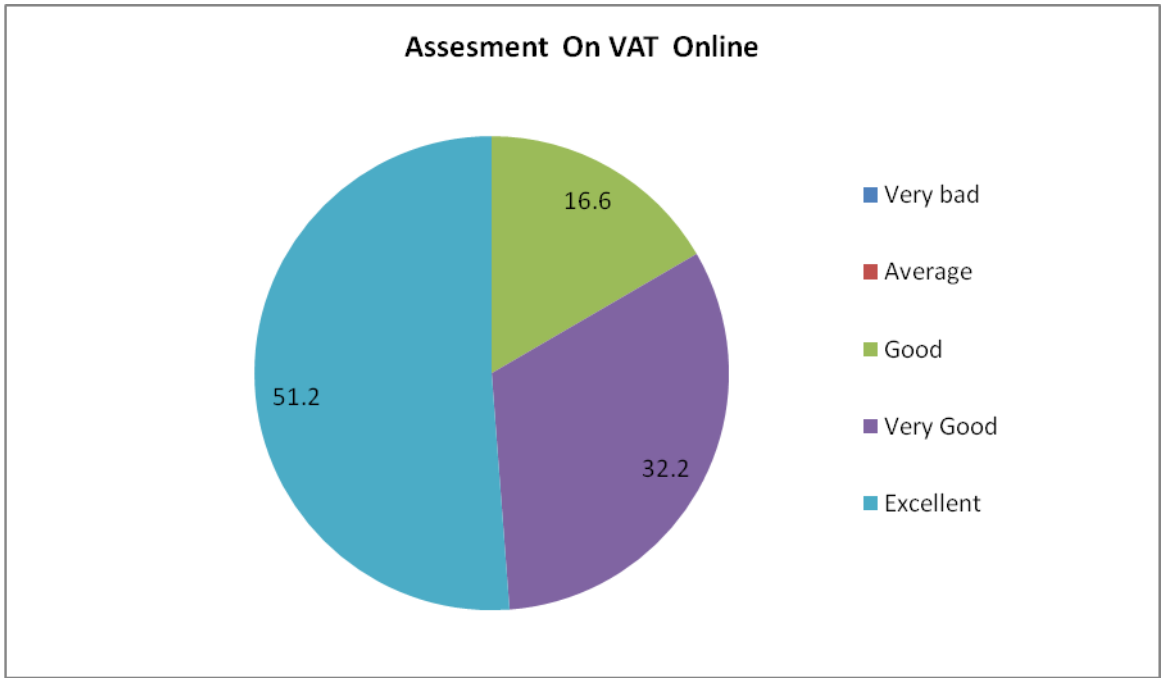
Source; Field Level survey 2017

Respondent's opinion Online VAT program

The Ministry of Finance, Government of Bangladesh has introduced VAT Online Program to make VAT payment easy and accountable. Respondents were asked to provide their views on online VAT program of Bangladesh Government. Majority respondents (72.9 %) said this is an excellent step in fiscal management of government 27.1 percent viewed the program as very good .

Table - Assessment On VAT Online

Very bad	Average	Good	Very Good	Excellent
-	-	-	27.1	72.9



Annual Turn Over, Bank Transactions

During the fiscal year 2015-2016 the net turnover of the surveyed companies/business enterprises under Sylhet Commisisionerate show that 44.1 percent of the business enterprises had financial annual turnover within Taka 200000 to 500000, while rest 33.9

percent had annual turnover between Tk 500000 to Tk 1000000 and rest of the 22 percent taxpayers transaction turnover Tk 1000000 and above

Respondents Business houses mostly do financial transaction through cash payment (71.7 %) while only 22.3 percent do financial transaction through Bank, though 9o percent respondents had Bank accounts.

All the respondents agreed on the importance of getting purchase receipt in doing transactions. While inquiring about the academic qualifications of the respondents it was found that 40.7 percent owners were graduate or had post graduate degrees, while 52.6 percent passed either SSC or HSC and only 2.7 percent had academic qualification below SSC.

Respondents Views on complicacies of VAT assessment

Survey data show that tax payers are not at all happy about the procedure followed by the NBR to assess VAT. They stated multiple problems that they face during assessing their VAT. Most serious difficulty that the tax payers face during assessing their VAT is the assessment procedure itself. Over 39 percent of the respondents informed during the survey that VAT assessment procedure is a real cumbersome process. Improper assessment by the officials (26.3 %) Complex procedure (28.9%) , demand for excess information by the VAT officials (7.9 %), and official hassle (21.1 %) are the other problems that the traders face often in doing their business. They demanded NBR should give proper attention to this and should introduce easy and hassle free VAT assessment procedure.

Table : Difficulties in VAT assessment:

Problems	Percentage (%)
Different Assessment	7.9
Improper Assessment	26.3
Different Paper	7.9
Different Information	28.9
Hassle during deposit VAT	7.9

Official Problem	21.1

Respondents' suggestions to make VAT regime more understandable and easy to the VAT payers:

Respondents were asked to suggest how to make VAT regime more pro people and hassle free. Multiple answers were received from them. Nearly 23.7 percent of the respondents emphasized on the increased and frequent advertisements in the national and local dailies depicting the importance of VAT and the procedure for submitting the same to the state treasury. This would help business as well as general people to know about VAT (13.6 %) . Also the respondent tax payers (20.3 %) demanded that the concerned offices should provide the VAT payers proper and just information so that they can pay the tax as per government rules and regulations. Tax payers (6.8 %) suggested further that NBR should open help line to provide necessary helps to tax payers under Sylhet Commisionartae. Of the tax payers, nearly 3.4 percent emphasized on the importance of experienced staffs in the commisionarate. They demanded that Sylhet Commsisionarte should be well equipped with honest and experienced staffs to deal with VAT issues. Lastly over 23.7 percent respondents suggested that NBR should also initiate awareness campaign about VAT at the earliest to make people aware about the necessity of VAT.

Table 11: Suggestions of the Respondents.

Opinion	**Percentage (%)**
Improve staff expertise	3.4
Provide correct information	20.3
Increase Advertisement	23.7
Let people know the advantage of VAT	13.6
Help for online VAT	6.8
Awareness regarding VAT	23.7
Require Lower Tax	5.1
Official Problem	3.4

VAT management by the Tax Payers under Sylhet Commsisionarate.

Maximum of the business houses or enterprises (56.7.%) have entrusted some personnel to look after VAT related issues for their companies or business. On an average there responsible persons looking after company's VAT spend 1.o8 hours a day to keep the record up to date. Respondents (67.8%) affirmed that they are acquainted with the new VAT laws to

be introduced by the Government of Bangladesh. The respondents (97.1 %) had no face any litigation in relation to VAT

(For details please see Annexure)

Tax Payers assessment on the VAT officials under Sylhet Commisionerate

VAT payers opinion in the survey revealed that, officials responsible for VAT administration under Sylhet Commisionrate were very sincere in discharging their duties. According to 48.3 percent respondents VAT officials visited them once during the fiscal year 2015-206. 31.7 percent respondents said the officials came to their office twice and 18.3 percent respondents said that VAT related staff cam three times during the same period. (See Annexure for details)

Tax Payers Assessment on the VAT service Providers.

Tax payers opinion on the performance of different offices or directorates engaged in providing services to the Tax payers exposed that they were more or less quite happy with the role these office have been paying a good role in extending their helping hands to the tax payers.

Table : Assessment of the Respondents on VAT service providers.

Name of the Offices	Scale	Percentage (%)
NBR	Low	0
	Average	0
	Good	25.0
	Very Good	65.0
	Excellent	10.0
VAT Online	Low	0
	Average	0
	Good	0
	Very Good	3.3
	Excellent	96.7
Commissionerate	Low	0
	Average	0
	Good	50.0
	Very Good	43.3
	Excellent	6.7
Divisional VAT Office	Low	0
	Average	1.7
	Good	33.3
	Very Good	56.7
	Excellent	8.3

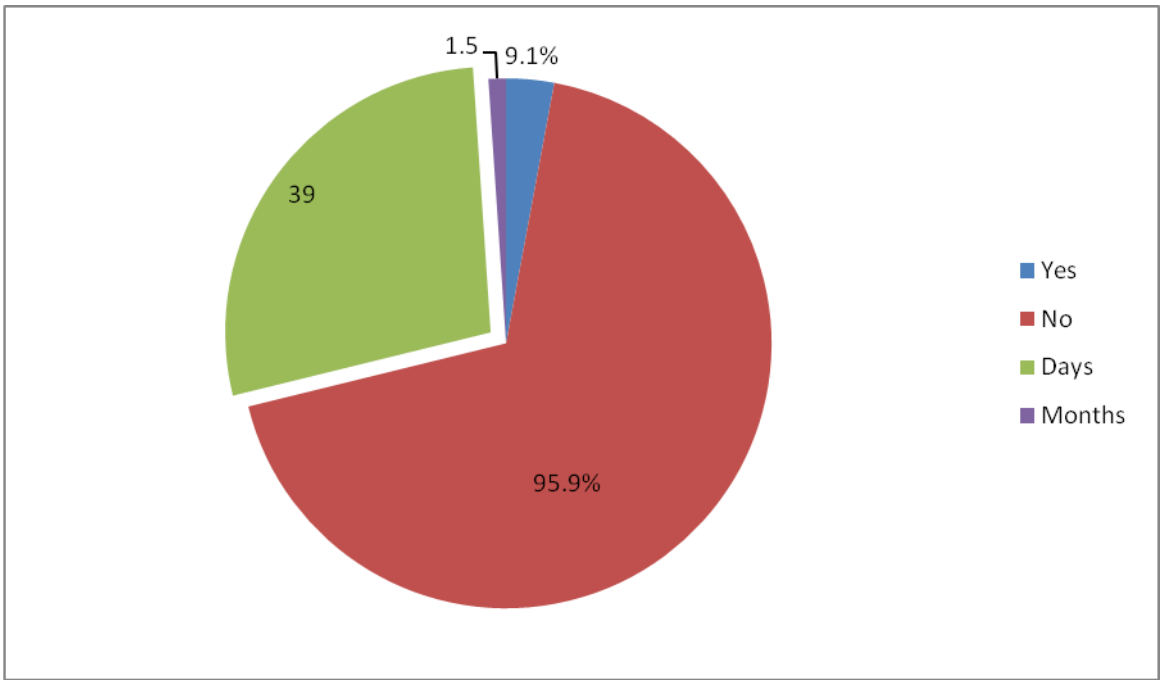
Source: Filed level Survey 2017

About NBR 25 percent tax payers expressed their satisfaction on the services this office is providing and respondents termed it as good , 65 percent told very good and for the rest 10 percent it was excellent. About VAT online 96.7 percent respondents state its service is excellent , and only 3.3 percent as very good . Service provided by the Sylhet Commisionarate to the tax payers were good for 50 percent the services provided by the commisionertae to the tax payers, 43.3 percent treated as very good, and rest of the 6.7 percent told as excellent. About Divisional VAT office 56.7 percent respondent told its services to the tax payers very good , 33.3 percent as good, and rest of the 8.3 percent respondents found excellent.

ANNEXURE

Q.12 & Q.13; VAT refund and Days took to receive the refund money

Yes (%()	4.1
No (%)	95.9
Time Required to get the VAT Refund	
Days	39
Months	1.5



Q.14 Paying Money for getting back VAT refund money

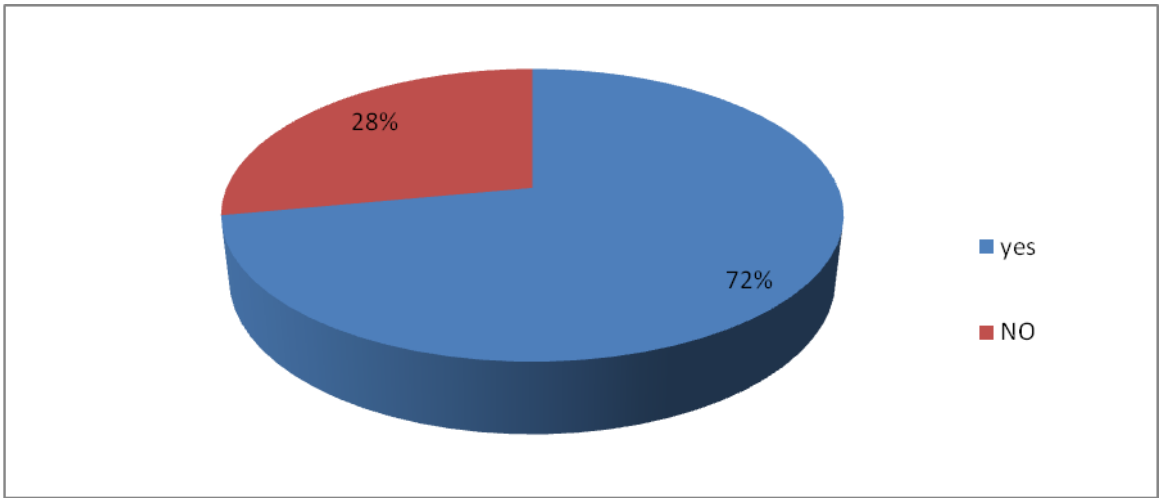
Did you have to pay any extra money to get the VAT refund money	Percentage (%)
YES	9.1
NO	90.9

15: Anomalies in VAT assessment by NBR

Did you notice any anomalies on assessing your VAT during the fiscal year 2015-2016 by NBR?	
Yes	1.7
No	98.3

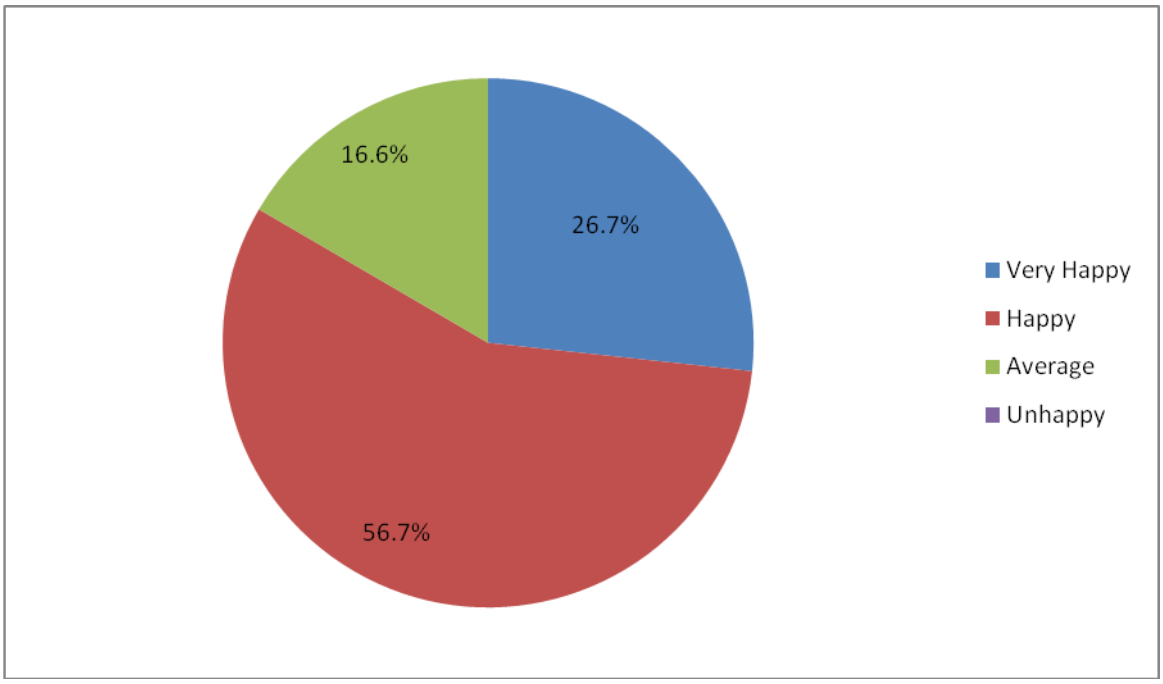
Q 16: Do you find the forms for VAT submission easy?

Did you find Filling Taxes return Forms easy	
Yes	72,0 %
No	28.0 %



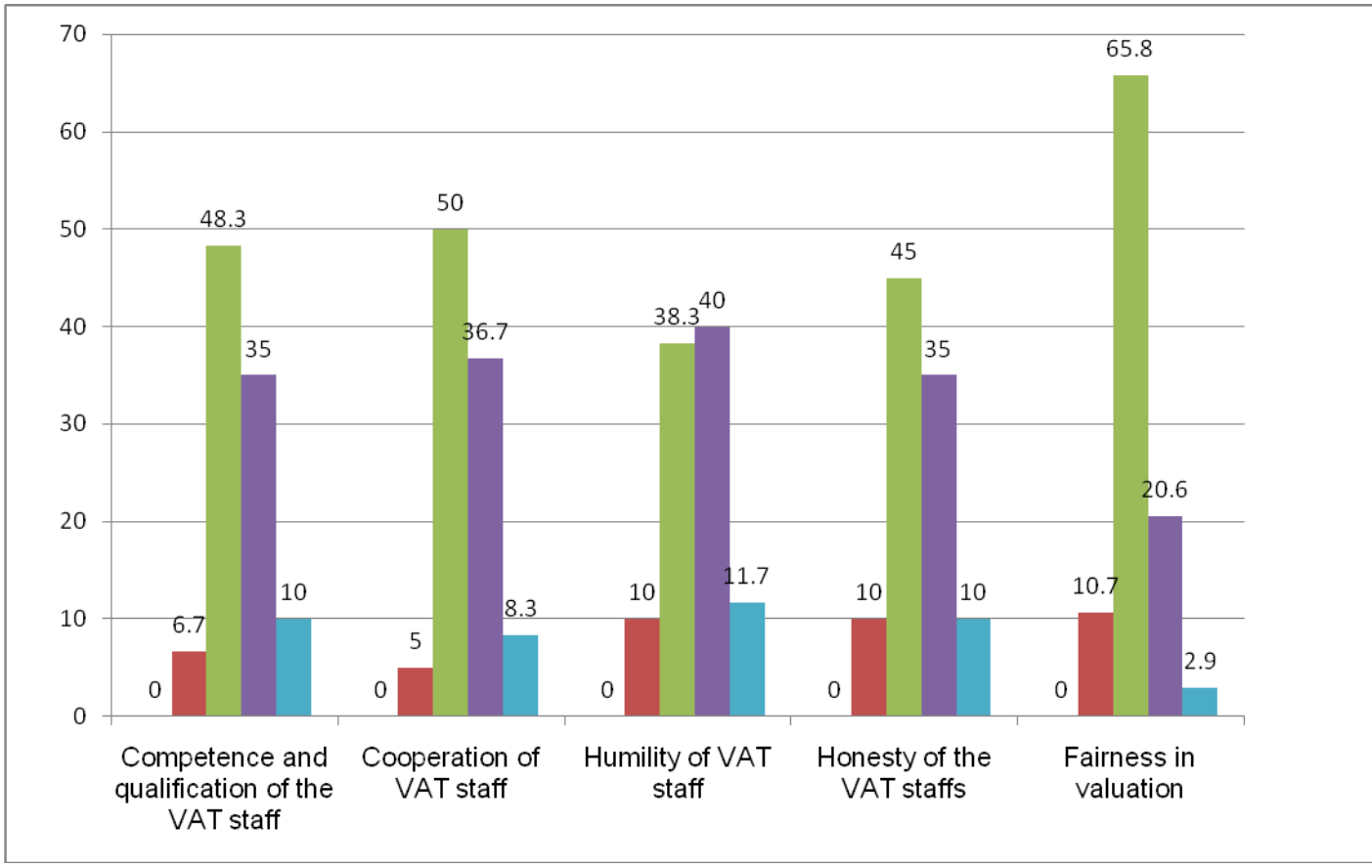
Q.17: Are you satisfied with the information service provided by the VAT wing?

Satisfaction Level	Percentage (%)
Very Happy	26.7
Happy	56.7
Average	16.6
Unhappy	0



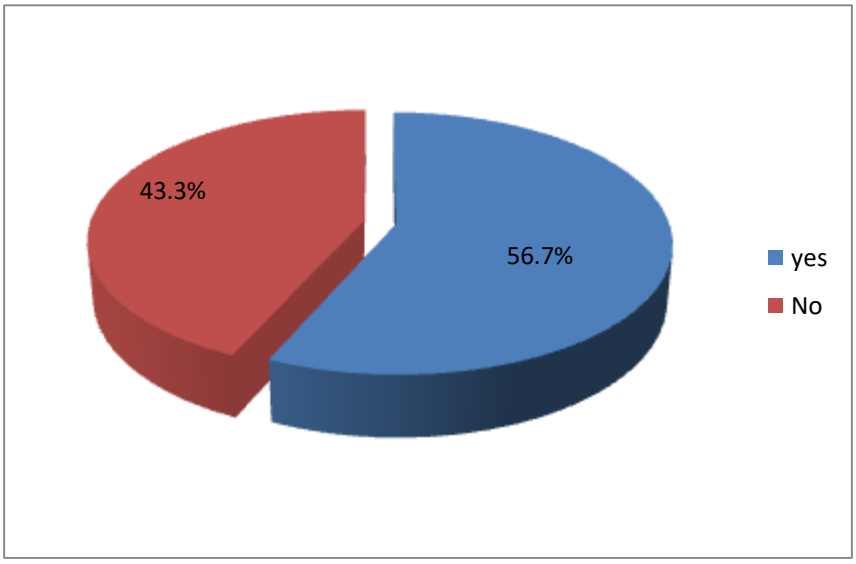
Q.18. Rating of the Respondents regarding Activities of VAT wings

	Rating	Competence and qualification of the VAT staff	Cooperation of VAT staff	Humility of VAT staff	Honesty of the VAT staffs	Fairness in valuation
Customs Excise and VAT Commissionerate, Sylhet	Very Unhappy	0	0	0	0	0.0
	Unhappy	6.7	5.0	10.0	10.0	10.7
	Normal	48.3	50.0	38.3	45.0	65.8
	Happy	35.0	36.7	40.0	35.0	20.6
	Very happy	10.0	8.3	11.7	10.0	2.9



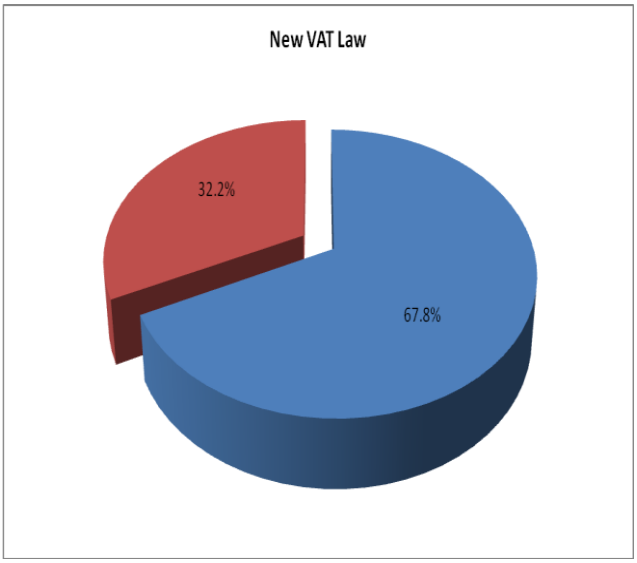
Q.28 and 29: Presence of employees for looking after VAT matters and time spent on VAT related works

Customs Excise and VAT Commissionerate, Sylhet	Do you have any Employees to look after VAT related works		If yes average how much do they spend to look after VAT related works?
	Yes	No	Hours
	56.7	43.3	1.08.



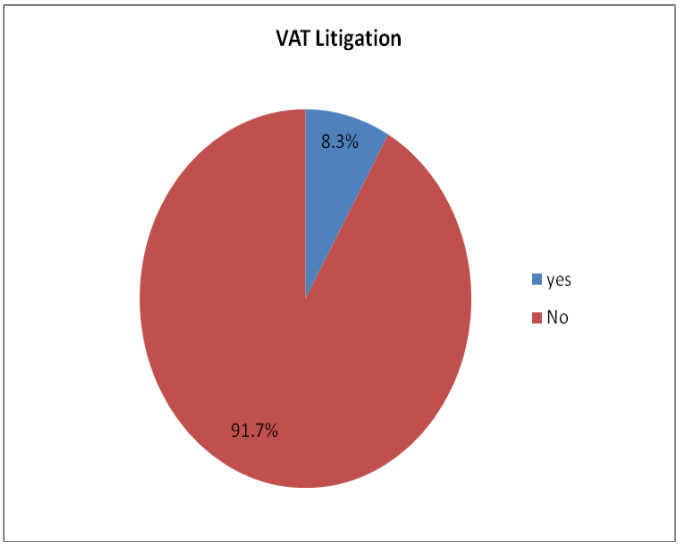
Q.30. Knowledge about New VAT law

Customs Excise and VAT Commissionerate, Sylhet	Do you have any knowledge about New VAT Law introduced by the Govt of Bangladesh?	
	Yes	**No**
	67.8	32.2



Q.31: Any experience on VAT related litigation?

Customs Excise and VAT Commissionerate, Sylhet	Do you have any experience on VAT related Litigations?	
	Yes	No
	8.3	91.7



CUSTOMS , EXCISE & VAT COMMISSIONERATE , CHITTAGONG

Types of Taxpayers

In Total 130 companies and business owners were sampled out for this survey from among the enlisted business houses by following the scientific sampling procedure that has been proposed in the survey proposal and was approved by the NBR. Of these total 130 companies, 1.9 % were registered as public Limited, 24.8 % were private Ltd. , another 20.0 % were joint ownership, 41.4% and the rest of the 53.3 % business entrepreneurs were categorized as private ownership .

Type of Business:

Sampled Tax payers were engaged in different types of trading and business. Most of the sampled respondents (39.2%) were engaged in Trading Oriented activities followed by service oriented (25.5%), the respondents told to the enumerator that 34.3% businessmen are engaged in production oriented Business and others (1.0%).

Types of business	Percentage (%)
Production Oriented	34.3
Trading	39.2
Service oriented business	25.5
Others	1.0

Employment Situation:

Gender aggregate employment in the business enterprises of the respondents showed 19.45 percent employees were females and the rest were males. While talking to the respondents it was exposed that in recent times, due to reasonable development of communication, trade and commercial activities have been expanding rapidly. Rapid expansion of trade and commerce consequently creating increased employment opportunities for both men and women. Usually in earlier periods women had little scope for employment outside the homestead due to strict social customs and norms, but with the changing pace of time women have debuting gradually and are joining in employment outside their own closed circle of homesteads and villages. To feed the labor needs for expanding trade and commercial activities, as well as for financial necessity of their own families, women in greater numbers are now participating in paid jobs in industries, offices, shops and works shops. In the total 130 sampled business, houses offices or the business entrepreneurs, there were over 80 percent male employees . Female employees were mostly employed in trading such as shop and shopping mall as an auxiliary of the male or husband.

In Table : below data on gender aggregated employment situation in surveyed business enterprises is presented.

Table. Gender Aggregated Employment Situation:

Gender of the Employers	Number
Male	80.55 %
Female	19.45 %
Total	100 %

Source: Field Level Survey 2017

Complexities in obtaining TIN

This survey was meant at assessing Tax payers' satisfaction under VAT regime in Bangladesh. In order to assess the level of satisfaction among the tax payers, several issues were raised and responses were collected. One of the initial issues that were presented before the respondents was, whether they faced any complexities in obtaining Tax Identification Number (TIN) from the concerned office. Respondents were given several options to express their views. On the whole it was found that most of the respondents obtained the TIN from concerned office without hassle and easily. Out of total 130 respondents 70.02 % tax payers reported easy process ,19.2 % told very easy of obtaining TIN numbers and the rest said it Neither complex nor easy for them.

In Table 4 below, data on Respondents view about the complexities in obtaining Tin numbers is presented.

Table: Responses on Complexities in Obtaining TIN

Responses on Complexities	Number
Extremely Complex	1.0
Complex	1.0
Neither Complex nor Easy	8.6
Easy	70.02 %
Very Easy	19.2 %
Total	**100 %**

Source: Field Level Survey 2017

Sources of VAT Information

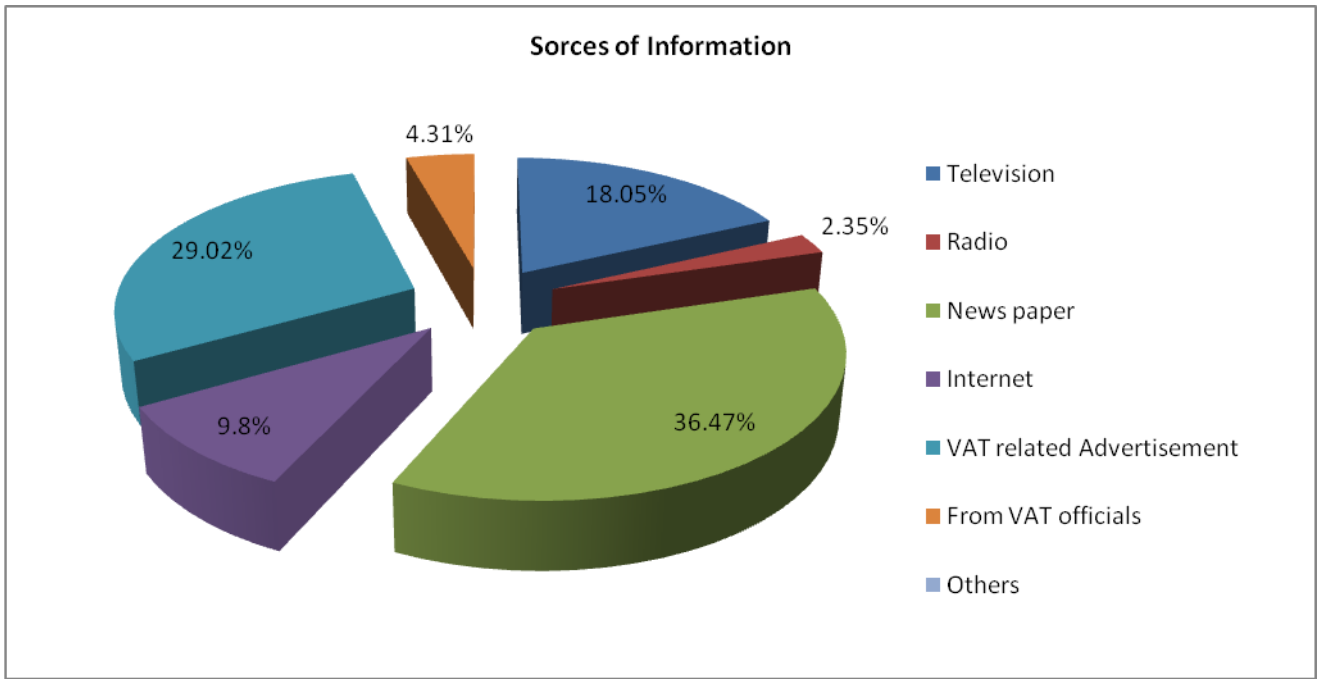
Respondents named various sources from where they became conversant about VAT and related information. They identified multiple sources that were useful to obtain information on VAT and related issues. Majority of the respondents (36.47%) became familiar with VAT related information from newspapers, 4.31 percent respondent informed about VAT and related issues from vat officials, 29.02 percent VAT related Advertisement, 18.05 % from television , 9.80 % from internet and 2.35 percent were benefited from radio.

In table- 5 below Sources of information on VAT is presented.

Table5 : Sources of Information

Sources of Information	Percentage
Television	18.05%
Radio	2.35%
Newspapers	36.47%
Internet	9.80%
VAT related Advertisement	29.02%
From VAT Officials	4.31 %
Others	0.0 %

Source: Field level Survey 2017



Difficulties in TAX Registration System

During survey, tax payers identified several problems and difficulties that they faced during TAX registration. Some issues came up in the dissuasion related to hassle that the tax payers usually face at the time of tax registration. Of these; lack of information about tax registration was identified as the most serious problem by the respondents (21.69%) in registering themselves or their business for TIN followed by their lack of knowledge about how to proceed or what are the procedures of the tax registration (37.57%). Also 24.34 percent respondents complained about the improper assessment of their taxable income by the VAT officials and 15.34 percent respondents expressed about the negligence of VAT officials in discharging their duties like helping tax payers in assessing tax return, about registration and so on.

Tax Payment by the Respondents:

Majority of the respondents 100 percent paid their VAT & 99 % paid taxes to the government during the fiscal year 2015-2016. The trend indicates higher enrollment of tax payers in the taxation system under Chittagong Commisisionerate and that consequently paving the way for higher revenue collections by the government. Of the 130 respondents 81.9 % paid customs

duty , sent percent paid supplementary tax, 65.7 % paid taxes on assets , 98.1 percent deposited to the govt. treasury for tax deduction at source and 93.1% paid tax deduction from salaries of the employees

Table : Tax payment by the Respondents:.

Components	Percentage (%)
Payment of Income Taxes	99.0%
VAT	100%
Customs Duty	81.9%
Supplementary Taxes	100%
Taxes on assets	65.7%
Tax deduction at source	98.1%
Tax deduction from salaries of the employees	93.1%

Source: Field Level Survey 2017

Due to multiple answers total exceeds 100 percent

Respondents were asked whether they applied for VAT return or not? In response, over 98.1 percent respondents reported that they did not apply for VAT return and the rest did . Those who did not apply for tax return stated different reasons for not submitting any applications for the same.

The most pertinent reason identified by the respondents who did not file any application for VAT return was small refund that they might receive 8.20. Interestingly over 3.19 percent respondents were scared to file for tax return because they believe this might create or invite more complicacy es in their business. 30.08 of respondents also reported that they had no idea about possibilities of getting back refund from their tax payment. Procedural hassle also was a reason for 17.97 percent respondents for not filing any tax refund application. It shows that VAT regime needs further improvement in its services to the tax payers to make it people's friendly taxation system.

Table-: Below reasons for not filing tax return application by the respondents is presented

Reasons	Percentage (%)
Small Refund	8.20
Extreme procedural hassle	17.97
Extreme costly process of refund	15.95
Very lengthy process of refund	14.84
No idea that one can get refund	9.77
Asking about VAT refund in turn might invite more complexities , hassles, Audit, Inspection	3.19
Ignorant about how to apply for refund	30.08

Source; Filed Level Survey 2017

VAT Refund Issues

The applicants (1.9 %) who applied for VAT refund, received their refund money within a span of 1.4 months and they opined it as a reasonable time for getting the refund back. But ironically 25.43% percent applicant complained about paying bribe to the dealing staffs for getting back the return. But at the same time over 99 percent respondents also informed that they found no anomalies in VAT assessment by the VAT staffs. Filing tax return application was easy for 81 percent applicants and the rest 19 percent said it was difficult for them. These small percent of respondents belonged to small business entrepreneurs having little or no education. Over 82.8 percent responds expressed their happiness on the performance of officials and staffs in the VAT office. (For details see Annexure).

Rating Vat Activities:

Opinion assessment of the respondents on the efficacy of the VAT activities was done during the survey. With regard to efficiency and capabilities of the VAT staffs 95.2 percent respondents stated it was normal and the rest 3.8 percent expressed their unhappiness about the efficiency of the VAT staffs under Chittagong Commissionerate. Of the total respondents 87.6 percent respondents expressed their happiness on the supportive attitude of the VAT officials in Chittagong Commisionerate and the 8.6 percent stated that the supportive attitude of the VAT officials was average, 3.8 percent were unhappy on the attitude of the VAT staffs. Politeness of the dealing staffs in VAT wing of Chittagong Comissionerate was assessed as normal by 97.1 percent respondents while 2.9 percent said they were unhappy opinion about the polite behavior of the VAT staffs in Chittagong commisiorate. Majority of the respondents informed that honesty of the VAT staffs under Chittagong Commisionerate was average and 1 percent respondents were happy and 2.9 percent were unhappy about the honesty of the VAT staffs.

Table : Rating VAT activities by the Respondents

Rating	Competence and qualification of the VAT staff	Cooperation of VAT staff	Humility of VAT staff	Honesty of the VAT staffs	Fairness in valuation
Very Unhappy	0	0	0	0	1.5 %
Unhappy	3.8 %	3.8 %	2.9 %	2.9 %	4.7 %
Normal	95.2 %	8.6 %	97.1 %	96.2 %	84.6 %
Happy	0	0	0	1.0 %	8.3 %
Very happy	1.0 %	87.6 %	0	0	1.2 %

Problems faced by the Respondents during Tax return:

Respondents faced various problems while submitting Tax returns under Chittagong Commisionerate. Major problem for the respondents (80%) in submitting tax return under Chittagong Commisionerate was procedural repetitions in the system and they viewed this procedural repetition or in other words red tapism (86%) actually is the reason for taking long time in submitting tax return to the appropriate authority. Respondents expressed their hope that concerned authority will do whatever is needed to easy the submission procedure so that the tax payers can submit their tax returns with no hassle and within a short span of time.

Table : Problems faced by the Respondents during submission of Tax Return

Problems	Yes	No
Bribe	18.0	82.0
Excess Tax levy	8.7	91.3
Refused to accept Relevant papers in support of VAT payment by the officials	20.0	80.0
Books of accounts decline	20.0	80.0
Same procedural repetition	20.0	80.0
Red Tapism	14.0	86.0

Source; Field Level survey 2017

Respondent's opinion Online VAT program

The Ministry of Finance, Government of Bangladesh has introduced VAT Online Program to make VAT payment easy and accountable. Respondents were asked to provide their views on online VAT program of Bangladesh Government. Majority respondents (65.7%) said this is good step in fiscal management of government. 13.3 percent viewed the program as very good, 2.9 percent did comment that it is very bad , 11.4 percent said average and the rest 6.7 percent stated it is excellent measure.

Table - : Assessment On VAT Online

Very bad	Average	Good	Very Good	Excellent
2.9	11.4	65.7	13.3	6.7

Annual Turn Over, Bank transactions

During the fiscal year 2015-2016 the net turnover of the surveyed companies/business enterprises under Chittagong Commisisionerate show that nearly two third of the business

enterprises had financial annual turnover Tk 1000000 and above (74.8), 5.2 percent the turnover of Taka 200000 to 500000, and the rest 20.0 percent had annual turnover of Tk 500000 to Tk 800000 .

Respondents Business houses mostly do financial transaction through banking channel (73.3%) while 16.7 percent do financial transaction through cash payment and the rest of the respondents do their transaction in others which percentage is 10 percent though 99 percent respondents had Bank accounts.

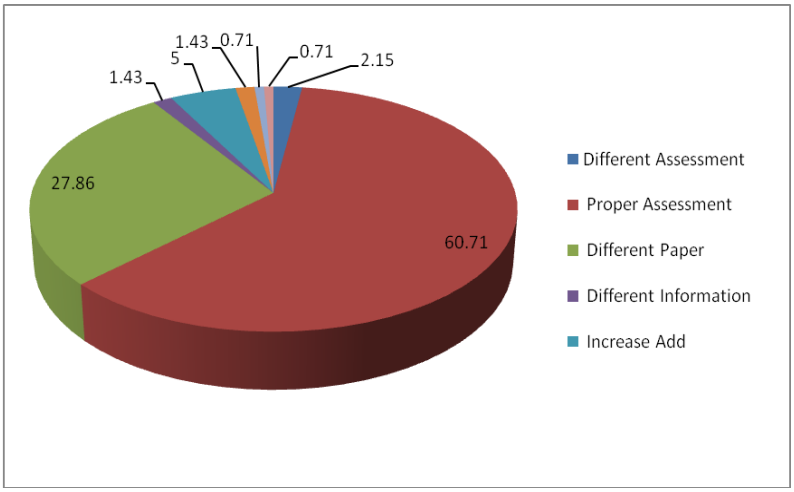
All the respondents agreed on the importance of getting purchase receipt in doing transactions. While inquiring about the academic qualifications of the respondents it was found that 87.1 percent owners were Graduate/ Master degree holder , significantly shows that this commissionerate belong largest number of FCA/ICMA which percentage is 7.0. only 1.9 percent respondent found HSC/SSC passed while 3.0 percent included in other category.

Respondents Views on complicacies of VAT assessment

Survey data show that tax payers are not at all happy about the procedure followed by the NBR to assess VAT. They stated multiple problems that they face during assessing their VAT. Most serious difficulty that the tax payers face during assessing their VAT is the assessment procedure itself. Over 2.15percent of the respondents informed during the survey that VAT assessment procedure is a real cumbersome process. Improper assessment by the officials (60.71) Complex procedure (27.86 %) , demand for excess information by the VAT officials increased VAT assessment instead of real estimation (1.43%) and official hassle (1.43 %) and 21.1 percent are the other problems that the traders face often in doing their business. They demanded NBR should give proper attention to this and should introduce easy and hassle free VAT assessment procedure. (Table: 11)

Table : Difficulties in VAT assessment:

Problems	Percentage (%)
Difficult Assessment Procedure	2.15
Improper Assessment	60.71
Official problems	0.71
Different Information	1.43
Too much paper works	27.86
Hassle During Deposit	1.43
Increase Advertisement	5.00



Respondents' suggestions to make VAT regime more understandable and easy to the VAT payers:

Respondents were asked to suggest how to make VAT regime more pro people and hassle free. Multiple answers were received from them. Nearly 32.77 percent of the respondents emphasized on the increased and frequent advertisements in the national and local dailies depicting the importance of VAT and the procedure for submitting the same to the state treasury. This would help business as well as general people to know about VAT (1.28 %). Also the respondent tax payers (11.49 %) demanded that the concerned offices should provide the VAT payers proper and just information so that they can pay the tax as per government rules and regulations. Tax payers (26.38%) suggested further that NBR should open help line to provide necessary helps to tax payers under Chittagong Commisionertae. Of the tax payers, nearly 14.47 percent emphasized on the importance of experienced staffs in the commisionerate. They demanded that Chittagong Commsisionerte should be well equipped with honest and experienced staffs to deal with VAT issues. Furthermore demanded that they should be provided correct and necessary information about VAT by the officials which at present they are not getting. Lastly slightly over 13.62 percent respondents suggested that NBR should also initiate awareness campaign about VAT at the earliest to make people aware about the necessity of VAT.

Table : Suggestions of the Respondents.

Opinion	**Percentage (%)**
Improve staff expertise	14.47
Provide correct information	11.49
Increase Advertisement	32.77

Let people know the advantage of VAT	1.28
Help for online VAT	26.38
Awareness regarding VAT	13.62

VAT management by the Tax Payers under Chittagong Commsisionerate.

All the business houses or enterprises (89%) have entrusted some personnel to look after VAT related issues for their companies or business. On an average there responsible persons looking after company's VAT spend 1.18 hours a day to keep the record up to date. Most the respondents (87.5%) affirmed that they are acquainted with the new VAT laws to be introduced by the Government of Bangladesh. 4.8 percent Taxpayers had to face litigation in relation to VAT. (For details see Annexure)

Tax Payers assessment on the VAT officials under Chittagong Commisionerate :

VAT payers opinion in the survey revealed that, officials responsible for VAT administration under Chittagong Commisionerate were very sincere in discharging their duties. According to respondents VAT officials visited them four times during the fiscal year 2015-206. 22.3 percent respondents said the officials came to their office twice and 1.0 percent respondents said that VAT related staff cam three times during the same period. (See Annexure for details)

Tax Payers Assessment on the VAT service Providers.

Tax payers opinion on the performance of different offices or directorates engaged in providing services to the Tax payers exposed that they were more or less quite happy with the role these office have been paying a good role in extending their helping hands to the tax payers.

Table : Assessment of the Respondents on VAT service providers.

Name of the Offices	Scale	Percentage (%)
NBR	Low	1.0
	Average	5.8

	Good	93.3
	Very Good	0
	Excellent	0
VAT Online	Low	0
	Average	2.9
	Good	3.8
	Very Good	87.5
	Excellent	5.8
Commissionerate	Low	0
	Average	4.8
	Good	95.2
	Very Good	0
	Excellent	0
Divisional VAT Office	Low	0
	Average	4.8
	Good	95.2
	Very Good	0
	Excellent	0

Source: Filed level Survey 2017

About NBR 93 percent tax payers expressed their satisfaction on the services this office is providing and respondents termed it as good which is 5.8 percent told average . About VAT online 2.9 percent respondents state its service as average, 87.5 stated as very good , 3.8 percent told as good and 5.8 percent seemed that the VAT Online office providing is excellent. Service provided by the Chittagong Commisionerate to the tax payers were equally satisfactory 95.2 percent termed the services provided by the commisionartae to the tax payers, 4.8 percent treated as average. About Divisional VAT office 4.8 percent respondent told its services to the tax payers as average, 95.2 percent as good.

ANNEXURE

Q. 12 & 13. VAT refund and Days took to receive the refund money

Received VAT Refund?	Customs Excise and VAT Commissionerate, Chittagong
Yes	1.9
No	98.1
Time Required to get the VAT Refund	
Months	1.4

Q.14: Paying **Money for getting back VAT refund?**

Opinion	Percentage (%)
Yes	25.43
No	74.57

15: Have you notice any anomalies in your company's VAT valuation in fiscal year 201-16?

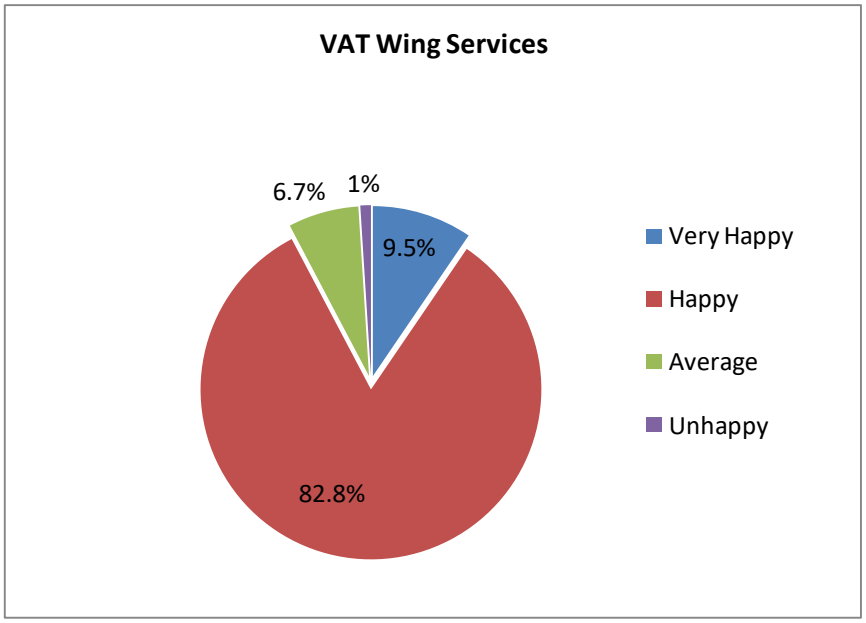
Did you notice any anomalies on assessing your VAT during the fiscal year 2015-2016 by NBR?	
Yes	1.0
No	99.0

Q.16: **Do you find the forms for VAT submission easy?**

Did you find Filling Taxes return Forms easy	
Yes	81.0
No	19.0

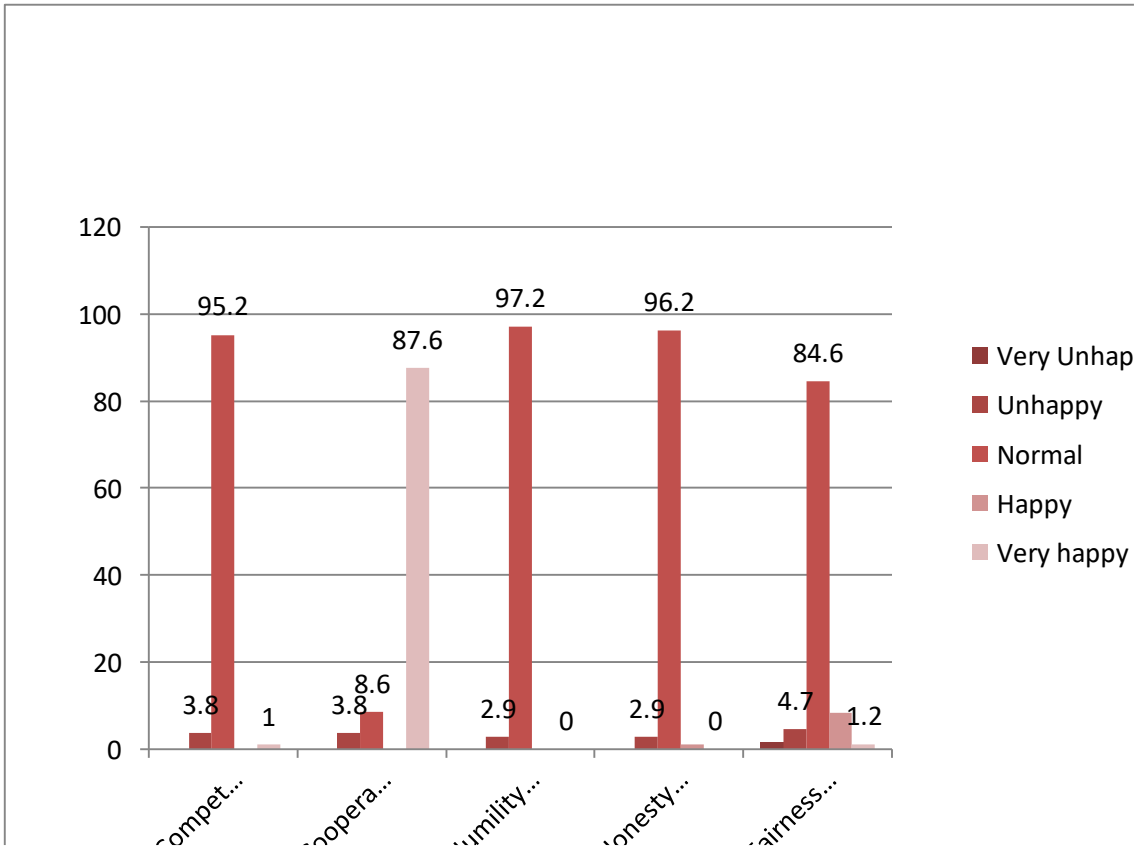
Q.17: Are you satisfied with the information service provided by the VAT wing?

Very Happy	9.5
Happy	82.8
Average	6.7
Unhappy	1.0



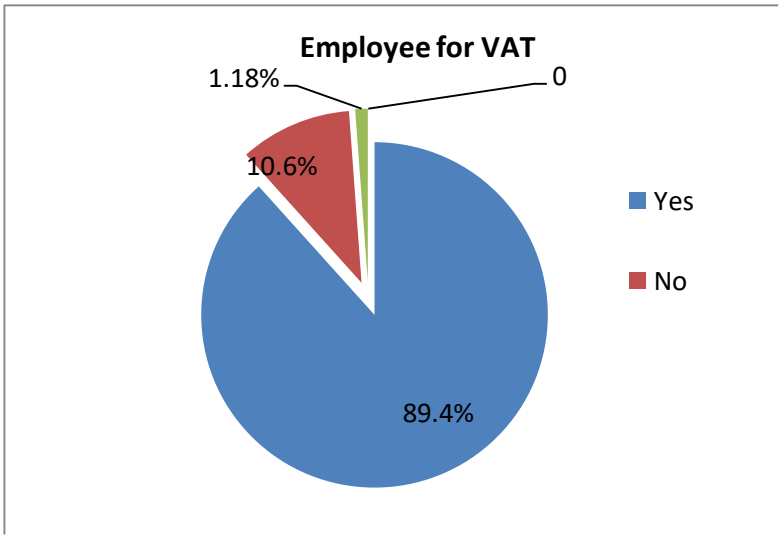
Q.18: Rating of the Respondents regarding Activities of VAT wings

	Rating	Competence and qualification of the VAT staff	Cooperation of VAT staff	Humility of VAT staff	Honesty of the VAT staffs	Fairness in valuation
Customs Excise and VAT Commissionerate, Chittagong	Very Unhappy	0	0	0	0	1.5
	Unhappy	3.8	3.8	2.9	2.9	4.7
	Normal	95.2	8.6	97.1	96.2	84.6
	Happy	0	0	0	1.0	8.3
	Very happy	1.0	87.6	0	0	1.2



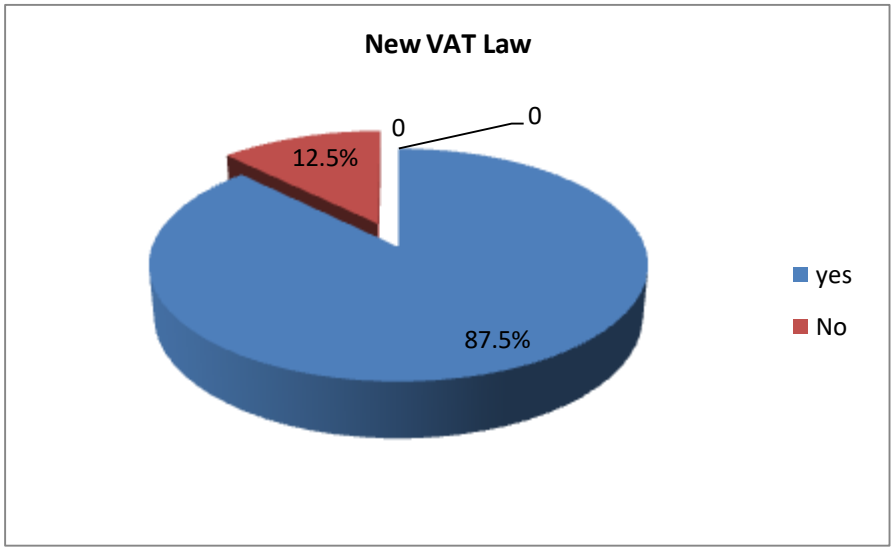
Q.28 and 29: Presence of employees for looking after VAT matters and time spent on VAT related works

Customs Excise and VAT Commissionerate, Chittagong	Do you have any Employees to look after VAT related works		If yes average how much do they spend to look after VAT related works?
	Yes (%)	**No (%)**	**hours**
	89.4	10.6	1.18



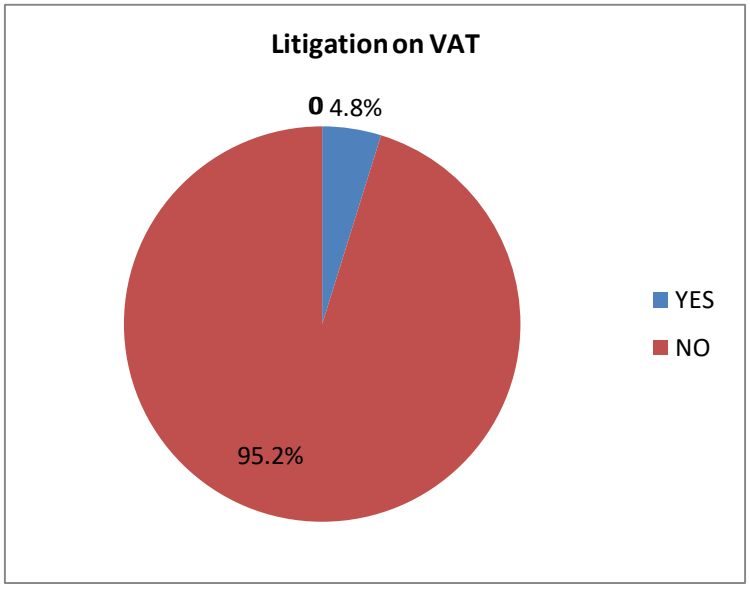
Q.30. Do you have any idea about the new VAT Law?

Customs Excise and VAT Commissionerate, Chittagong	Do you have any knowledge about New VAT Law introduced by the Govt. of Bangladesh?	
	Yes (%)	No (%)
	87.5	12.5



Q.31: Any experience on VAT related litigation?

Customs Excise and VAT Commissionerate, Chittagong	Do you have any experience on VAT related Litigations?	
	Yes (%)	No (%)
	4.8	95.2



CUSTOMS, EXCISE AND VAT COMMISSIONERATE, RAJSHAHI

Types of Taxpayers

In Total 70 companies and business owners were sampled out for this survey from among the enlisted business houses by following the scientific sampling procedure that has been proposed in the survey proposal and was approved by the NBR. Of these total 70 companies, 6% were registered as public Limited, 35 % were private Ltd. owned, 45.4% private ownership and the rest of the 13.6 % business entrepreneurs were categorized as others category etc.

Type of Business:

Sampled Tax payers were engaged in different types of trading and business. Most of the sampled respondents (56.7%) were engaged in Trading Oriented activities followed by service oriented (5.3 %), 12.5 % production oriented Business and others (25.5 %).

Employment Situation:

Gender aggregate employment in the business enterprises of the respondents showed 16.83 percent employees were females and the rest 83.17% were males. While talking to the respondents it was exposed that in recent times, due to reasonable development of communication, trade and commercial activities have been expanding rapidly. Rapid expansion of trade and commerce consequently creating increased employment opportunities for both men and women. Usually in earlier periods women had little scope for employment outside the homestead due to strict social customs and norms, but with the changing pace of time women have debuting gradually and are joining in employment outside their own closed circle of homesteads and villages. To feed the labor needs for expanding trade and commercial activities, as well as for financial necessity of their own families, women in greater numbers are now participating in paid jobs in industries, offices, shops and works shops. In the total 70 sampled business, houses offices or the business entrepreneurs, there were 83.17% male employees. Female employees were mostly employed in trading such as shop and shopping mall an auxiliary of the male or husband.

In Table below data on gender aggregated employment situation in surveyed business enterprises is presented.

Table :. Gender Aggregated Employment Situation:

Gender of the Employers	Percentage (%)
Male	83.17%
Female	16.83
Total	100 %

Source: Field Level Survey 2017

Complexities in obtaining TIN

This survey was meant at assessing Tax payers' satisfaction under VAT regime in Bangladesh. In order to assess the level of satisfaction among the tax payers, several issues were raised and responses were collected. One of the initial issues that were presented before the respondents was, whether they faced any complexities in obtaining Tax Identification Number (TIN) from the concerned office. Respondents were given several options to express their views. On the whole it was found that most of the respondents obtained the TIN from concerned office without hassle and easily. Out of total 70 respondents 39.9% tax payers reported easy process ,18.2 % told very easy, 20.6 % told complex, 2.3% expressed extremely complex of obtaining TIN numbers and the rest 19 % said it Neither complex nor easy for them. In Table below, data on Respondents view about the complexities in obtaining Tin numbers is presented.

Table: Responses on Complexities in Obtaining TIN

Responses on Complexities	Percentage (%)
Extremely Complex	2.3%
Complex	20.6 %
Neither Complex nor Easy	19 %
Easy	39.9 %
Very Easy	18.2 %
Total	100

Source: Field Level Survey 2017

Sources of VAT Information

Respondents named various sources from where they became conversant about VAT and related information. They identified multiple sources that were useful to obtain information on VAT and related issues. Majority of the respondents (22%) became familiar about VAT and related issues from Television, 21.7 percent VAT related Advertisement 19.8 % from VAT officials , and 16percent from newspapers, 12.9 percent from Radio, and 7.6% percent were benefited by internet.

In table- below Sources of information on VAT is presented.

Table : Sources of Information

Sources of Information	Percentage
Television	22.0%
Radio	12.9%
Newspapers	16.0%
Internet	7.6%
VAT related Advertisement	21.7%
From VAT Officials	19.8%
Others	0%

Source: Field level Survey 2017

Difficulties in TAX Registration System

During survey, tax payers identified several problems and difficulties that they faced during TAX registration. Some issues came up in the dissuasion related to hassle that the tax payers usually face at the time of tax registration. Of these; lack of information about tax registration was identified as the most serious problem by the respondents (36.7%) in registering themselves or their business for TIN followed by their lack of knowledge about how to proceed or what are the procedures of the tax registration(. 15.8%) . Also 14.5% percent respondents complained about the improper assessment of their taxable income by the VAT officials and 14.0% percent respondents expressed about the negligence of VAT officials in discharging their duties like helping tax payers in assessing tax return, about registration and so on.

Tax Payment by the Respondents:

Majority of the respondents (82%) paid their VAT & 58.4 % paid customs duty taxes to the government during the fiscal year 2015-2016. The trend indicates higher enrollment of tax payers in the taxation system under Rajshahi Commissionerate, and that consequently paving the way for higher revenue collections by the government. Of the total respondents 82 percent enrolled tax payers paid their VAT to the government treasury.

Table : Tax payment by the Respondents:.

Components	Percentage (%)
Payment of Income Taxes	20.0 %
VAT	82.0 %
Customs Duty	58.4 %
Supplementary Taxes	20.6 %
Taxes on assets	28.6 %
Tax deduction at source	19.6 %
Tax deduction from salaries of the employees	14.5 %

Source: Field Level Survey 2017 Due to multiple answers total exceeds 100 percent

Sector wise, 82 percent respondents paid VAT. Followed by 14.5 percent respondents who paid income taxes of the employees from the deduction of their salary, Over 19.6 percent paid taxes deducted at the source of their products, 58.4 percent informed about taxation payment as customs duty, 28.6 percent paid asset taxes and 20.6 percent also paid supplementary taxes to the government.

Respondents were asked whether they applied for VAT return or not? In response, over 95 percent respondents reported that they did not apply for VAT return and the rest did . Those who did not apply for tax return stated different reasons for not submitting any applications for the same.

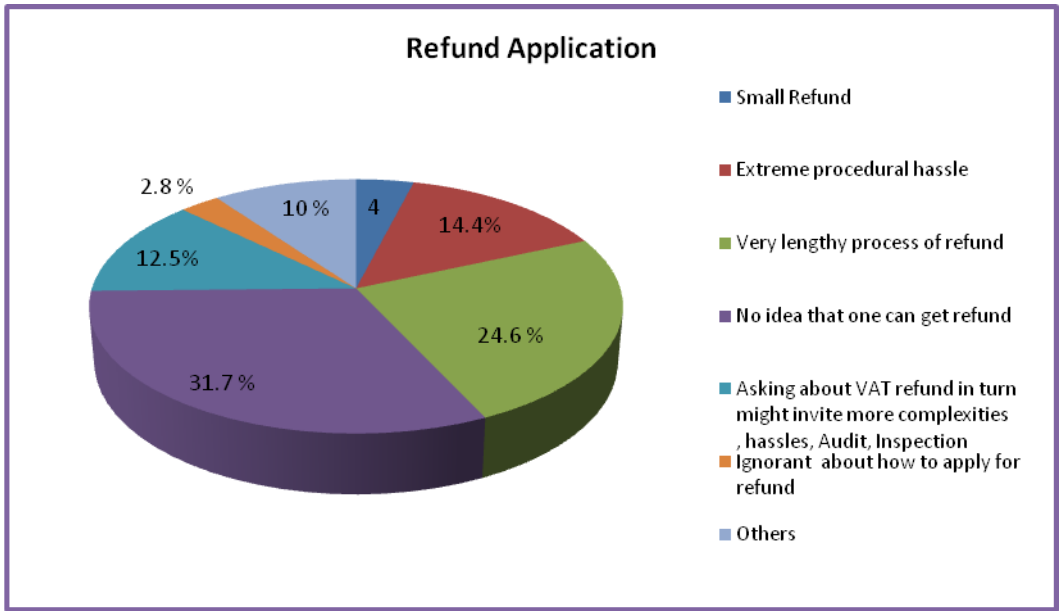
The most pertinent reason identified by the respondents who did not file any application for VAT return was small refund that they might receive (14.3%). Interestingly over 2.8 percent respondents were scared to file for tax return because they believe this might create or invite more complicacies in their business. 12.5 percent of respondents also reported that they had

no idea about possibilities of getting back refund from their tax payment. Procedural hassle also was a reason for 14.4 percent respondents for not filing any tax refund application. It shows that VAT regime needs further improvement in its services to the tax payers to make it people's friendly taxation system.

Table-: Below reasons for not filing tax return application by the respondents is presented

Reasons	Number
Small Refund	4.0 %
Extreme procedural hassle	14.4 %
Extreme costly process of refund	24.6 %
Very lengthy process of refund	31.7 %
No idea that one can get refund	12.5 %
Asking about VAT refund in turn might invite more complexities , hassles, Audit, Inspection	2.8%
Ignorant about how to apply for refund	10 %

Source; Filed Level Survey 2017



VAT Refund Issues

Ironically 9.1 percent applicant complained about paying bribe to the dealing staffs for getting back the return. But at the same time over 98.3 percent respondents also informed that they found no anomalies in VAT assessment by the VAT staffs. Filing tax return application was easy for 72.0 percent applicants and the rest 28 percent said it was difficult for them. These small percent of respondents belonged to small business entrepreneurs having little or no education. Over 56.7 percent responds expressed their happiness on the performance of officials and staffs in the VAT office. (For details see Annexure).

Rating Vat Activities:

Opinion assessment of the respondents on the efficacy of the VAT activities was done during the survey. With regard to efficiency and capabilities of the VAT staffs 68.5 percent respondents stated it was average and the rest 18.0 percent expressed their happiness about the efficiency of the VAT staffs under Rajshahi Commissionerate. Of the total respondents over 9 percent respondents expressed their happiness on the supportive attitude of the VAT officials in Rajshahi Commissionerate and the rest 60.04 percent stated that the supportive attitude of the VAT officials was average. Politeness of the dealing staffs in VAT wing of Rajshahi Commissionerate was assessed as average by 58.7 percent respondents while 22.08 percent said they were unhappy and the rest over 7 percent expressed their happiness opinion about the polite behavior of the VAT staffs in Rajshahi commiserate. Majority of the respondents informed that honesty of the VAT staffs under Rajshahi Commissionerate was average and only nearly 7 percent respondents were happy about the honesty of the VAT staffs. On the other hand, respondents were asked about the Fairness in valuation of the staff they argued that 62.92 percent were average opinion on it while 15.63 percent expressed their unhappiness.

Table: Rating VAT activities by the Respondents

Rating	Competence and qualification of the VAT staff	Cooperation of VAT staff	Humility of VAT staff	Honesty of the VAT staffs	Fairness in valuation
Very Unhappy	3.2 %	10.6%	12.3%	13.5%	8.74
Unhappy	7.5 %	20.0%	22.0%	15.0%	15.63
Normal	68.5%	60.4%	58.7%	64.5%	62.92
Happy	18.0 %	7.0%	5.0%	2.0%	7.89
Very happy	2.8%	2.0%	2.0%	5.0%	4.82

Problems faced by the Respondents during Tax return

Respondents faced various problems while submitting Tax returns under Rajshahi Commissionerate. The most painstaking problem that the respondents faced (20.3%) was spending very long time in submitting tax return. While procedural repetitions was under Rajshahi Commissionerate for the respondents (6.9%) in submitting tax return and they viewed this procedural repetition or in other words red tapism actually is the reason for taking long time in submitting tax return to the appropriate authority. Respondents expressed their hope that concerned authority will do whatever is needed to easy the submission procedure so that the tax payers can submit their tax returns with no hassle and within a short span of time.

Table: Problems faced by the Respondents during submission of Tax Return

Problems	Yes	No
Bribe	7.5 %	92.5%
Excess Tax levy	3.3%	96.7%
Refused to accept Relevant papers in support of VAT payment by the officials	8.5%	91.5%
Long time needed for submission of return	20.3%	79.7%
Red Tapism	6.9%	93.1%

Source; Field Level survey 2017

Respondent's opinion Online VAT program

The Ministry of Finance, Government of Bangladesh has introduced VAT Online Program to make VAT payment easy and accountable. Respondents were asked to provide their views on online VAT program of Bangladesh Government. Majority respondents (35.4 %said this is good step in fiscal management of government. 25.2 percent viewed the program as very good and the rest opined it as good measure.

Table: Assessment on VAT Online

Very bad	Average	Good	Very Good	Excellent
1.5 %	34.2%	35.4 %	25.2 %	7.3 %

Annual Turnover, Bank transactions

During the fiscal year 2015-2016 the net turnover of the surveyed companies/business enterprises under Rajshahi Commissionerate show that nearly 25.9% percent of the business enterprises had financial annual turnover within Taka 200000 to 500000, while rest 57.1% percent had annual turnover between Tk 500000 to TK-8,00,000 and 17.0% told that their annual turnover for the year of 2015-2016 were Tk 1000000 and above .

Respondents Business houses mostly do financial transaction through cash payment (40.6%) while 35.2 percent do in banking channel and rest of the 24.2 percent do financial transaction through other channel although 90.6 percent respondents had Bank accounts.

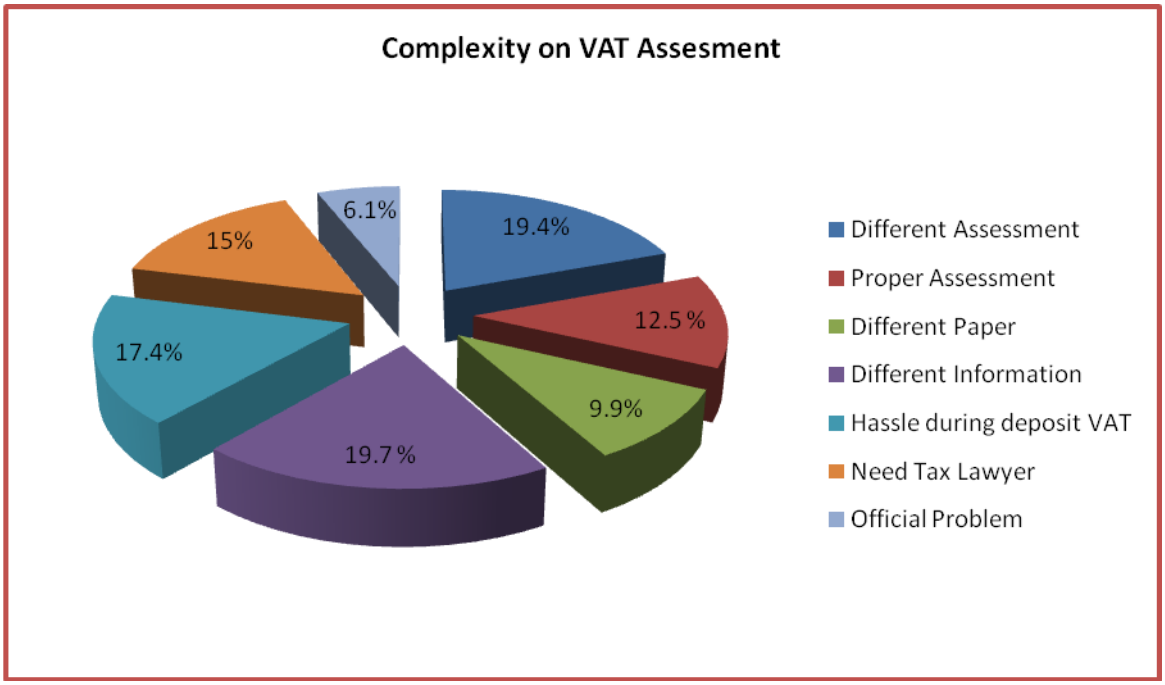
All the respondents agreed on the importance of getting purchase receipt in doing transactions. While inquiring about the academic qualifications most of the respondents it was found that 45.5 % percent owners were SSC/HSC passed, where 20.4 % less than SSC, 20.1 % were graduate or had post graduate degrees.

Respondents Views on complicacies of VAT assessment

Survey data show that tax payers are not at all happy about the procedure followed by the NBR to assess VAT. They stated multiple problems that they face during assessing their VAT. Most serious difficulty that the tax payers face during assessing their VAT is the assessment procedure itself. Over 19.9 percent of the respondents informed during the survey that VAT assessment procedure is a real cumbersome process. Improper assessment by the officials (12.5) Complex procedure (9.9%) , demand for excess information by the VAT officials (17.4 %), official hassle(6.1%) are the other problems that the traders face often in doing their business. They demanded NBR should give proper attention to this and should introduce easy and hassle free VAT assessment procedure. (Table: 11)

Table : Difficulties in VAT assessment:

Problems	Percentage (%)
Difficult Assessment Procedure	19.4 %
Improper Assessment	12.5 %
Complex Procedure	9.9 %
Different Information	19.7 %
Too much paper works	17.4 %
Hassle During Deposit	15.0 %
Official Problem	6.1%



Respondents' suggestions to make VAT regime more understandable and easy to the VAT payers:

Respondents were asked to suggest how to make VAT regime more pro people and hassle free. Multiple answers were received from them. Nearly 26 percent of the respondents emphasized on creating awareness regarding VAT. This would help business as well as general people to know about VAT (23.85%) . Also the respondent tax payers (19.2 %) demanded that the concerned offices should provide the VAT payers proper and just information so that they can pay the tax as per government rules and regulations. Tax payers (21.2 %%) suggested further that NBR should open help line to provide necessary helps to tax payers under Rajshahi Commissionerate. Of the tax payers, nearly 20 percent emphasized on the importance of experienced staffs in the Commissionerate. They demanded that Rajshahi Commissionerate should be well equipped with honest and experienced staffs to deal with VAT issues. Respondents (15.1%) furthermore demanded that they should be provided correct and necessary information about VAT by the officials which at present they are not getting..

Table : Suggestions of the Respondents.

Opinion	**Percentage (%)**
Improve staff expertise	19.3 %
Provide correct information	15.1 %
Let people know the advantage of VAT	19.2 %
Help for online VAT	21.2 %
Awareness regarding VAT	25.2 %

VAT management by the Tax Payers under Rajshahi Commissionerate.

6.1 percent business houses or enterprises have entrusted some personnel to look after VAT related issues for their companies or business. On an average there responsible persons looking after company's VAT spend 1.52 hours a day to keep the record up to date. Most of the respondents (85.4 %) affirmed that they are acquainted with the new VAT laws to be introduced by the Government of Bangladesh. None of the respondents (100%) had to face any litigation in relation to VAT. **(For details see Annexure)**

Tax Payers assessment on the VAT officials under Rajshahi Commissionerate :

VAT payers opinion in the survey revealed that, officials responsible for VAT administration under Rajshahi Commissionerate were very sincere in discharging their duties. According to 28.9%percent respondents, these officials visited them once during the fiscal year 2015-206. 19.3 percent respondents said the officials came to their office twice and 14.7 % respondents

said that VAT related staff cam four times during the same period. **(See See Annexure for details)**

Tax Payers Assessment on the VAT service Providers.

Tax payers opinion on the performance of different offices or directorates engaged in providing services to the Tax payers exposed that they were more or less quite happy with the role these office have been paying a good role in extending their helping hands to the tax payers.

Table 12: Assessment of the Respondents on VAT service providers.

Name of the Offices	Scale	Percentage (%)
NBR	Low	7.9 %
	Average	26.7 %
	Good	38.4 %
	Very Good	17.6 %
	Excellent	9.4 %
VAT Online	Low	3.6 %
	Average	8.4 %
	Good	4.3 %
	Very Good	62.3 %
	Excellent	21.4 %
Commissionerate	Low	15.9 %
	Average	27.1 %
	Good	36.5 %
	Very Good	20.1 %
	Excellent	0.5 %
Divisional VAT Office	Low	16.4 %
	Average	65.4 %
	Good	12.7 %
	Very Good	.4.5 %
	Excellent	1.0 %

Source: Filed level Survey 2017

About NBR on an average 26.7 percent tax payers expressed their satisfaction on the services this office is providing and respondents termed it as good which is 38.4 percent and for the rest 17.6 percent it was very good. About VAT online 62.3 percent respondents state its service as very good, 4.3 percent as good and the rest 21.4 percent termed their service as excellent on the other hand 3.6 percent respondents argued as low . Service provided by the Rajshahi Commissionerate to the tax payers were equally satisfactory 36.5 percent termed the services provided by the Commissionerate to the tax payers, 20.1 percent treated as very good, 0.5 percent as excellent and rest of the 15.9 percent stated as low services . About Divisional VAT office 65.4 percent respondent told its services to the tax payers as average, 16.4 percent told low service, 12.7 percent as good, 4.5 percent as very good and the rest of 1.0 percent as excellent.

ANNEXURE

Q.12 & Q.13; VAT refund and Days took to receive the refund money

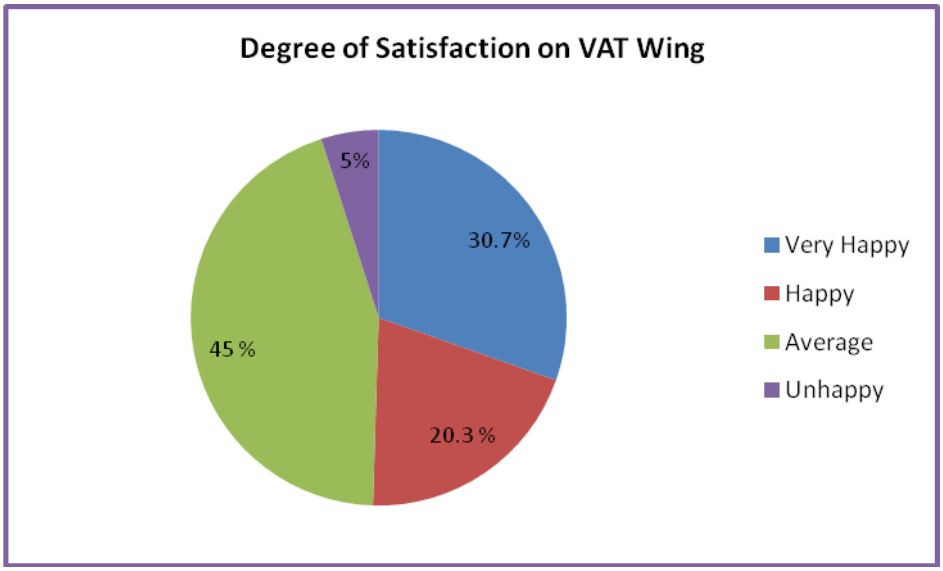
Received VAT Refund?	Percentage (%)
Yes	0
No	100.0
Time Required to get the VAT Refund	
Days	-
Months	-

15: Anomalies in VAT assessment by NBR

Response	Percentage (%)
Yes	0
No	100.0

Q 16 & 17:

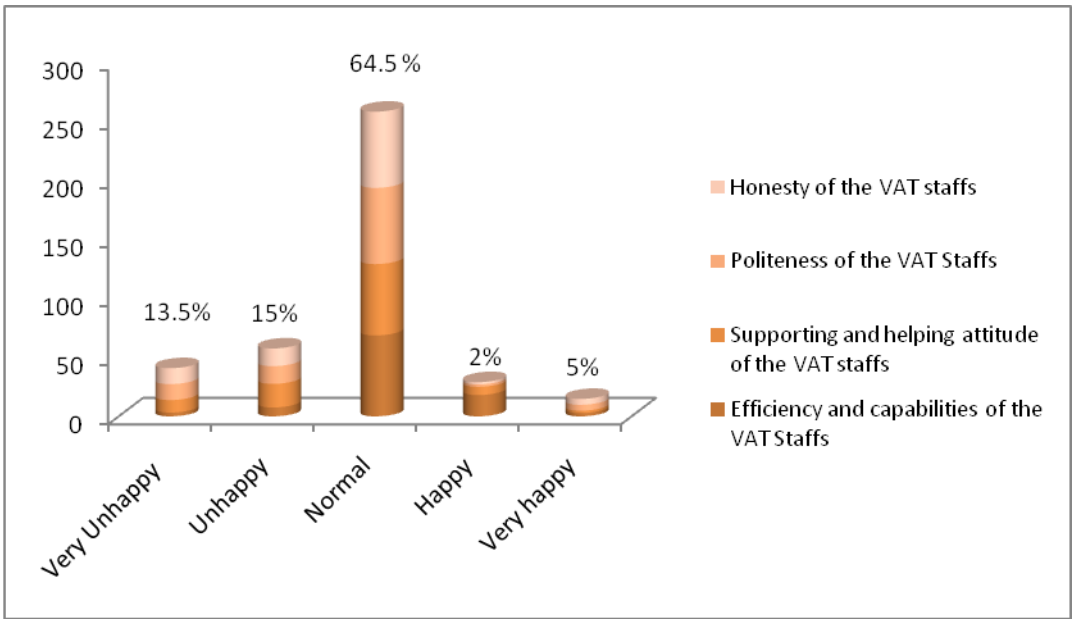
Response	Customs, Excise and VAT Commissionerate Rajshahi
Did you find Filling Taxes return Forms easy ?	
Yes	35.1 %
No	64..9 %
Are you happy about the services provided by the VAT wing	
Very Happy	30.7 %
Happy	20.3 %
Average	45.0 %
Unhappy	5.0 %



Q.18: Rating of the Respondents regarding Activities of VAT wings

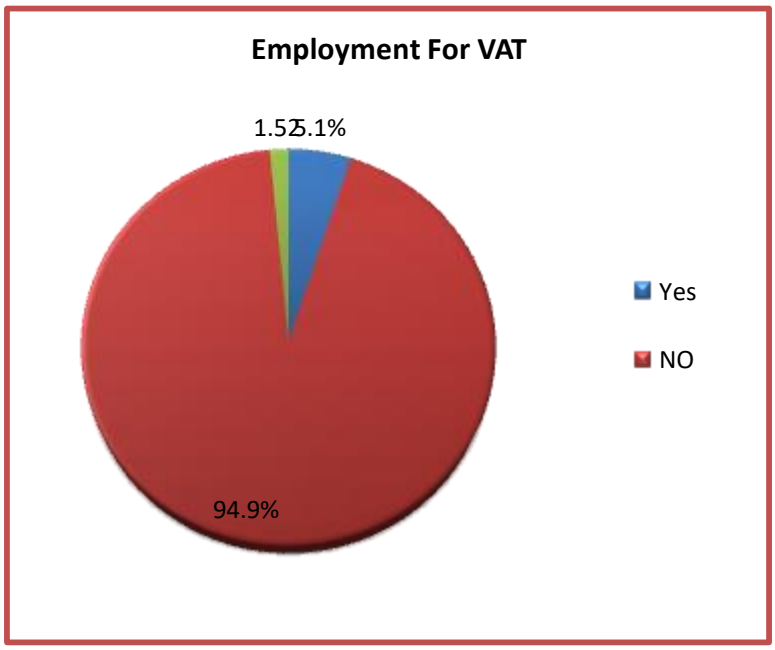
Commissionerate	Rating	Efficiency and capabilities of the VAT Staffs	Supporting and helping attitude of the VAT staffs	Politeness of the VAT Staffs	Honesty of the VAT staffs	Fairness in valuation
Customs, Excise and VAT Commissionerate **Rajshahi**	Very Unhappy	3.2 %	10.6%	12.3%	13.5%	9.6
	Unhappy	7.5 %	20.0%	22.0%	15.0%	13.5
	Normal	68.5%	60.4%	58.7%	64.5%	55.9

	Happy	18.0 %	7.0%	5.0%	2.0%	13.6
	Very happy	2.8%	2.0%	2.0%	5.0%	7.4



Q.28 and 29 : Presence of employees for looking after VAT matters and time spent on VAT related works

Commissionerate	Do you have any Employees to look after VAT related works		If yes average how much do they spend to look after VAT related works?
	Yes	No	
Customs, Excise and VAT Commissionerate Rajshahi	5.1%	94.9%	1.52



Q.30. Knowledge about New VAT law

Commissionerate	Do you have any knowledge about New VAT Law introduced by the Govt. of Bangladesh?	
	Yes (%)	No (%)
Customs, Excise and VAT Commissionerate Rajshahi	85.4	14.6

Q.31: Any experience on VAT related litigation?

Commissionerate	Do you have any experience on VAT related Litigations?	
	Yes (%)	No (%)
Customs, Excise and VAT Commissionerate Rajshahi	0.0 %	100 %

Customs , Excise and VAT Commissionerate, Jessore

Types of Taxpayers

There are ….numbers of enlisted business enterprises under the Jessore Commissionerate Circle. In Total 70 companies and business owners were sampled out for this survey from among the enlisted business houses by following the scientific sampling procedure that has been proposed in the survey proposal and was approved by the NBR. Of these total 70 companies, 11.4 % were registered as public Limited, 60 percent were private Ltd. owned, 11.4 % private ownership and the rest of the 17.1 % percent business entrepreneurs were categorized as others category etc.

Type of Business:

Sampled Tax payers were engaged in different types of trading and business. Most of the sampled respondents 41.4were engaged in Trading Oriented activities followed by service oriented (18.6 %), while 38.6 percent production oriented Business and others 1.4 percent .

Employment Situation:

Gender aggregate employment in the business enterprises of the respondents showed 8.72 percent employees were females and the rest 91.28% were males. While talking to the respondents it was exposed that in recent times, due to reasonable development of communication, trade and commercial activities have been expanding rapidly.

In Table below data on gender aggregated employment situation in surveyed business enterprises is presented.

Table . Gender Aggregated Employment Situation:

Gender of the Employers	Number
Male	91.28 %
Female	8.72 %
Total	100 %

Source: Field Level Survey 2017

Complexities in obtaining TIN

This survey was meant at assessing Tax payers' satisfaction under VAT regime in Bangladesh. In order to assess the level of satisfaction among the tax payers, several issues were raised and responses were collected. One of the initial issues that were presented before the respondents was, whether they faced any complexities in obtaining Tax Identification Number (TIN) from the concerned office. Respondents were given several options to express their views. On the whole it was found that most of the respondents obtained the TIN from concerned office without hassle and easily. Out of total 70 respondents 47.04 % tax payers

reported easy process , 42.8 4 % told very easy, 5.35 % told complex of obtaining TIN numbers and the rest 4.77 % said it neither complex nor easy for them.

In Table below, data on Respondents view about the complexities in obtaining Tin numbers is presented.

Table: Responses on Complexities in Obtaining TIN

Responses on Complexities	Percentage (%)
Extremely Complex	0.0 %
Complex	5.35 %
Neither Complex nor Easy	4.77 %
Easy	47.04 %
Very Easy	42.84 %

Source: Field Level Survey 2017

Sources of VAT Information

Respondents named various sources from where they became conversant about VAT and related information. They identified multiple sources that were useful to obtain information on VAT and related issues. Majority of the respondents 31 percent became familiar about VAT and related issues from Television, 3.6 percent VAT related Advertisement while 18.3 percent from VAT officials, 14.7 percent from newspapers, 27.9 percent from Radio, and 4.6 percent were benefited by the internet about VAT related information.

In table- below Sources of information on VAT is presented.

Table : Sources of Information

Sources of Information	Percentage
Television	31.0 %
Radio	27.9 %
Newspapers	14.7 %
Internet	4.6 %
VAT related Advertisement	3.6 %
From VAT Officials	18.3 %
Others	0%

Source: Field level Survey 2017

Difficulties in TAX Registration System

During survey, tax payers identified several problems and difficulties that they faced during TAX registration. Some issues came up in the dissuasion related to hassle that the tax payers usually face at the time of tax registration. Of these ; lack of information about tax registration was identified as the most serious problem by the respondents 35.2 in registering themselves or their business for TIN followed by their lack of knowledge about how to proceed or what are the procedures of the tax registration(.11.7 %) . Also 26.9 percent respondents complained about the improper assessment of their taxable income by the VAT officials and 3.4 percent respondents expressed about the negligence of VAT officials in discharging their duties like helping tax payers in assessing tax return, about registration and so on.

Tax Payment by the Respondents

Majority of the respondents (97.1%) paid their VAT & 80 percent taxpayers paid income taxes as well as 71.4 % paid customs duty taxes to the government during the fiscal year 2015-2016. The trend indicates higher enrollment of tax payers in the taxation system under Jessore Commissionerate, and that consequently paving the way for higher revenue collections by the government. Of the total respondents 82 percent enrolled tax payers paid their VAT to the government treasury.

Table : Tax payment by the Respondents:.

Components	Percentage (%)
Payment of Income Taxes	80.0 %
VAT	97.1 %
Customs Duty	71.4 %
Supplementary Taxes	28.6 %
Taxes on assets	28.6 %
Tax deduction at source	28.6 %
Tax deduction from salaries of the employees	28.6 %

Source: Field Level Survey 2017 Due to multiple answers total exceeds 100 percent

Sector wise, 97.1 percent respondents paid VAT. Followed by 28.6 percent respondents who paid income taxes of the employees from the deduction of their salary, Over 28 percent paid taxes deducted at the source of their products, 71.4 percent informed about taxation payment as customs duty, 28.6 percent paid asset taxes and same percent also paid supplementary taxes to the government.

Respondents were asked whether they applied for VAT return or not? In response, over 98.6 percent respondents reported that they did not apply for VAT return and the rest did. Those who did not apply for tax return stated different reasons for not submitting any applications for the same.

The most pertinent reason identified by the respondents who did not file any application for VAT return was small refund that they might receive (4.9 %). Interestingly over 28.7 percent respondents were scared to file for tax return because they believe this might create or invite more complicacies in their business. 19.7 percent of respondents also reported that they had no idea about possibilities of getting back refund from their tax payment. 28.1 reported that Ignorant about how to apply for refund where procedural hassle also was a reason for 4.9 percent respondents for not filing any tax refund application. It shows that VAT regime needs further improvement in its services to the tax payers to make it people's friendly taxation system.

Table-: Below reasons for not filing tax return application by the respondents is presented

Reasons	Percentage (%)
Small Refund	4.9 %
Extreme procedural hassle	4.9 %
Extreme costly process of refund	8.2 %
Very lengthy process of refund	4.9 %
No idea that one can get refund	19.7 %
Asking about VAT refund in turn might invite more complexities , hassles, Audit, Inspection	28.7 %
Ignorant about how to apply for refund	28.1%

Source; Filed Level Survey 2017

VAT Refund Issues

Ironically applicant complained about paying bribe to the dealing staffs for getting back the return. But at the same time sent percent respondents also informed that they found no anomalies in VAT assessment by the VAT staffs. Filing tax return application was easy for 97.1 percent applicants and the rest 2.9 percent said it was difficult for them. These small percent of respondents belonged to small business entrepreneurs having little or no education. Over 54.3 percent responds expressed their happiness on the performance of officials and staffs in the VAT office. **(For details see Annexure-2).**

Rating Vat Activities:

Opinion assessment of the respondents on the efficacy of the VAT activities was done during the survey. With regard to efficiency and capabilities of the VAT staffs 44.3% percent respondents stated it was average and the rest 1.4 percent expressed their happiness about the efficiency of the VAT staffs under Jessore Commissionerate. Of the total 70 respondents over 42.9 percent respondents expressed their normal opinion on vat staff attitude on the supportive attitude of the VAT officials in Jessore Commissionerate and the rest 42.9% percent unhappy for the supportive attitude of the VAT officials. Politeness of the dealing staffs in VAT wing of Jessore Commissionerate was assessed as average by 45.7 percent respondents while 40 percent said they were unhappy. Majority of the respondents informed that honesty of the VAT staffs under Jessore Commissionerate was average and only 11.4 percent respondents were unhappy about the honesty of the VAT staffs. On the other hand, respondents were asked about the Fairness in valuation of the staff they argued that 61.6 percent were normal opinion on it while 23.7 percent expressed their unhappiness.

Table8: Rating VAT activities by the Respondents

Rating	Competence and qualification of the VAT staff	Cooperation of VAT staff	Humility of VAT staff	Honesty of the VAT staffs	Fairness in valuation
Very Unhappy	28.6 %	12.9%	14.3%	11.4%	8.9
Unhappy	25.7 %	42.9%	40.0%	42.9%	23.7
Normal	44.3%	42.9%	45.7%	45.7%	61.6
Happy	1.4 %	1.4%	-	-	5.8
Very happy	28.6 %	12.9%	14.3%	11.4%	8.9

Problems faced by the Respondents during Tax return

Respondents faced various problems while submitting Tax returns under Jessore Commissionerate 12.7 percent taxpayers informed that supporting documents declined under Jessore Commissionerate, 11.4 percent of for the respondents in submitting tax return and they viewed 12.7% procedural repetition or in other words red tapism actually is the reason for taking long time in submitting tax return to the appropriate authority. Respondents expressed their hope that concerned authority will do whatever is needed to easy the submission procedure so that the tax payers can submit their tax returns with no hassle and within a short span of time.

Table: Problems faced by the Respondents during submission of Tax Return

Problems	Yes	No
Bribe	11.4 %	88.6%
Excess Tax levy	1.4%	98.6%
Refused to accept Relevant papers in support of VAT payment by the officials	12.7%	87.3%
Long time needed for submission of return	1.7%	98.3%

Source; Field Level survey 2017

Respondent's opinion Online VAT program

The Ministry of Finance, Government of Bangladesh has introduced VAT Online Program to make VAT payment easy and accountable. Respondents were asked to provide their views on online VAT program of Bangladesh Government. Majority respondents 10 % said this is good step in fiscal management of government.44.3 percent viewed the program as very good and the rest opined it as excellent (45.7).

Table -: Assessment on VAT Online

Very bad	Average	Good	Very Good	Excellent
-	-	10.0	44.3	45.7

Annual Turn Over, Bank transactions

During the fiscal year 2015-2016 the net turnover of the surveyed companies/business enterprises under Jessore Commissionerate show that nearly 35.8 percent of the business enterprises had financial annual turnover within Taka 200000 to 500000, while rest 31.3 percent had annual turnover between Tk 500000 to TK-8,00,000 and 32.8 told that their annual turnover for the year of 2015-2016 were Tk 1000000 and above .

Respondents Business houses mostly do financial transaction through cash payment 63.6 while 36.4 percent do in banking channel and rest of the although 89.9 percent respondents had Bank accounts.

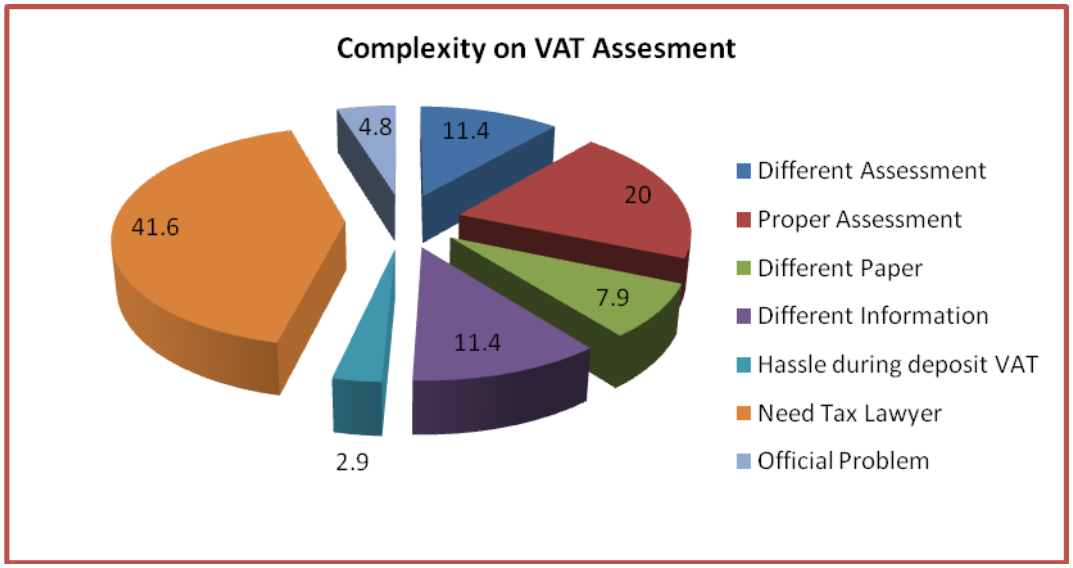
All the respondents agreed on the importance of getting purchase receipt in doing transactions. While inquiring about the academic qualifications most of the respondents it was found that 51.5 percent owners were SSC/HSC passed, where 4.4 % less than SSC, 44.1 percent were graduate or had post graduate degrees.

Respondents Views on complicacies of VAT assessment

Survey data show that tax payers are not at all happy about the procedure followed by the NBR to assess VAT. They stated multiple problems that they face during assessing their VAT. Most serious difficulty that the tax payers face during assessing their VAT is the assessment procedure itself. Over percent of the respondents informed during the survey that VAT assessment procedure is a real cumbersome process. Improper assessment by the officials (20.0) Complex procedure (7.9%) , demand for excess information by the VAT officials (11.4 %), official hassle(41.6%) are the other problems that the traders face often in doing their business. They demanded NBR should give proper attention to this and should introduce easy and hassle free VAT assessment procedure. (Table:)

Table: Difficulties in VAT assessment:

Problems	Percentage (%)
Difficult Assessment Procedure	11.4 %
Improper Assessment	20.0 %
Complex Procedure	7.9 %
Different Information	11.4 %
Too much paper works	2.9 %
Hassle During Deposit	41.6 %
Official Problem	4.8 %



Respondents' suggestions to make VAT regime more understandable and easy to the VAT payers:

Respondents were asked to suggest how to make VAT regime more pro people and hassle free. Multiple answers were received from them. Nearly 26 percent of the respondents emphasized on creating awareness regarding VAT. This would help business as well as general people to know about VAT (23.85%) . Also the respondent tax payers (19.2 %) demanded that the concerned offices should provide the VAT payers proper and just information so that they can pay the tax as per government rules and regulations. Tax payers (21.2 %%) suggested further that NBR should open help line to provide necessary helps to tax payers under Jessore Commissionerate. Of the tax payers, nearly 20 percent emphasized on the importance of experienced staffs in the Commissionerate. They demanded that Jessore Commissionerate should be well equipped with honest and experienced staffs to deal with VAT issues. Respondents (15.1%) furthermore demanded that they should be provided correct and necessary information about VAT by the officials which at present they are not getting.. (Table)

Table 11: Suggestions of the Respondents.

Opinion	**Percentage (%)**
Improve staff expertise	19.3 %
Provide correct information	15.1 %
Let people know the advantage of VAT	19.2 %
Help for online VAT	21.2 %
Awareness regarding VAT	25.2 %

VAT management by the Tax Payers under Comilla Commissionerate.

55.1 percent business houses or enterprises have entrusted some personnel to look after VAT related issues for their companies or business. On an average there responsible persons looking after company's VAT spend 1.31 hours a day to keep the record up to date. Most of the respondents (66.7%) affirmed that they are acquainted with the new VAT laws to be introduced by the Government of Bangladesh. Only 1.4 percent of the respondents had to faced litigation in relation to VAT.

Tax Payers assessment on the VAT officials under Jessore Commissionerate :

VAT payers opinion in the survey revealed that, officials responsible for VAT administration under Jessore Commissionerate were very sincere in discharging their duties. According to 28.9%percent respondents, these officials visited them once during the fiscal year 2015-206. 29.0 percent respondents said the officials came to their office twice and 42.0 percent respondents said that VAT related staff cam four times during the same period.
(See Annexure for details)

Tax Payers Assessment on the VAT service Providers.

Tax payers opinion on the performance of different offices or directorates engaged in providing services to the Tax payers exposed that they were more or less quite happy with the role these office have been paying a good role in extending their helping hands to the tax payers.

Table : Assessment of the Respondents on VAT service providers.

Name of the Offices	Scale	Percentage (%)
NBR	Low	-
	Average	-
	Good	7.2 %
	Very Good	11.6 %
	Excellent	81.2 %
VAT Online	Low	-
	Average	-
	Good	4.3 %
	Very Good	33.3 %
	Excellent	62.3 %
Commissionerate	Low	-
	Average	-
	Good	43.5 %
	Very Good	42.0 %
	Excellent	14.5 %
Divisional VAT Office	Low	-
	Average	*
	Good	34.8 %
	Very Good	43.5 %
	Excellent	21.7 %

Source: Filed level Survey 2017

About NBR among the sampled respondents (81.2) percent informed that the service of NBR is excellent while 7.2 percent tax payers expressed their satisfaction on the services this office is providing and respondents termed it as good and the rest of the 11.6 percent argued it was very good. About VAT online 33.3 percent respondents stated its service as very good, 4.3 percent as good and the rest 62.3 percent termed their service as excellent. Service provided by the Jessore Commissionerate to the tax payers were equally satisfactory 43.5 percent termed the services provided by the Commissionerate to the tax payers, 42.0 percent treated as very good 43.5 percent as good and rest of the 14.5 percent said excellent. About Divisional VAT office 34.8 percent respondent told its services to the tax payers as good, 43.5 percent told very good and rest of the 21.7 percent as excellent.

ANNEXURE

Q.12 & Q.13; VAT refund and Days took to receive the refund money

Received VAT Refund?	Percentage (%)
Yes	**0.**
No	**100 %**
Time Required to get the VAT Refund	
Days	-
Months	-

Q.14 Paying Money for getting back VAT refund?

Received VAT Refund?	**Percentage (%)**
Did you have to pay any extra money to get the VAT refund?	
YES	75.7
NO	24.3

15: Anomalies in VAT assessment by NBR

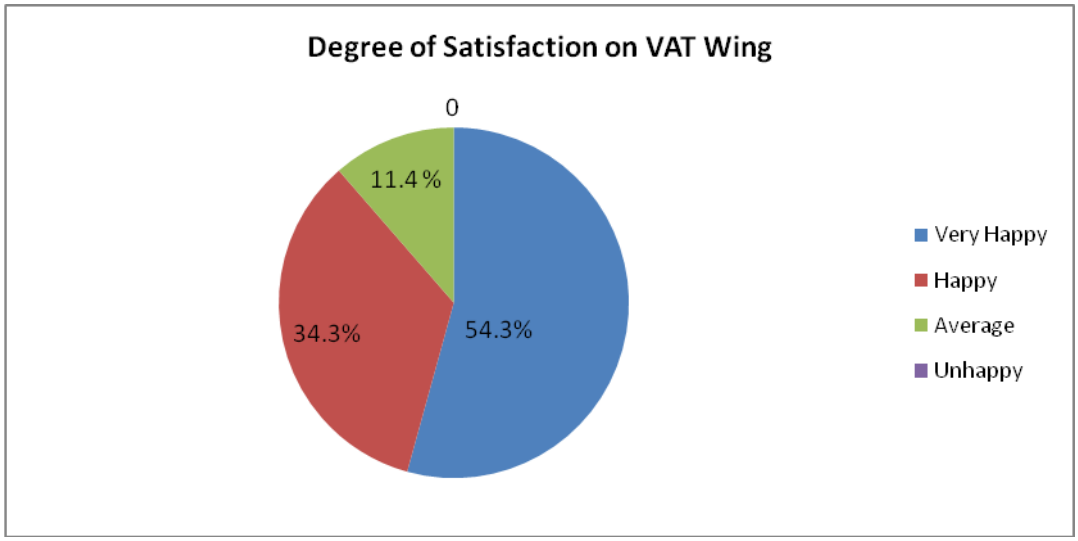
Response	**Percentage (%)**
Yes	0
No	100.0

Q 16 - **Did you find filling Taxes return Forms easy ? :**

Response	**Percentage (%)**
Did you find Filling Taxes return Forms easy ?	
Yes	97.1
No	2.9

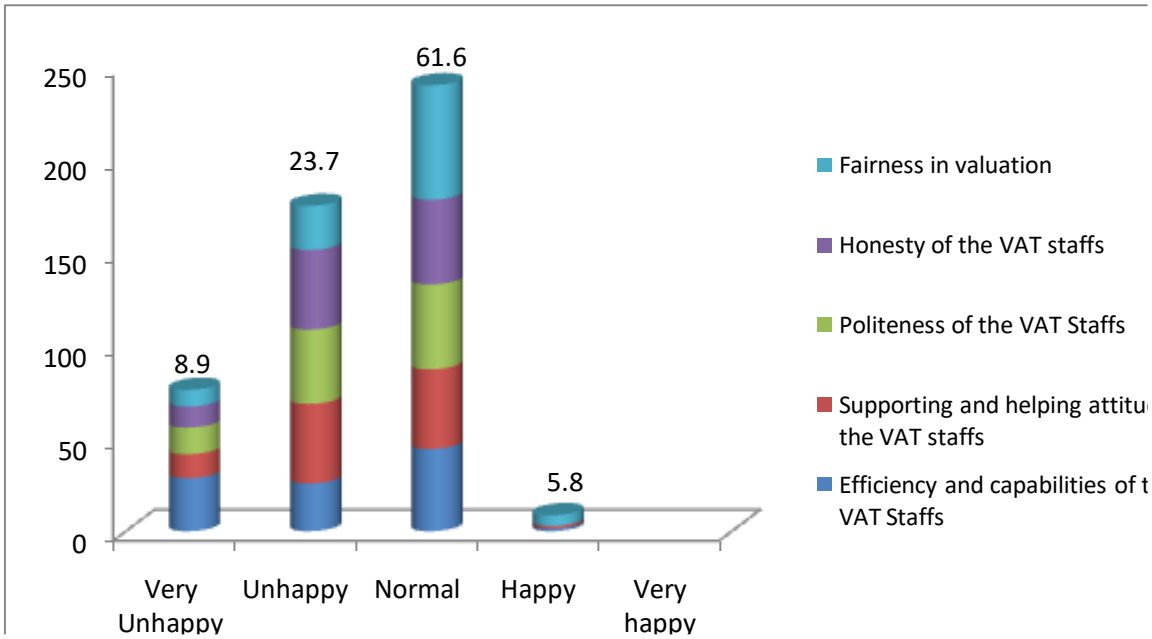
Q 17. Are you happy about the services provided by the VAT wing?

Are you happy about the services provided by the VAT wing	
Very Happy	54.3 %
Happy	34.3 %
Average	11.4 %
Unhappy	-



Q.18. : Rating of the Respondents regarding Activities of VAT wings

Commissionerate	Rating	Efficiency and capabilities of the VAT Staffs	Supporting and helping attitude of the VAT staffs	Politeness of the VAT Staffs	Honesty of the VAT staffs	Fairness in valuation
Customs, Excise and VAT Commissionerate Jessore	Very Unhappy	28.6 %	12.9%	14.3%	11.4%	8.9
	Unhappy	25.7 %	42.9%	40.0%	42.9%	23.7
	Normal	44.3%	42.9%	45.7%	45.7%	61.6
	Happy	1.4 %	1.4%	-	-	5.8
	Very happy	-	-	-	-	-



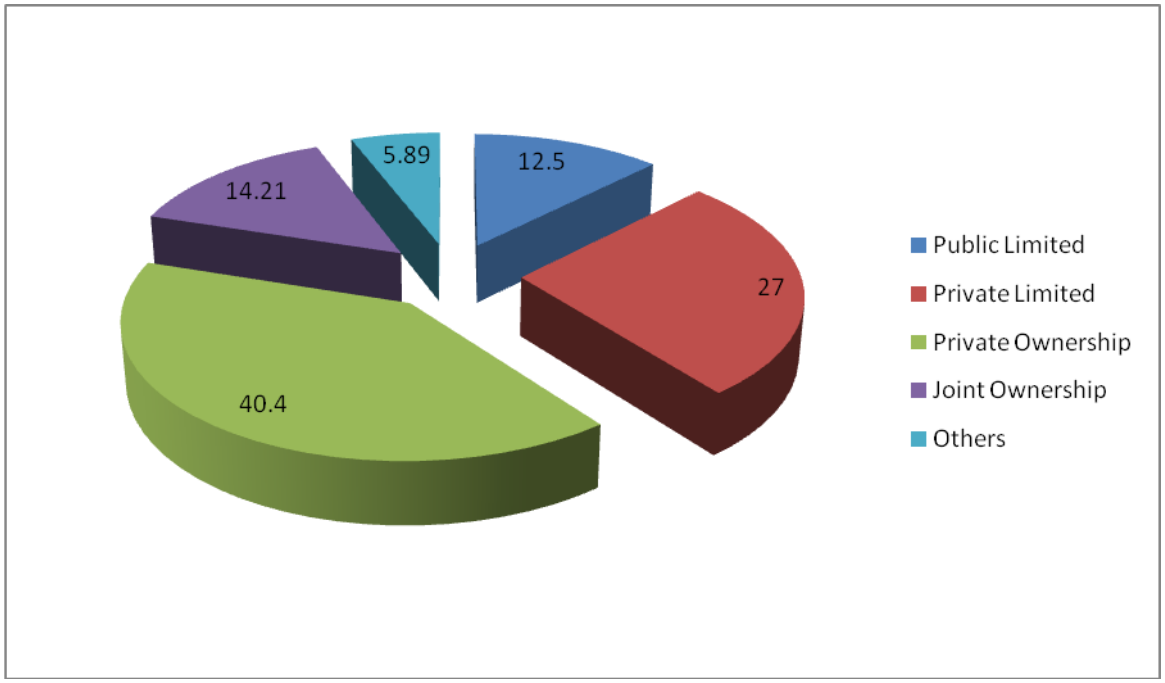
CUSTOMS EXCISE & VAT COMMISSIONERATE, KHULNA

Types of Taxpayers

In Total 70 companies and business owners were sampled out for this survey from among the enlisted business houses by following the scientific sampling procedure that has been proposed in the survey proposal and was approved by the NBR. Of these total 70 companies, 12.5 were registered as Public Limited, 27.0 private Limited, 40.4were privately owned, 14.21 percent were joint ownership and rest of the 5.89 percent business entrepreneurs were categorized as others category etc.

Nature of Business:

Sampled Tax payers were engaged in different types of trading and business. Most of the sampled respondents (45.7 %) were engaged in Trading related business, 35.5percent Production Oriented activities followed by Service oriented business 10.6 % and others 8.2 percent.



Employment Situation:

Gender aggregate employment in the business enterprises of the respondents showed nearly 16.16 percent employees were females and the rest were males. While talking to the respondents it was revealed that in recent times, due to reasonable development of communication, trade and commercial activities have been expanding rapidly. Rapid expansion of trade and commerce consequently creating increased employment opportunities for both men and women. Usually in earlier periods women had little scope for employment

outside the homestead due to strict social customs and norms, but with the changing pace of time women have debuting gradually and are joining in employment outside their own closed circle of homesteads and villages. To feed the labor needs for expanding trade and commercial activities, as well as for financial necessity of their own families, women in greater numbers are now participating in paid jobs in industries, offices, shops and works shops. In the total 70 sampled business, houses offices or the business entrepreneurs, there were 83.84 percent employees were males and the rest 16.16 percent were females. Female employees were mostly employed in trading such as shop and shopping mall an auxiliary of the male or husband.

In Table 3 below data on gender aggregated employment situation in surveyed business enterprises is presented.

Table: Gender Aggregated Employment Situation:

Gender of the Employers	Percentage (%)
Male	83.84
Female	16.14
Total	100

Source: Field Level Survey 2017

Complexities in obtaining TIN

This survey was aimed at assessing Tax payers' satisfaction under VAT regime in Bangladesh. In order to assess the level of satisfaction among the tax payers, several issues were raised and responses were collected. One of the initial issues that were presented before the respondents was, whether they faced any complexities in obtaining Tax Identification Number (TIN) from the concerned office. Respondents were given several options to express their views. On the whole it was found that most of the respondents obtained the TIN from concerned office without hassle and easily. Out of total 70 respondents 54.04 % tax payers reported very easy process of obtaining TIN numbers and the rest said it was easy for them. In Table 4 below, data on Respondents view about the complexities in obtaining Tin numbers is presented.

Table: Responses on Complexities in Obtaining TIN

Responses on Complexities	Percentage
Extremely Complex	0.0 %
Complex	5.66 %
Neither Complex nor Easy	10.34 %
Easy	54.04 %
Very Easy	29.60 %
Total	**100.0 %**

Source: Field Level Survey 2017

Sources of VAT Information

Respondents named various sources from where they became conversant about VAT and related information. They identified multiple sources that were useful to obtain information on VAT and related issues. Majority of the respondents 29.9 became familiar about VAT and related issues from Radio, 18.7 % were benefited from News Papers about VAT related information from Television were informed which percentage were 22.06 percent. As well as 5.7 percent respondents stated that VAT related advertisement by the NBR made them aware about the issue. VAT officials played a key role in making the respondents conscious about VAT. Over 16.04 percent respondents informed during the survey that VAT officials briefed them about VAT and related issues. Another 6.66 percent also became knowledgeable on VAT from Internet. In table 5 below Sources of information on VAT is presented.

Table: Sources of Information

Sources of Information	Percentage
Television	22.06 %
Radio	29.9 %
Newspapers	18.7 %
Internet	7.6 %
VAT related Advertisement	5.7 %
From VAT Officials	16.04 %

Source: Field level Survey 2017

Difficulties in TAX Registration System

During survey, tax payers identified several problems and difficulties that they faced during TAX registration. Some issues came up in the dissuasion related to hassle that the tax payers usually face at the time of tax registration. Of these; lack of information about tax registration was identified as the most serious problem by the respondents (10.5 %) in registering themselves or their business for TIN followed by their lack of knowledge about how to proceed or what are the procedures of the tax registration (7.8 %). Also 45.7 percent respondents complained about the improper assessment of their taxable income by the VAT officials and 7.4 percent respondents whined about the negligence of VAT officials in discharging their duties like helping tax payers in assessing tax return, about registration and so on.

Tax Payment by the Respondents:

Majority of the respondents (97.1%) paid their VAT and taxes to the government during the fiscal year 2015-2016. The trend indicates higher enrollment of tax payers in the taxation system under Khulna Commissionerate, and that consequently paving the way for higher revenue collections by the government. Of the total respondents 83.0 percent enrolled tax payers paid their due taxes and 97.1% paid their VAT to the government treasury.

Table: Tax payment by the Respondents:

Components	Customs excise and VAT Commissionerate Khulna
Payment of Taxes	83.0 %
VAT	97.1 %
Customs Duty	71.4 %
Supplementary Taxes	48.6 %
Taxes on assets	58.6 %
Tax deduction at origin	68.6 %
Tax deduction from salaries of the employees	28.6 %

Source: Field Level Survey 2017 Due to multiple answers total exceeds 100 percent

Sector wise, 97.1 percent respondents paid VAT. Followed by 83.0 percent respondents who paid income taxes of the employees from the deduction of their salary, Over 68.6 percent paid taxes deducted at the source of their products, 71.4 percent informed about taxation payment as customs duty, 58.6 percent paid asset taxes and 48.6 percent also paid supplementary taxes to the government.

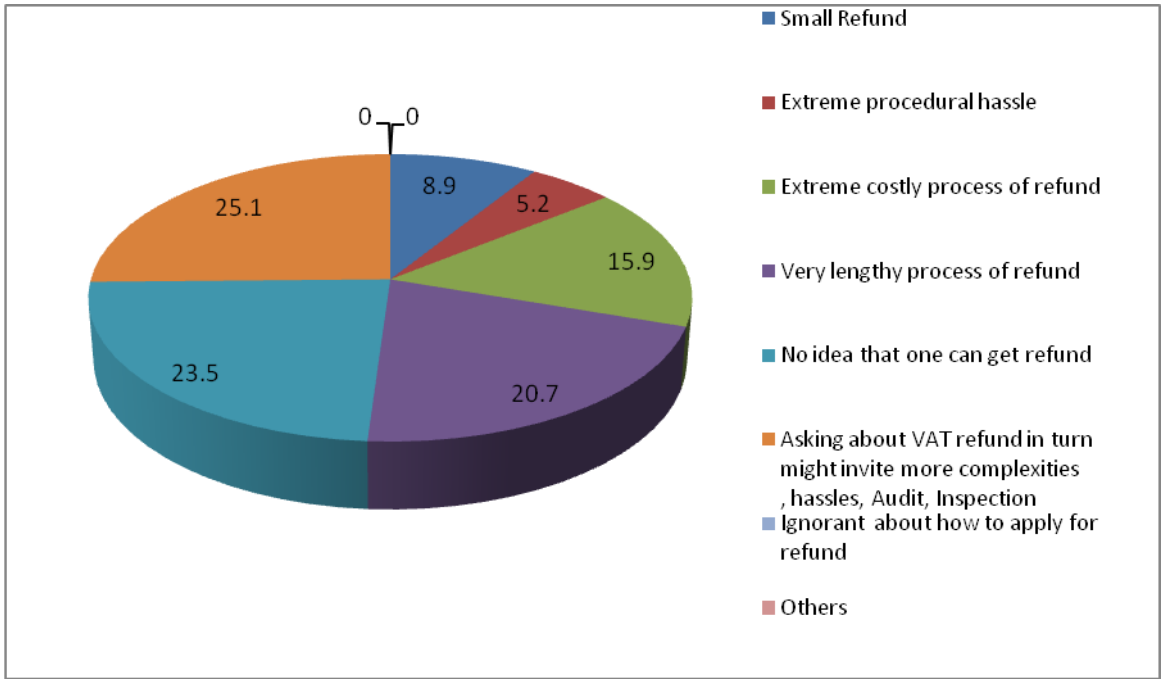
Respondents were asked whether they applied for tax return or not? In response, over 97.1 percent respondents reported that they applied for tax return and the rest did not. Those who did not apply for tax return stated different reasons for not submitting any applications for the same.

The most pertinent reason identified by the respondents who did not file any application for tax return was small refund that they might receive (8.9%). Interestingly over 23.5 percent respondents were scared to file for tax return because they believe this might create or invite more complicacies in their business. Similar proportion of respondents also reported that they had no idea about possibilities of getting back refund from their tax payment. Procedural hassle also was a reason for 5.2 percent respondents for not filing any tax refund application. It shows that VAT regime needs further improvement in its services to the tax payers to make it people's friendly taxation system.

Table: Below reasons for not filing tax return application by the respondents is presented

Reasons	Percentage
Small Refund	8. 9 %
Extreme procedural hassle	5.2 %
Extreme costly process of refund	15.9 %
Very lengthy process of refund	20.7 %
No idea that one can get refund	23.5 %
Asking about VAT refund in turn might invite more complexities , hassles, Audit, Inspection	25.1%
Ignorant about how to apply for refund	0.0 %

Source; Filed Level Survey 2017



VAT Refund Issues

Among the applicants (2.9%) who applied for VAT refund, received their refund money within a span of 1.45 months and they opined it as a reasonable time for getting the refund back. But ironically 17 percent applicant complained about paying bribe to the dealing staffs for getting back the return. But at the same time sent percent respondents also informed that they found no anomalies in VAT assessment by the VAT staffs. Filing tax return application was easy for 97.1 percent applicants and the rest 2.6 percent said it was difficult for them. These small percent of respondents belonged to small business entrepreneurs having little or no education. Over 57.7 percent responds expressed their happiness on the performance of officials and staffs in the VAT office. (For details see Annexure). (Pls See Details in Annexure)

Rating Vat Activities:

Opinion assessment of the respondents on the efficacy of the VAT activities was done during the survey. With regard to efficiency and capabilities of the VAT staffs 65.5 percent respondents stated it was average and the rest 15.6 percent expressed their unhappiness about the efficiency of the VAT staffs under Khulna Commissionerate. Of the total respondents 7.9 percent respondents expressed their happiness on the supportive attitude of the VAT officials in Khulna Commissionerate and the rest 55.5 percent stated that the supportive attitude of the VAT officials was average. Politeness of the dealing staffs in VAT wing of Khulna Commissionerate was assessed as average by 60 percent respondents while 33 percent said they were happy and the rest 6.3 percent expressed very unhappy opinion about the polite

behavior of the VAT staffs in Khulna Commissionerate. Majority of the respondents informed that honesty of the VAT staffs under Khulna Commissionerate was average and only 9.7 percent respondents were unhappy about the honesty of the VAT staffs.

The respondents of the Khulna Commissionerate were asked to provide their opinion about the fairness in valuation in response to this 74.5 percent said that was normal 3.1 percent were happy and rest of the 22.4 percent were happy on this matter.

Table: Rating VAT activities by the Respondents

Rating	Competence and qualification of the VAT staff	Cooperation of VAT staff	Humility of VAT staff	Honesty of the VAT staffs	Fairness in valuation
Very Unhappy	15.6 %	7..6%	6.3%	9.7%	0.0 %
Unhappy	18.5 %	29.6.%	33.0%	37.7%	0.0 %
Normal	65.5%	55.5%	60.7%	52.6%	74.5%
Happy	0.4 %	7.9%	0.0 %	0.0 %	22.4%
Very happy	0.0 %	0.0 %	0.0 %	0.0 %	3.1%

Problems faced by the Respondents during Tax return

Respondents faced various problems while submitting Tax returns under Khulna Commissionerate. The most painstaking problem that the respondents faced (85.5%) was spending very long time in submitting tax return. Another major problem for the respondents (96.1%) in submitting tax return under Khulna Commissionerate was procedural repetitions in the system and they viewed this procedural repetition or in other words red tapism actually is the reason for taking long time in submitting tax return to the appropriate authority. Respondents expressed their hope that concerned authority will do whatever is needed to easy the submission procedure so that the tax payers can submit their tax returns with no hassle and within a short span of time.

Table: Problems faced by the Respondents during submission of Tax Return

Problems	Yes	No
Bribe	5.4 %	94.6%
Excess Tax levy	2.3%	97.7%
Refused to accept Relevant papers in support of VAT payment by the officials	4.5%	95.5%
Long time needed for submission of return	14.5%	85.5%
Red Tapism	3.9%	96.1%

Source; Field Level survey 2017

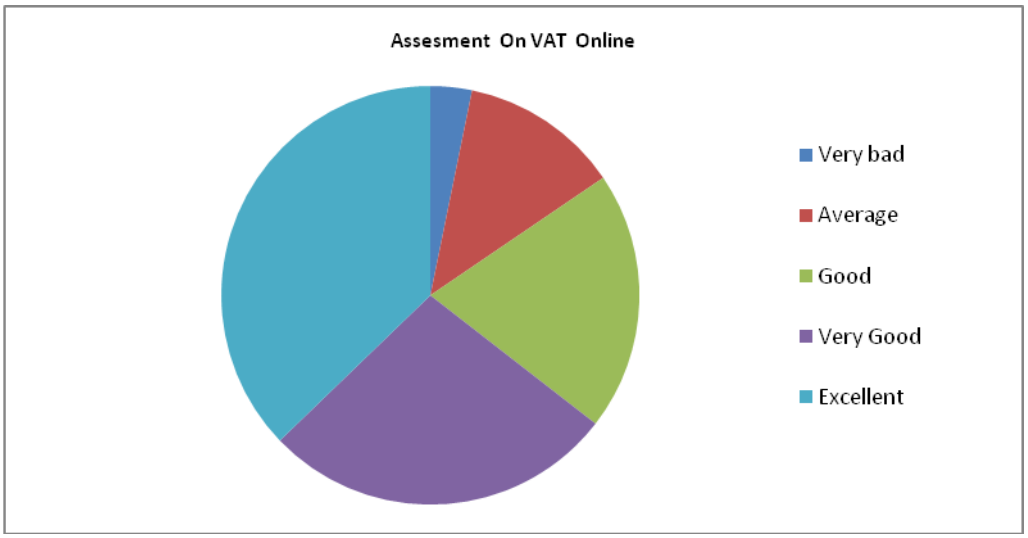
Respondent's opinion Online VAT program

The Ministry of Finance, Government of Bangladesh has introduced VAT Online Program to make VAT payment easy and accountable. Respondents were asked to provide their views on

online VAT program of Bangladesh Government. Majority respondents (37.2%) said this is an excellent step in fiscal management of government. 27.3 percent viewed the program as very good, 20.0 percent said good , 12.3 percent told average and the rest 3.2 percent given their opinion on it bad measure.

Table: Assessment On VAT Online

Very bad	Average	Good	Very Good	Excellent
3.2 %	12.3 %	20.0 %	27.3 %	37.2 %



Annual Turn Over, Bank transactions

During the fiscal year 2015-2016 the net turnover of the surveyed companies/business enterprises under Khulna Commissionerate show that 55.9 of the business enterprises had financial annual turnover within Taka 200000 to 500000, while rest 14.5 percent turnover were between Tk 500000 to Tk 8,00,0000 and the rest of the 29.6 percent turnover were Tk 10,00,000 and above.

Respondents Business houses mostly do financial transaction through cash payment (58.6%) while only 27.1 percent do financial transaction through Bank, and the rest 14.3 percent use other channel for financial transaction in Khulna Commissionerate although 95.9 percent respondents had Bank accounts.

All the respondents agreed on the importance of getting purchase receipt in doing transactions. While inquiring about the academic qualifications of the respondents it was found that 35.5 % percent owners were SSC/HSC passed, 27.1 percent were graduate or had

post graduate degrees, while 12.4 % percent respondent's academic qualification were less than SSC.

Respondents Views on complicacies of VAT assessment

Survey data show that tax payers are not at all happy about the procedure followed by the NBR to assess VAT. They stated multiple problems that they face during assessing their VAT. Most serious difficulty that the tax payers face during assessing their VAT is the assessment procedure itself. Over 21.5 percent of the respondents informed during the survey that VAT assessment procedure is a real cumbersome process. Improper assessment by the officials (1.4) Complex procedure (4.9%) , demand for excess information by the VAT officials (6.7%), Among the total 70 sample respondents of the Khulna Commissionerate they argued their opinion on increasing advertisement 42.9 % . They also demanded to the NBR that they should give proper attention to Online VAT return and should introduce easy and hassle free VAT assessment procedure. (Table: 11)

Table: Difficulties in VAT assessment

Problems	Percentage (%)
Different Assessment	1.4 %
Proper Assessment	21.5 %
Different Paper	4.9 %
Different Information	6.7 %
Increase Advertisement	42.9 %
Official Problem	6.2 %
Online VAT return	16.4 %

Respondents' suggestions to make VAT regime more understandable and easy to the VAT payers:

Respondents were asked to suggest how to make VAT regime more pro people and hassle free. Multiple answers were received from them. Nearly 38 percent of the respondents emphasized on the increased and frequent advertisements in the national and local dailies depicting the importance of VAT and the procedure for submitting the same to the state treasury. This would help business as well as general people to know about VAT (38.4%). Also the respondent tax payers (15.4%) demanded that the concerned offices should provide the VAT payers proper and just information so that they can pay the tax as per government rules and regulations. Tax payers (3.7%) suggested further that NBR should open help line to provide necessary helps to tax payers under Khulna Commissionerate. Of the tax payers nearly 8.6 percent emphasized on the importance of experienced staffs in the Commissionerate. They demanded that Khulna Commissionerate should be well equipped

with honest and experienced staffs to deal with VAT issues. Respondents (15.4%) furthermore demanded that they should be provided correct and necessary information about VAT by the officials which at present they are not getting. Lastly slightly over 8.6 percent respondents suggested that NBR should also initiate awareness campaign about VAT at the earliest to make people aware about the necessity of VAT. (Table -12)

Table: Suggestions of the Respondents.

Opinion	**Percentage (%)**
Improve staff expertise	8.6
Provide correct information	15.4
Increase Add	38.4
Let people know the advantage of VAT	33.9
Help for online VAT	3.7
Awareness regarding VAT	8.6

VAT management by the Tax Payers under Khulna Commissionerate.

Most of the business houses or enterprises (38.4) have entrusted some personnel to look after VAT related issues for their companies or business. On an average there responsible persons looking after company's VAT spend 1.3 hours a day to keep the record up to date. Maximum amount of the respondents (72.6%) affirmed that they are acquainted with the new VAT laws to be introduced by the Government of Bangladesh. 97.7 percent of the respondents had not to face any litigation in relation to VAT. (For details see the Annexure)

Tax Payers assessment on the VAT officials under Khulna Commissionerate

VAT payers opinion in the survey revealed that, officials responsible for VAT administration under Khulna Commissionerate were very sincere in discharging their duties. According to 42.9 percent respondents, these officials visited them twice, 32.6 % said the VAT officials visited third time during the fiscal year 2015-206. 13.7 % percent respondents said the officials came to their office fourth and 10 percent respondents told that VAT related staff cam for once during the same period. (See Annexure for details)

Tax Payers Assessment on the VAT service Providers.

Tax payers opinion on the performance of different offices or directorates engaged in providing services to the Tax payers exposed that they were more or less quite happy with the

role these office have been paying a good role in extending their helping hands to the tax payers.

Table: Assessment of the Respondents on VAT service providers.

Name of the Offices	Scale	Percentage (%)
NBR	Low	7.9 %
	Average	26.7 %
	Good	38.4 %
	Very Good	17.6 %
	Excellent	9.4 %
VAT Online	Low	3.6 %
	Average	8.4 %
	Good	4.3 %
	Very Good	62.3 %
	Excellent	21.4 %
Commissionerate	Low	15.9 %
	Average	27.1 %
	Good	36.5 %
	Very Good	20.1 %
	Excellent	0.5 %
Divisional VAT Office	Low	16.4 %
	Average	65.4 %
	Good	12.7 %
	Very Good	.4.5 %
	Excellent	1.0 %

Source: Filed level Survey 2017

About NBR on an average 38.4 percent tax payers expressed their satisfaction on the services this office is providing and respondents termed it as good, 26.1 percent was average, 7.9 percent told it was bad and for the rest 9.4 percent called it excellent. About VAT online 21.4 percent respondents stated its service excellent, 4.3 % as good, 62.3 percent called it was very good and the rest 3.6 percent termed their service as bad. Service provided by the Khulna Commissionerate to the tax payers were equally satisfactory 36.5 percent termed the services provided by the Commissionerate to the tax payers, 20.1 percent treated as very good, 0.5 percent argued on as excellent, and the rest 15.9 percent as bad. About Divisional VAT office 65.4 percent respondent told its services to the tax payers as average, 12.7 percent as good, 4.5 percent as very good and the rest 1.0 percent as excellent.

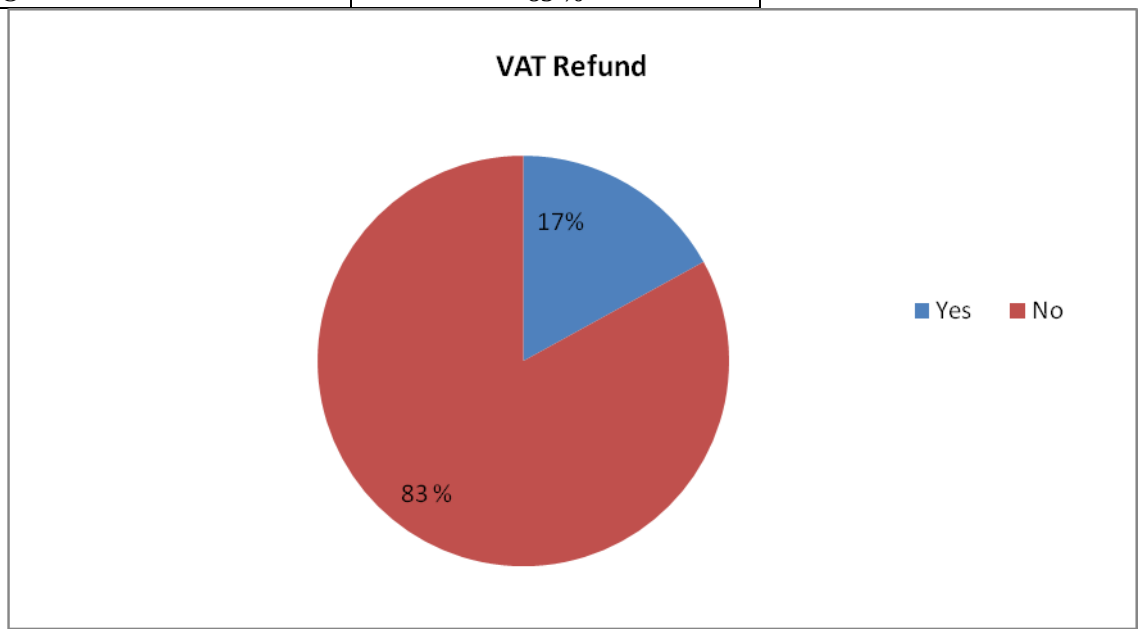
ANNEXURE

Q.12 & Q.13; VAT refund and Days took to receive the refund money

Received VAT Refund?	Percentage (%)
Yes	2.9
No	97.1
Time Required to get the VAT Refund	
Days	52
Months	1.45

Q.14 Paying Money for getting back VAT refund?

Received VAT Refund?	Percentage (%)
Did you have to pay any extra money to get the VAT refund?	
YES	17 %
NO	83 %



15: Anomalies in VAT assessment by NBR

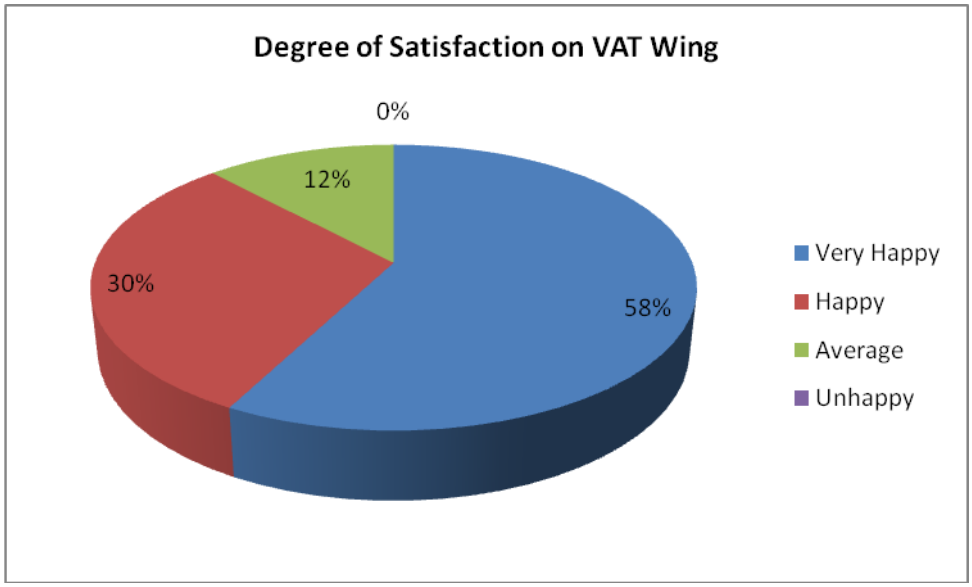
Response	Percentage (%)
Yes	**0**
No	**100.0**

Q 16 & 17: Did you find Filling Taxes return Forms easy?

Response	(Percentage)
Did you find Filling Taxes return Forms easy?	
Yes	97.1
No	2.6

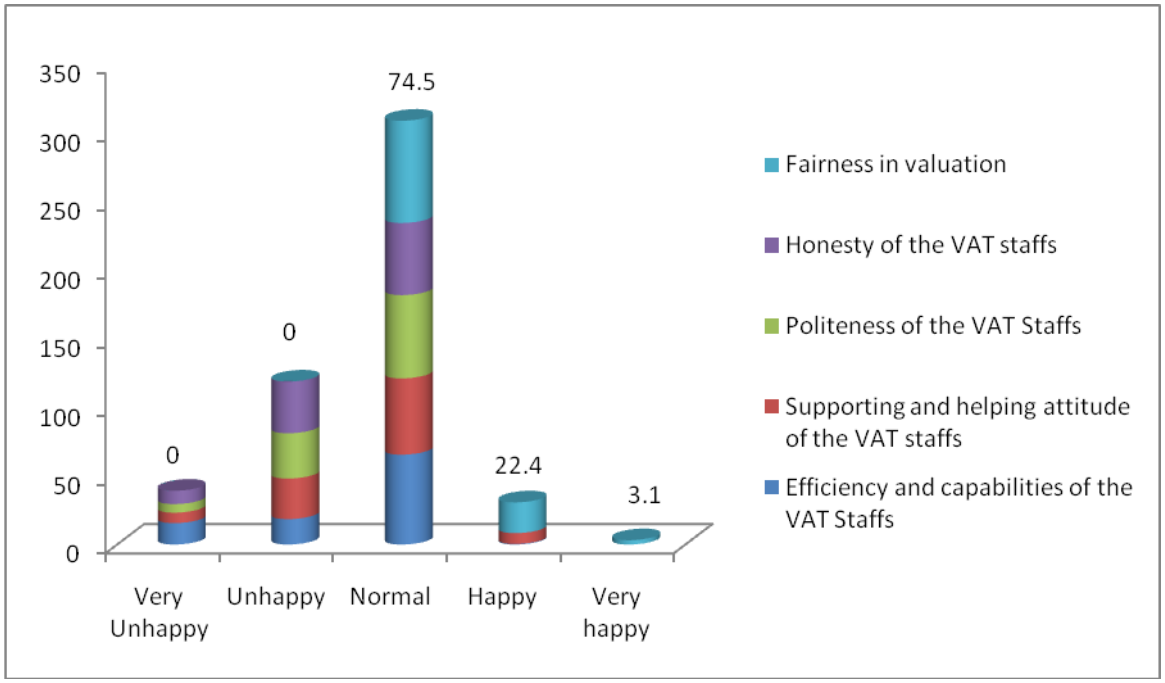
Q-17. Are you happy about the services provided by the VAT wing?

Are you happy about the services provided by the VAT wing	
Very Happy	57.7 %
Happy	30.3 %
Average	12.0 %
Unhappy	-



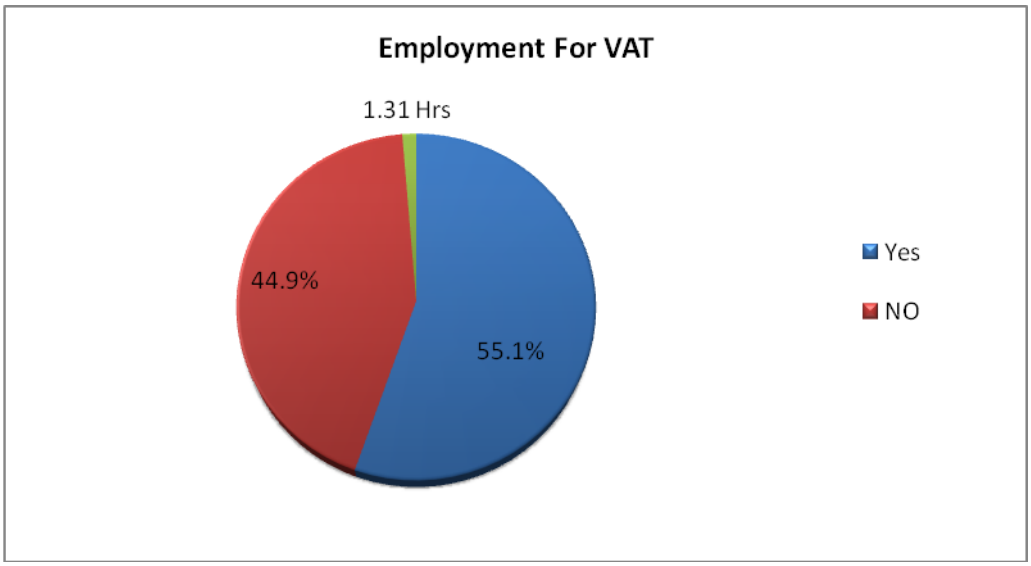
Q.18. Rating of the Respondents regarding Activities of VAT wings

Commissionerate	Rating	Efficiency and capabilities of the VAT Staffs	Supporting and helping attitude of the VAT staffs	Politeness of the VAT Staffs	Honesty of the VAT staffs	Fairness in valuation
Customs, Excise and VAT Commissionerate Khulna	Very Unhappy	15.6 %	7..6%	6.3%	9.7%	-
	Unhappy	18.5 %	29.6.%	33.0%	37.7%	-
	Normal	65.5%	55.5%	60.7%	52.6%	74.5
	Happy	0.4 %	7.9%	-	-	22.4
	Very happy	-	-	-	-	3.1



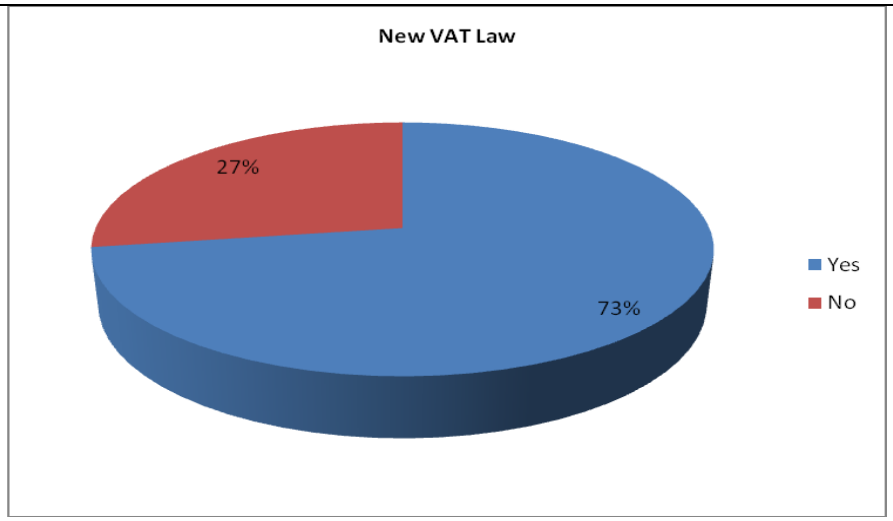
Q.28 and 29: Presence of employees for looking after VAT matters and time spent on VAT related works

Commissionerate	Do you have any Employees to look after VAT related works		If yes average how much do they spend to look after VAT related works?
	Yes (%)	No (%)	hours
Customs, Excise and VAT Commissionerate Khulna	56.1	43.9	1.31



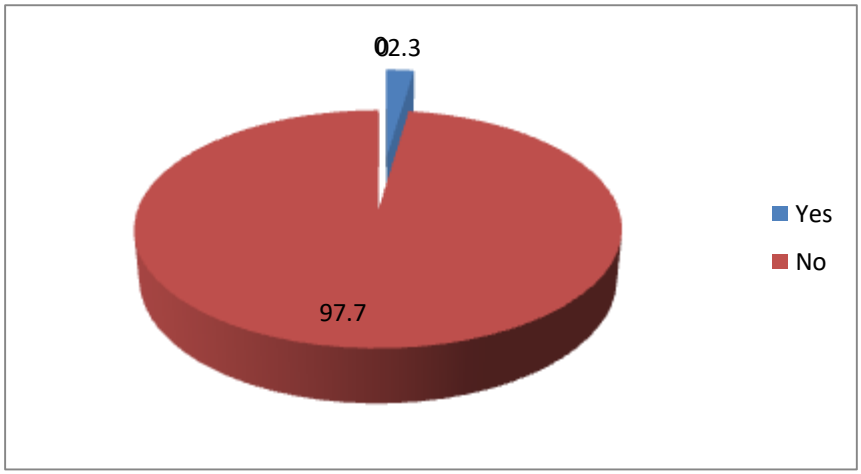
Q.30. Knowledge about New VAT law

Commissionerate	Do you have any knowledge about New VAT Law introduced by the Govt. of Bangladesh?	
	Yes (%)	No (%)
Customs, Excise and VAT Commissionerate KHULNA	72.6	27.4



Q.31: Any experience on VAT related litigation?

Commissionerate	Do you have any experience on VAT related Litigations?	
	Yes	No
Customs, Excise and VAT Commissionerate Khulna	2.3	97.7



CUSTOMS, EXCISE AND VAT COMMISSIONERATE, RANGPUR:

Types of Taxpayers

In Total 60 companies and business owners were sampled out for this survey from among the enlisted business houses by following the scientific sampling procedure that has been proposed in the survey proposal and was approved by the NBR. Of these total 60 companies, 34 % were registered as private Limited , 45.4 % were privately owned, another 8 % were Public Limited Company and the rest 12.6 % business entrepreneurs were categorized as others category.

Nature of Business:

Sampled Tax payers were engaged in different types of trading and business. Most of the sampled respondents (48.89%) were engaged in Trading (58.7%), 18.5 % Production Oriented activities followed by service Oriented Business (7.3 %) and others (15.5 %).

Employment Situation:

Gender aggregate employment in the business enterprises of the respondents showed nearly 13.27 percent employees were females and the rest were males. While talking to the respondents it was revealed that in recent times, due to reasonable development of communication, trade and commercial activities have been expanding rapidly. Rapid expansion of trade and commerce consequently creating increased employment opportunities for both men and women. Usually in earlier periods women had little scope for employment outside the homestead due to strict social customs and norms, but with the changing pace of time women have debuting gradually and are joining in employment outside their own closed circle of homesteads and villages. To feed the labor needs for expanding trade and commercial activities, as well as for financial necessity of their own families, women in greater numbers are now participating in paid jobs in industries, offices, shops and works shops. In the total 60 sampled business, houses offices or the business entrepreneurs, there were 86.73 employees of were males and the rest 13.27 % were females. Female employees were mostly employed in trading such as shop and shopping mall an auxiliary of the male or husband.

In Table below data on gender aggregated employment situation in surveyed business enterprises is presented.

Table: Gender Aggregated Employment Situation:

Gender of the Employers	Number
Male	86.73%
Female	13.27 %
Total	100 %

Source: Field Level Survey 2017

Complexities in obtaining TIN

This survey was aimed at assessing Tax payers' satisfaction under VAT regime in Bangladesh. In order to assess the level of satisfaction among the tax payers, several issues were raised and responses were collected. One of the initial issues that were presented before the respondents was, whether they faced any complexities in obtaining Tax Identification Number (TIN) from the concerned office. Respondents were given several options to express their views. On the whole it was found that most of the respondents obtained the TIN from concerned office without hassle and easily. Out of total respondents 37.9 % tax payers reported easy process of obtaining TIN numbers and the rest 23.0 % said it was easy for them. In Table 4 below, data on Respondents view about the complexities in obtaining Tin numbers is presented.

Table: Responses on Complexities in Obtaining TIN

Responses on Complexities	Percentage (%)
Extremely Complex	4.5
Complex	12.6
Neither Complex nor Easy	17
Easy	37.9
Very Easy	23.0

Source: Field Level Survey 2017

Sources of VAT Information

Respondents named various sources from where they became conversant about VAT and related information. They identified multiple sources that were useful to obtain information on VAT and related issues. Majority of the respondents (27.0 %) became familiar about VAT and related issues from Television , 11 % from News Papers and 18.9 % percent were benefited about VAT related information and another were informed 11.7 % percent respondents stated that VAT related advertisement by the NBR made them aware about the issue. VAT officials played a key role in making the respondents conscious about VAT. Over 25.8 % percent respondents informed during the survey that VAT officials briefed them about VAT and related issues. Another 5.6 % percent also became knowledgeable on VAT from Internet. In table 5 below Sources of information on VAT is presented.

Table : Sources of Information

Sources of Information	Percentage
Television	27.0
Radio	18.9
Newspapers	11
Internet	5.6
VAT related Advertisement	11.7
From VAT Officials	25.8

Source: Field level Survey 2017

Difficulties in TAX Registration System

During survey, tax payers identified several problems and difficulties that they faced during TAX registration. Some issues came up in the dissuasion related to hassle that the tax payers usually face at the time of tax registration. Of these; lack of information about tax registration was identified as the most serious problem by the respondents (18.5 %) in registering themselves or their business for TIN followed by their lack of knowledge about how to proceed or what are the procedures of the tax registration (17.8 %) . Also 34.7 percent respondents complained about the improper assessment of their taxable income by the VAT officials and 10 percent respondents whined about the negligence of VAT officials in discharging their duties like helping tax payers in assessing tax return, about registration and so on.

Tax Payment by the Respondents:

Majority of the respondents (82%) paid their taxes to the government during the fiscal year 2015-2016. The trend indicates higher enrollment of tax payers in the taxation system under Rangpur Commisisionarate, and that consequently paving the way for higher revenue collections by the government. Of the total respondents 82 percent enrolled tax payers paid their due taxes and 89.1% paid their VAT to the government treasury.

Table : Tax payment by the Respondents:.

Components	Percentage (%)
Payment of Taxes	82.0
VAT	89.1
Customs Duty	62.4
Supplementary Taxes	23.6
Taxes on assets	18.6
Tax deduction at origin	29.6
Tax deduction from salaries of the employees	16.5

Source: Field Level Survey 2017 Due to multiple answers total exceeds 100 percent

Sector wise, 89.1 percent respondents paid VAT. Followed by 16.5 percent respondents who paid taxes of the employees from the deduction of their salary, Over 29.6 percent paid taxes deducted at the source of their products, 62.4 percent informed about taxation payment as

customs duty, 18.6 percent paid asset taxes and 23.6 percent also paid supplementary taxes to the government.

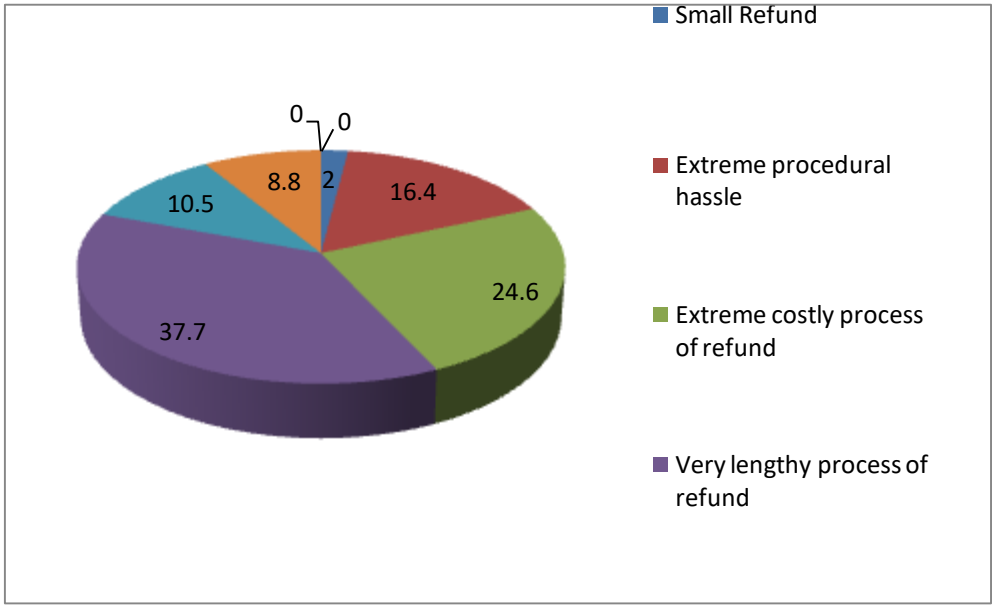
Respondents were asked whether they applied for tax return or not? In response, none of them reported that they did not apply for tax return. Those who did not apply for tax return stated different reasons for not submitting any applications for the same.

The most pertinent reason identified by the respondents who did not file any application for tax return was small refund that they might receive (2.0%) . Interestingly over 8.7 percent respondents were scared to file for tax return because they believe this might create or invite more complicacies in their business. 37.7 percent respondents also reported that they did not apply for lengthy process for getting back. Procedural hassle also was a reason for 16.4 percent respondents for not filing any tax refund application. It shows that VAT regime needs further improvement in its services to the tax payers to make it people's friendly taxation system.

Table- Below reasons for not filing tax return application by the respondents is presented

Reasons	Number
Small Refund	2.0 %
Extreme procedural hassle	16.4 %
Extreme costly process of refund	24.6 %
Very lengthy process of refund	37.7 %
No idea that one can get refund	10.5 %
Asking about VAT refund in turn might invite more complexities , hassles, Audit, Inspection	8.8%
Ignorant about how to apply for refund	0

Source; Filed Level Survey 2017



VAT Refund Issues

But at the same time 100 percent respondents also informed that they found no anomalies in VAT assessment by the VAT staffs. Filing tax return application was easy for 65.1 percent applicants and the rest 34.9 percent said it was difficult for them. These small percent of respondents belonged to small business entrepreneurs having little or no education. Over 30.3 percent responds expressed their happiness on the performance of officials and staffs in the VAT office.(For details see Annexure).

Rating Vat Activities:

Opinion assessment of the respondents on the efficacy of the VAT activities was done during the survey. With regard to efficiency and capabilities of the VAT staffs 65.5 percent respondents stated it was average and the rest 12.0 percent expressed their happiness about the efficiency of the VAT staffs under Rangpur Commissiorate. Of the total 60 respondents 53.4 percent respondents expressed their opinion as normal on the supportive attitude of the VAT officials in Rangpur Commisiotrate. Politeness of the dealing staffs in VAT wing of Rangpur Comissionarate was assessed as average by 49.7 percent respondents while 35.0 percent said they were unhappy . Majority of the respondents informed that honesty of the VAT staffs under Rangpur Commisiorate was average 47.5 percent or normal

Table 8: Rating VAT activities by the Respondents

Rating	Competence and qualification of the VAT staff	Cooperation of VAT staff	Humility of VAT staff	Honesty of the VAT staffs	Fairness in valuation
Very Unhappy	10.2	10..6	15.3	27.5	10.2
Unhappy	12.3	30.	35.0	25	12.3
Normal	65.5	53.4	49.7	47.5	65.5
Happy	12.0	6	-	-	12.0
Very happy	.-	-	-	-	.-

Problems faced by the Respondents during Tax return

Respondents faced various problems while submitting Tax returns under Rangpur Commisionarate. The most painstaking problem that the respondents faced was spending very long time in submitting tax return. Another major problem for the respondents (86%) in submitting tax return under Rangpur Commisionarate was procedural repetitions in the system and they viewed this procedural repetition or in other words red tapism actually is the reason for taking long time in submitting tax return to the appropriate authority. Respondents expressed their hope that concerned authority will do whatever is needed to easy the submission procedure so that the tax payers can submit their tax returns with no hassle and within a short span of time.

Table : Problems faced by the Respondents during submission of Tax Return

Problems	Yes	No
Bribe	9.5	90.5
Excess Tax levy	4.3	95.7
Refused to accept Relevant papers in support of VAT payment by the officials	21.3	78.7
Long time needed for submission of return	10.5	89.5
Red Tapism	8.9	91.1

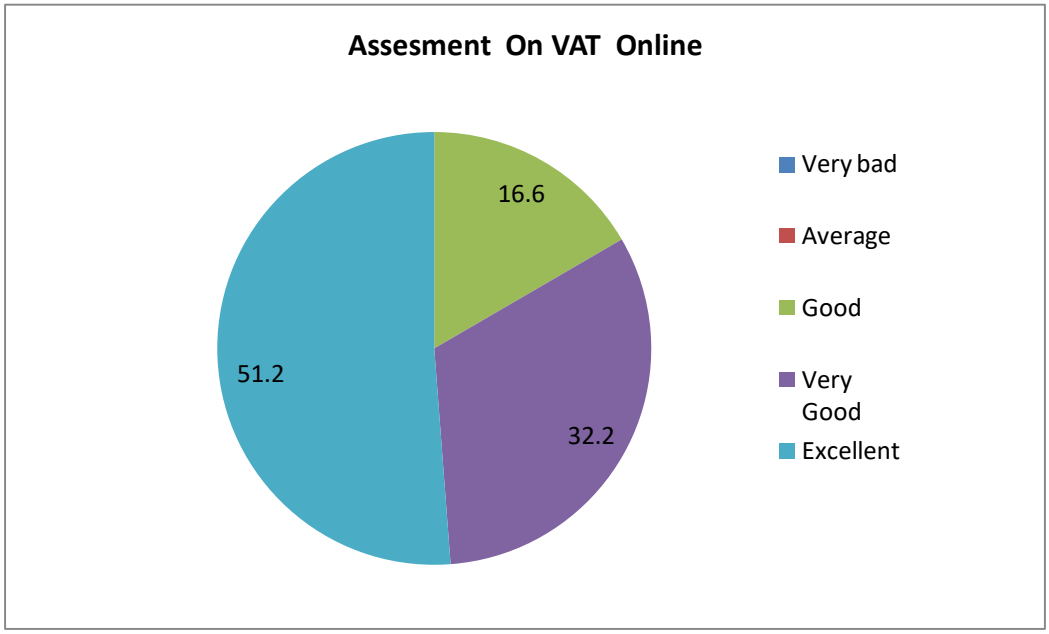
Source; Field Level survey 2017

Respondent's opinion Online VAT program

The Ministry of Finance, Government of Bangladesh has introduced VAT Online Program to make VAT payment easy and accountable. Respondents were asked to provide their views on online VAT program of Bangladesh Government. Majority respondents (37.2) said this is an average step in fiscal management of government 22.2 percent viewed the program as very good and the rest opined it as good measure.

Table : Assessment On VAT Online

Very bad	Average	Good	Very Good	Excellent
1.2 %	37.2%	25.8 %	22.2 %	13.6 %



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Respondents Business houses mostly do financial transaction through cash payment 47.6 percent while only 25.2 percent do financial transaction through Bank, though 85.6 percent respondents had Bank accounts.

All the respondents agreed on the importance of getting purchase receipt in doing transactions. While inquiring about the academic qualifications of the respondents it was found that 40.5 percent owners were SSC/HSC passed while 23.1 percent respondents completed degree or post graduate certificate.

Respondents Views on complicacies of VAT assessment

Survey data show that tax payers are not at all happy about the procedure followed by the NBR to assess VAT. They stated multiple problems that they face during assessing their VAT. Most serious difficulty that the tax payers face during assessing their VAT is the assessment procedure itself. Over 17.5 percent of the respondents informed during the survey that VAT assessment procedure is a real cumbersome process. Improper assessment by the officials (12.4) demand for excess information by the VAT officials (2.1), are the other problems that the traders face often in doing their business. They demanded NBR should give proper attention to this and should introduce easy and hassle free VAT assessment procedure.

Table : Difficulties in VAT assessment:

Opinion	Rangpur
Different Assessment	12.4 %
Proper Assessment	17.5 %
Different Paper	7.9 %
Different Information	20.7 %
Hassle during deposit VAT	32.4 %
Need Tax Lawyer	7.0 %
Official Problem	2.1 %

Respondents' suggestions to make VAT regime more understandable and easy to the VAT payers:

Respondents were asked to suggest how to make VAT regime more pro people and hassle free. Multiple answers were received from them. Nearly 37 percent of the respondents emphasized on the increased and frequent advertisements in the national and local dailies depicting the importance of VAT and the procedure for submitting the same to the state treasury. This would help business as well as general people to know about VAT (23.85%) . Also the respondent tax payers (12.84%) demanded that the concerned offices should provide

the VAT payers proper and just information so that they can pay the tax as per government rules and regulations. Tax payers (22.94%) suggested further that NBR should open help line to provide necessary helps to tax payers under Comilla Commisionartae. Of the tax payers, nearly 12 percent emphasized on the importance of experienced staffs in the commisionarate. They demanded that Comilla Commsisionarte should be well equipped with honest and experienced staffs to deal with VAT issues. Respondents (12.84%) furthermore demanded that they should be provided correct and necessary information about VAT by the officials which at present they are not getting. Lastly slightly over 11 percent respondents suggested that NBR should also initiate awareness campaign about VAT at the earliest to make people aware about the necessity of VAT. (Table -11)

Table 11: Suggestions of the Respondents.

Opinion	**Percentage (%)**
Improve staff expertise	11.93 %
Provide correct information	12.84 %
Increase Add	36.70 %
Let people know the advantage of VAT	23.85 %
Help for online VAT	22.94 %
Awareness regarding VAT	11.01 %

VAT management by the Tax Payers under Comilla Commsisionarate.

Only 12.1 percent business houses or enterprises have entrusted some personnel to look after VAT related issues under Rangpur Commissionerate for their companies or business. On an average there responsible persons looking after company's VAT spend 1.01 hours a day to keep the record up to date. 54.6 % of the respondents affirmed that they are acquainted with the new VAT laws to be introduced by the Government of Bangladesh. None of the respondents (100%) had to face any litigation in relation to VAT

Tax Payers assessment on the VAT officials under Comilla Commisionrate

VAT payers opinion in the survey revealed that, officials responsible for VAT administration under Rangpur Commisionrate were very sincere in discharging their duties. According to 25.8 percent respondents these officials visited them once during the fiscal year 2015-206. 38.9 percent respondents said the officials came to their office twice and 4.0 percentage respondents said that VAT related staff came four times during the same period. (See Annexure for details)

Tax Payers Assessment on the VAT service Providers.

Tax payers opinion on the performance of different offices or directorates engaged in providing services to the Tax payers exposed that they were more or less quite happy with the role these office have been paying a good role in extending their helping hands to the tax payers.

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	Average	8.4
	Good	4.3
	Very Good	62.3
	Excellent	21.4
Commissionerate	Low	15.9
	Average	27.1
	Good	36.5
	Very Good	20.1
	Excellent	0.5
Divisional VAT Office	Low	16.4
	Average	65.4
	Good	12.7
	Very Good	.4.5
	Excellent	1.0

Source: Filed level Survey 2017

About NBR on an average 38.4 percent tax payers expressed their satisfaction on the services this office is providing and respondents termed it as good while 62.3 percent told it very good 27.1 percent called made it as excellent. About VAT online 4.3 percent respondents state its service as good, 62.3 percent as very good and the rest 21.4 percent termed their service as excellent. Service provided by the Rangpur Commisionarate to the tax payers were equally satisfactory 36.5 percent termed the services provided by the commisionartae to the tax payers, 20.1 percent treated as very good, 20.1 percent as very good and the rest 2.0 percent as excellent. About Divisional VAT office 65.4 percent respondent told its services to the tax payers as average, 12.7 percent as good, 4.5 percent as very good and the rest 1.0 percent as excellent.

ANNEXURE

Q.12 & Q.13; VAT refund and Days took to receive the refund money

Received VAT Refund?	Customs, Excise and VAT Commissionerate, Rangpur
Yes	**0**
No	**100.0**
Time Required to get the VAT Refund	
Days	-
Months	-

Q.14 Paying Money for getting back VAT refund?

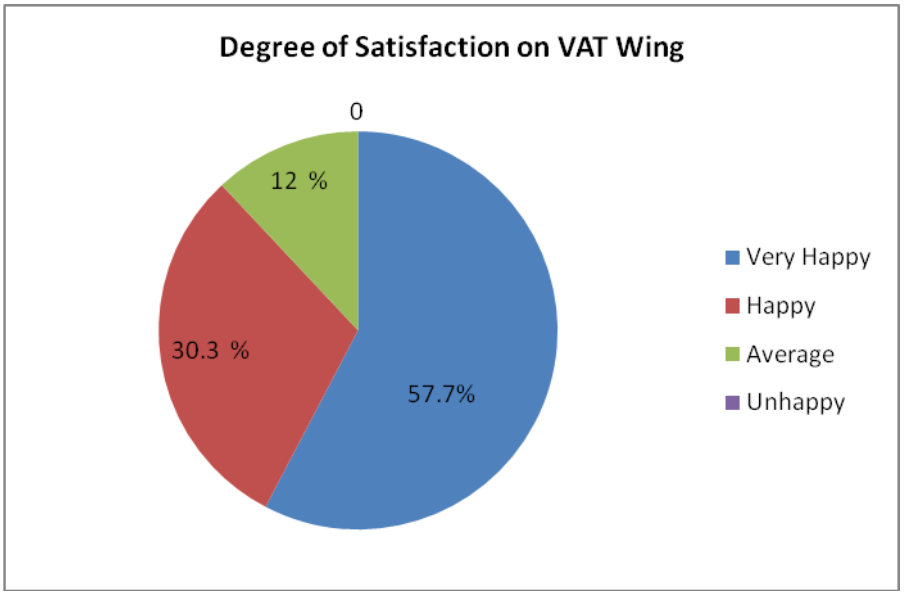
Received VAT Refund?	Rangpur
Did you have to pay any extra money to get the VAT refund?	
YES	0.0 %
NO	100 %

15: Anomalies in VAT assessment by NBR

Response	Rangpur
Yes	**0**
No	**100.0**

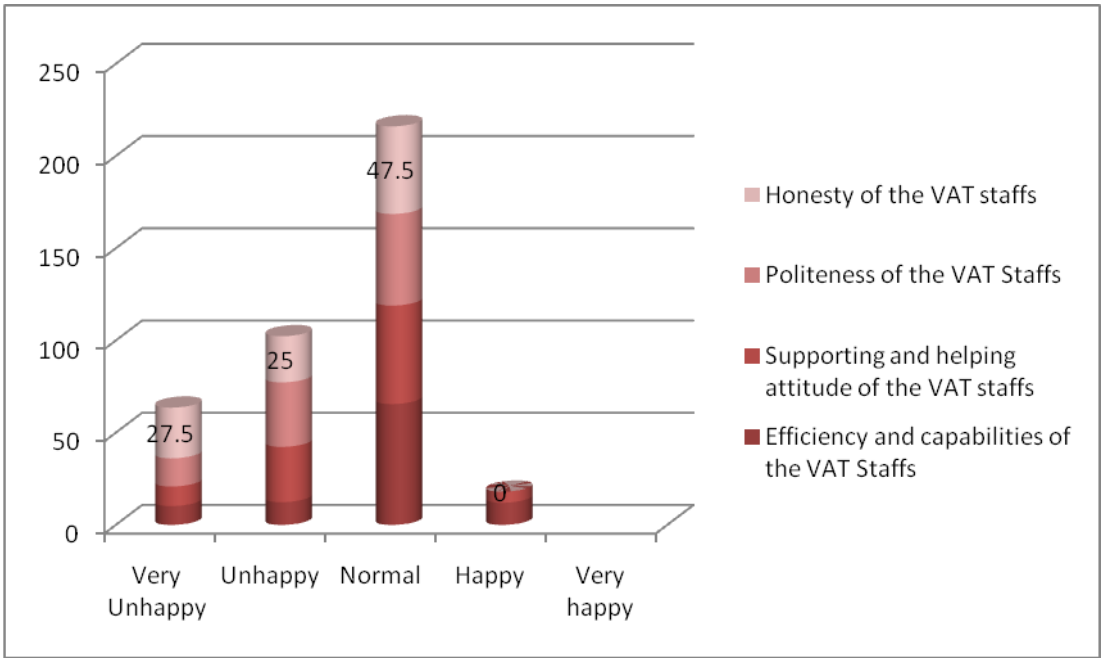
Q 16 & 17: **Did you find Filling Taxes return Forms easy ? Are you happy about the services provided by the VAT wing**

Response	**Customs, Excise and VAT Commissionerate Rangpur**
Did you find Filling Taxes return Forms easy ?	
Yes	65.1 %
No	34.9 %
Are you happy about the services provided by the VAT wing	
Very Happy	57.7 %
Happy	30.3 %
Average	12.0 %
Unhappy	-



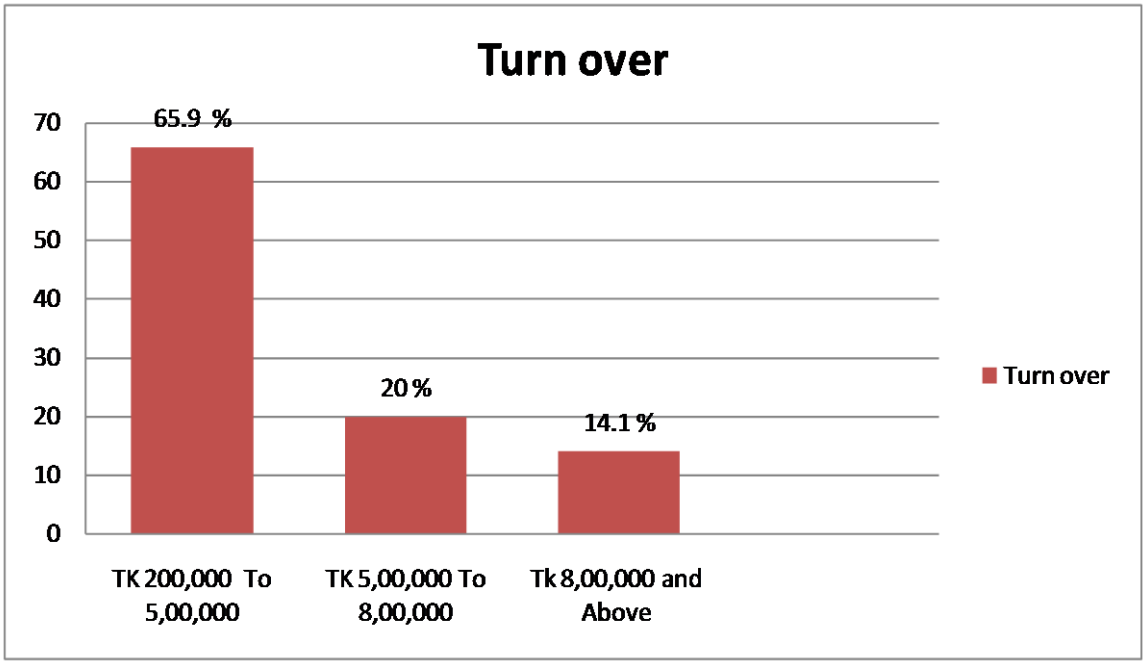
Q.18. : Rating of the Respondents regarding Activities of VAT wings

Commissionarate	Rating	Efficiency and capabilities of the VAT Staffs	Supporting and helping attitude of the VAT staffs	Politeness of the VAT Staffs	Honesty of the VAT staffs	Fairness in valuation
Customs, Excise and VAT Commissionerate Rangpur	Very Unhappy	10.2	10..6	15.3	27.5	10.2
	Unhappy	12.3	30.	35.0	25	12.3
	Normal	65.5	53.4	49.7	47.5	65.5
	Happy	12.0	6	-	-	12.0
	Very happy	.-	-	-	-	.-



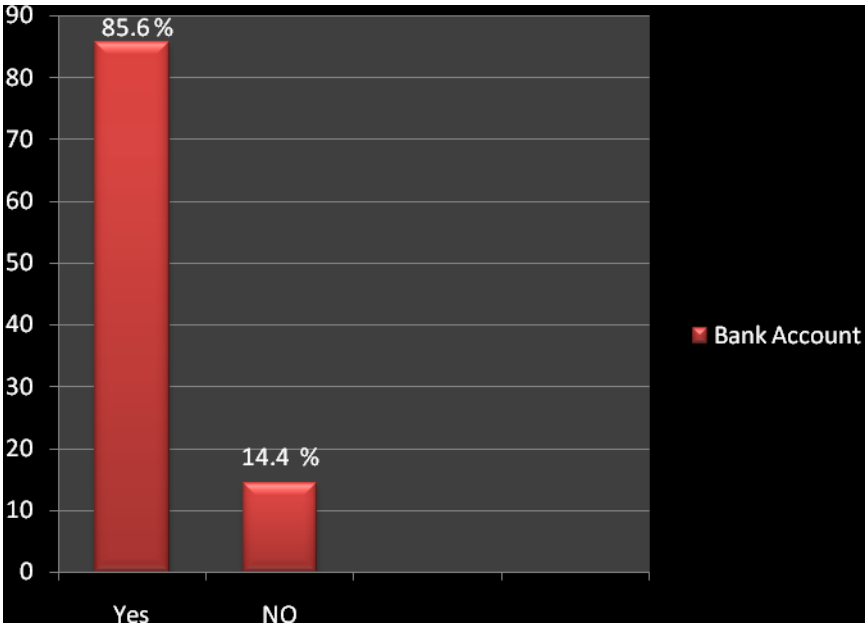
Q.21 Company's Turn over during the fiscal year 2015-2016

Turn Over	Tk 200000 to Tk 500000	Tk 500000 to Tk 800000	Tk 800000 and abobe
Customs, Excise and VAT Commissionerate Rangpur	65.9	20.0	14.1 %



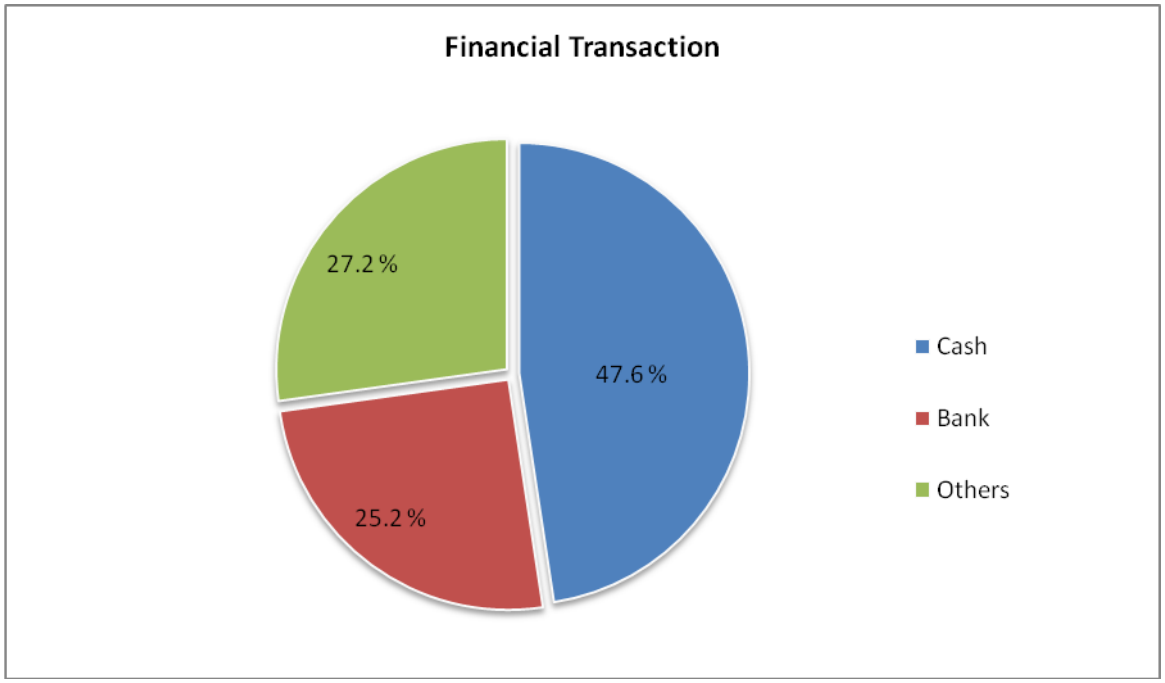
Q.22 : Do you have any Bank Account ?

Commissionarate	Do you have any Bank Account	
	Yes	No
Customs, Excise and VAT Commissionerate, ,Rangpur	85.6	14.4



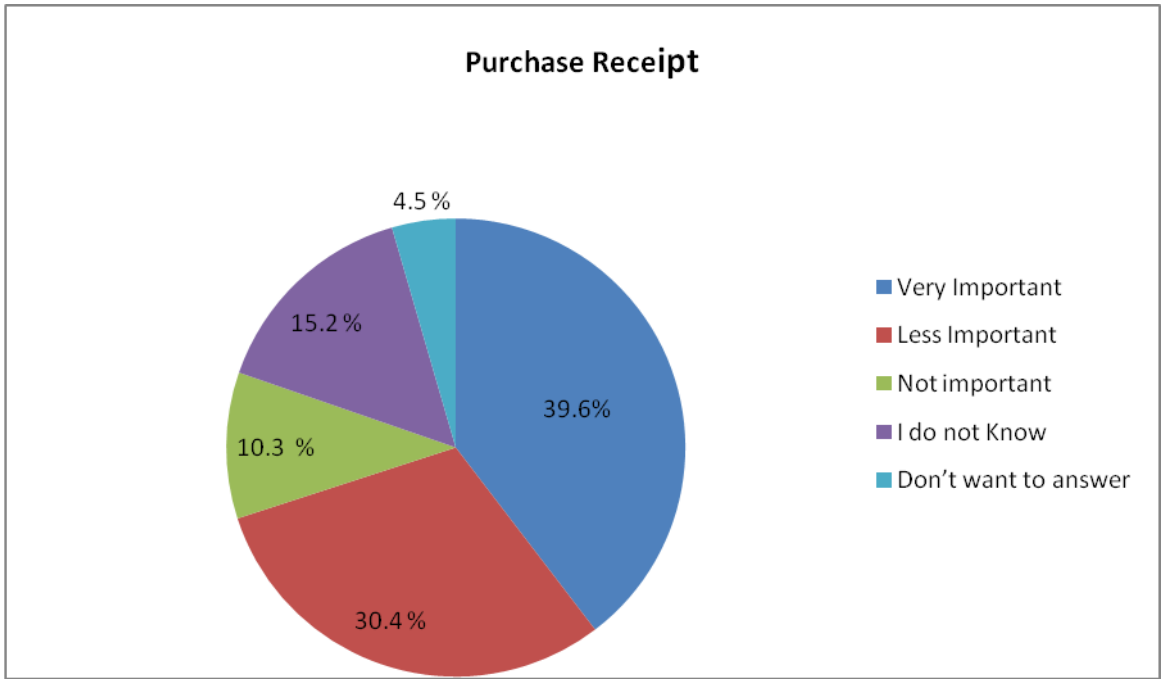
Q.23. **How do you go for your financial transaction?**

Process of Financial Transaction	Cash	Banks	Others
Commissionerate			
Customs, Excise and VAT Commissionerate ,Rangpur	47.6	25.2	27.2



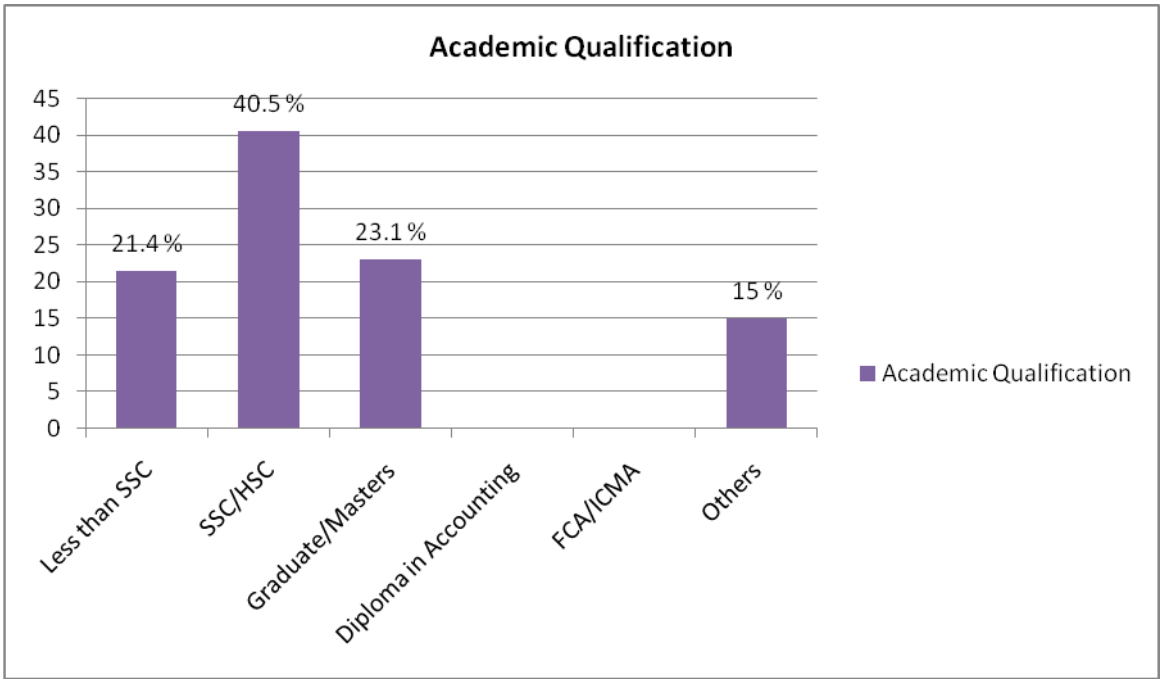
Q.24: Importance of purchase receipt to the Respondents

Scale	Customs, Excise and VAT Commissionerate Rangpur
Importance of purchase receipt to the Respondents	
Very Important	39.6 %
Less Important	30.4 %
Not important	10.3 %
I do not Know	15.2.0%
Don't want to answer	4.5 %



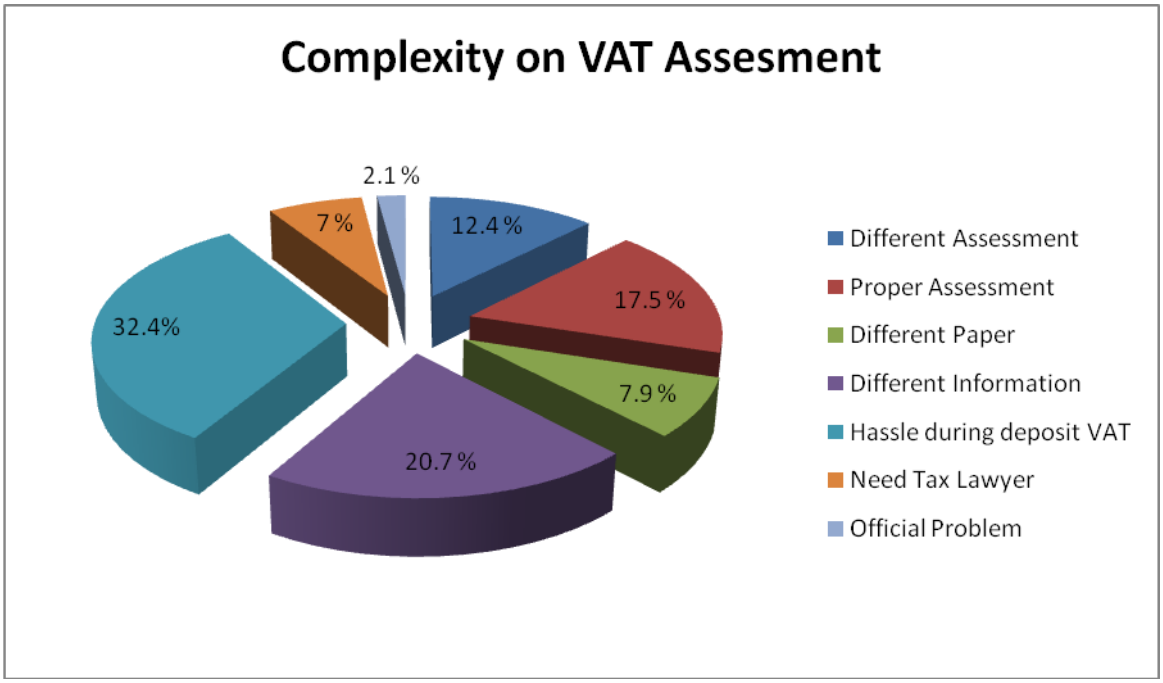
Q.25 : Academic Qualification

Level of Education	Customs, Excise and VAT Commissionerate , Rangpur
Academic qualification of the Respondents	
Less than SSC	21.4 %
SSC/HSC	40.5 %
Graduate/Masters	23.1 %
Diploma in Accounting	-
FCA/ICMA	-
Others	15.0 %



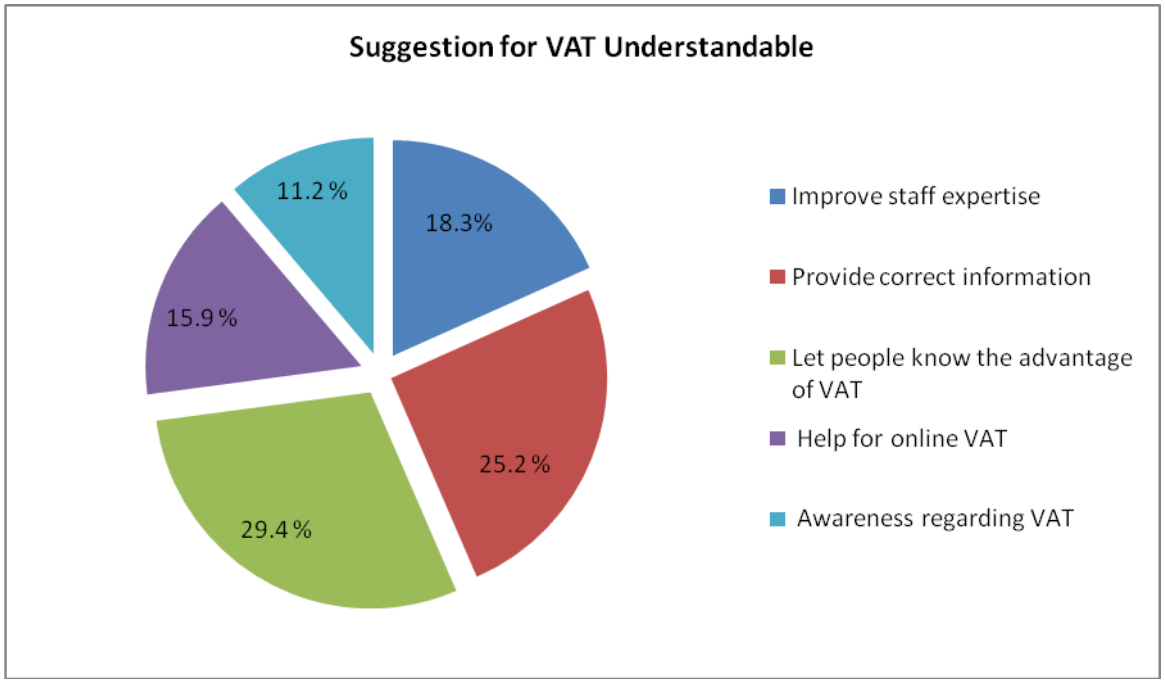
Q.**26: Respondents opinion regarding complexity of VAT assessing**

Opinion	Rangpur
Different Assessment	12.4 %
Proper Assessment	17.5 %
Different Paper	7.9 %
Different Information	20.7 %
Hassle during deposit VAT	32.4 %
Need Tax Lawyer	7.0 %
Official Problem	2.1 %



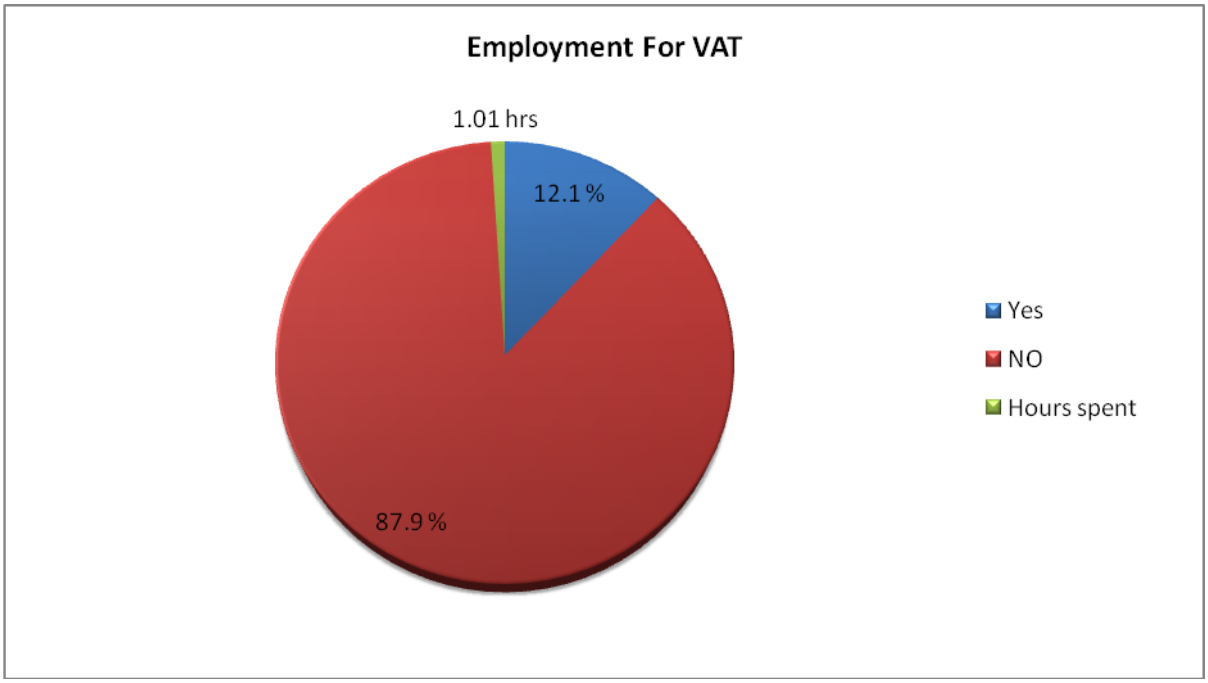
Q.27: Respondents suggestion to make VAT related issues more understandable and easy to the VAT payers

Opinion	Rangpur
Suggestions of the respondents for making VAT more understandable and easy to the VAT Payers assessment procedure	
. Improve staff expertise	18.3 %
Provide correct information	25.2 %
Let people know the advantage of VAT	29.4%
Help for online VAT	15.9 %
Awareness regarding VAT	11.2 %



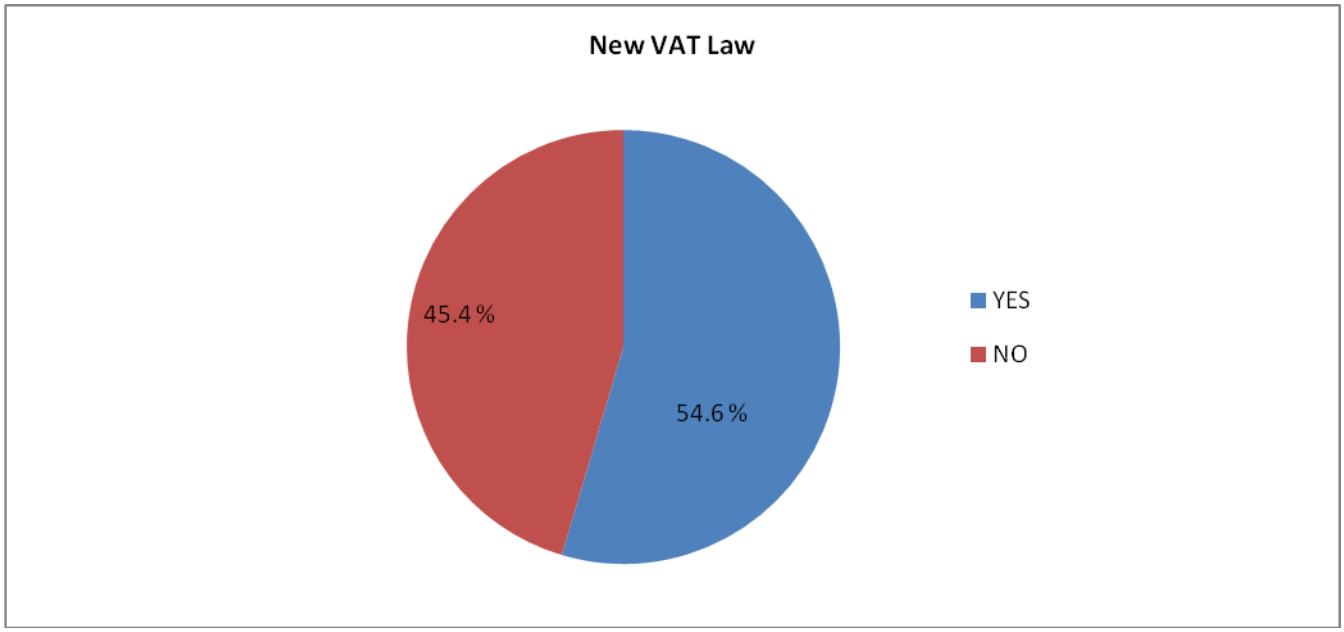
Q.28 and 29 : Presence of employees for looking after VAT matters and time spent on VAT related works

Commissionarate	Do you have any Employees to look after VAT related works		If yes average how much do they spend to look after VAT related works?
	Yes	No	
Customs, Excise and VAT Commissionerate Rangpur	12.1%	87.9%	1.01



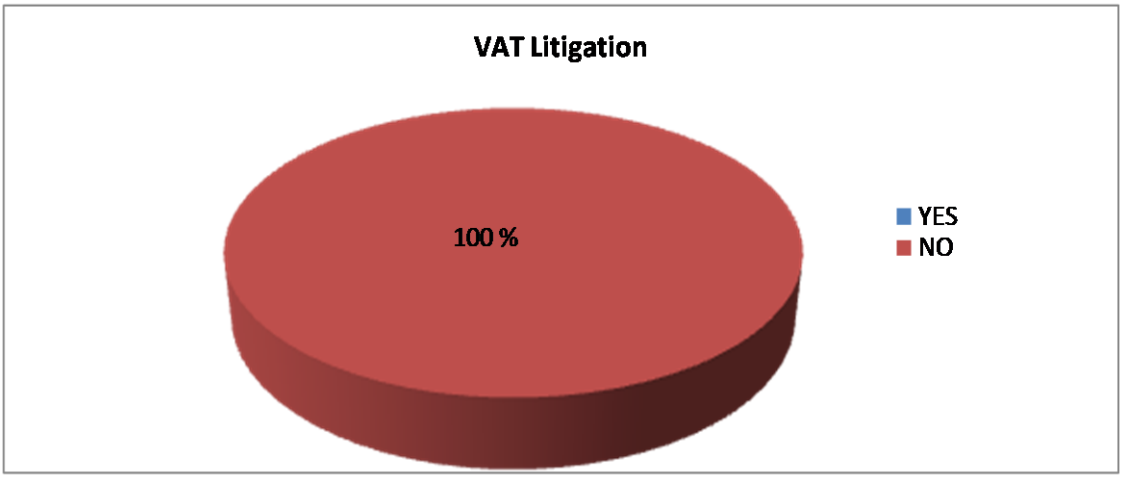
Q.30. Knowledge about New VAT law

Commissionarate	Do you have any knowledge about New VAT Law introduced by the Govt of Bangladesh?	
	Yes	No
Customs, Excise and VAT Commissionerate Rangpur	54.6 %	45.4%



Q.31: Any experience on VAT related litigation?

Commissionarate	Do you have any experience on VAT related Litigations?	
	Yes	No
Customs, Excise and VAT Commissionerate Rangpur	0.0 %	100 %



Summary and key Findings

Respondents emphasized on extensive campaign on the Information dissemination by NBR up to Union level on VAT and related issues so as to provide complete information to the people both quantitatively and qualitatively.

Taxpayers would like to see more information service centres covering all regions of the country up to Union level, as they believe (from the experience of the existing Tax Information Service Centres supported by the project) that this would improve the services rendered from tax offices.

On line payment of VAT should be made easy for the Tax payers to avoid hassle during tax return. Survey respondents also suggested that providing hot line numbers in the Commissionerate would help to provide a hassle free friendly service.

NBR should arrange frequent training for the Tax payers up to Union level on VAT and related issues as well as on the importance of VAT payment and on responsibilities of the tax payers

Taxpayers emphasized on extensive campaign on the Information dissemination by NBR up to Union level on VAT and related issues so as to provide complete information to the people both quantitatively and qualitatively.

VAT staffs should be properly and extensively trained on VAT to provide appropriate services to the tax payers.

Summary and key Findings

Tax payers should have easy access to VAT related information flow that consequently would encourage the tax payers to pay VAT.

Each Commissionerate under NBR is needed to be staffed with appropriate numbers of knowledgeable and skilled personnel. In Some Commissionerate, as reported staffs were found with fewer and unskilled workforces.

NBR should arrange frequent meetings, seminars, symposium, training sessions for the tax payers and public to disseminate information on VAT and importance of tax payment by the citizens

NBR should ensure proper measures to stop all sorts of hassles that the tax payers face during payment of VAT.

National Board of Revenue (NBR) should declare incentives to encourage entrepreneurs who are willing to pay VAT but still are not registered.

Chapter 8 : Recommendations of the Study

VAT could be termed as the most important source of tax revenues in Bangladesh. It is indeed important that measures should be initiated by the NBR for creating a customer's friendly environment in VAT regime for increased rate of VAT collection. In view of the above findings we humbly made the following suggestions for consideration of the authority concerned in order to improve VAT collection process in Bangladesh:

- VAT evasion is common in Bangladesh NBR should have firm control on the invoicing procedure. This is because VAT invoices are an indispensable constituent of the right to deduct VAT on inputs. Further, NBR should take measures to check, fake invoices or the absence of invoices that could create a scope of VAT evasion. NBR should enforce mandatory use of electronic cash registers in businesses throughout the country as this could partly remedy the problem.

- While bringing the informal businesses under the tax net, it is important to ensure that the new tax payers are treated without hassle. VAT in Bangladesh could be made less regressive by making a distinction between luxury goods and necessity goods. Supplementary taxes can be imposed on luxury goods.

- NBR should develop a Grievances Redress Mechanism to mitigate the grievances of the tax payers in a fair and ethical way.

- Enforcement activities must be increased In order to ensure better col lection of VAT, the government and NBR should increase their enforcement activities, making it more difficult for traders to evade VAT in their turnover .

- Specific measures, such as tax audits an d quick resolution of dispute, should be ensured by the NBR.

- In order to smoothen VAT collection, proper training should be given to tax officials

- NBR should initiate programs for the tax payers training at different levels on the necessity and importance of tax payment and the duty of the citizens in this regard.

- NBR should enforce strict legal measures for combating VAT fraud and avoidance.

- In majority cases Taxpayers commonly remain misinformed about various aspects of the VAT system. That misinformation can be remedied by means of, for exam pl e, publicity awareness programs, tax surveys, and promotional campaigns in the media. A system of rewarding tax payer s for compliance may also play an important role in enhancing revenue collection.

- A transparent approach to Rate of Tax, Refund Procedure, Maintaining and improving accounting procedure are the immediate need of the time.

- In order to ensure the stability and continuity of VAT, the present VAL cell of the NBR should be strengthen further . VAT cell should be equipped with all modern facilities and be connected up to Upazila level. VAT cell should develop a central NBR database that would help streamlining tax administration.

Conclusion

In order to support the basic function of a sustainable state and to create the context for economic growth taxation is indispensable. An improved tax system is the key to financing public services, reducing Inequality, making government more accountable and helping to improve self-reliance.

During last few decades, the NBR has had major achievements as it invested time and efforts to achieve its objectives and to reform the tax system . No doubt the tax system in Bangladesh has gradually been improving by raising more revenues and reducing the dependency on foreign aid. However, Bangladesh is still a low tax effort country with a high buoyancy ratio, implying that the policy –makers of Bangladesh have the scope and potential to opt for greater revenue mobilization through internal resources in order to meet the budgetary deficit.

Ironically, people in general in Bangladesh pay taxes not to fulfill their moral duties to the state and society, rather they are compelled to do so. The willingness of people to pay VAT needs to be increased through motivating them both by the government and its agencies specialized in VAT regime. Government of Bangladesh should initiate taxpayer education on an emergency basis. If people should be oriented with the projects and investments on which government is spending the tax money. This would give a feeling of close association with the country to the public and thus could willingly be ready to pay for its‘ overall economic development. The government should disclose time to time the budget implementation plan of VAT and the progress reports should also be made available to the public. On the other hand, government should familiarize itself with the loopholes of current VAT act and revise the act accordingly. As a consequence people will learn that efforts are made to value their money paid out as VAT.

Chapter : 9 (Annexure)

1. Annexure : Questionnaire (Bangla & English Version)

RvZxq ivR¯^ †ev‡W©i g~j¨ ms‡hvRb Ki AbywefvM KZ…©K cÖ`Ë †mevi gvb m¤ú‡©K Ki `vZv‡`i gZvgZ Rixc

Rixc msµvšÍ Z_¨	
e¨emvq mbv³KiY msL¨v (weAvBGb)	
wbewÜZ ev ZvwjKvfz³:	
wbewÜZ ev ZvwjKvfz³ cÖwZôv‡bi bvg	
cÖkœc‡Îi bv¤^vi	
mycvifvvBRv‡ii bvg	
mvÿvrKvi MÖnYKvixi bvg	
mvÿvr MÖn‡Yi ZvwiL	

e¨emv cwiwPwZ msµvšÍ	
wefvM	
Kwgkbv‡iU Awd†mi Ae¯’vb (GjvKv)	
f¨vU AÂj	
DËi`vZvi bvg	
DËi`vZvi †dvb b¤^i	

cÖkœgvjv

1| Ki`vZvi cÖK…wZ:

cvewjK wjwg‡UW †Kv¤úvwb	1	
cÖvB‡fU wjwg‡UW †Kv¤úvwb	2	
†hŠ_ gvwjKvbv e¨emvq	3	
e¨w³gvwjKvbv e¨emvq	4	
Ab¨vb¨	5	

2| Avcbvi cÖwZôvb wK ai‡bi e¨emvi mv‡_ RwoZ?

Drcv`bg~Lx	1	
evwYwR¨K (†Uªw Ws) e¨emvq	2	
†mev cÖ`vb g~jK	3	
Ab¨vb¨, wbw`©ó K‡i ejyb	4	

3 | Avcbvi cÖwZôv‡b KZRb Rbej i‡q‡Q ? Zuv‡`i g‡a¨ KZRb gwnjv I cyiæl i‡q‡Q ?
(†h e¨w³ mßv‡n 40N›Uvi Kg mgq KvR K‡i Zuv‡K cvU©UvBg Kg©Pvix *ejv nq|)*

weeiY	‡gvU	gwnjv	cyiæl
me©‡gvU Rbej			
dzjUvBg Kg©Pvixi msL¨v			
cvU©UvBg Kg©Pvixi msL¨v			

4| Avcbvi †Kv¤úvbxi e¨emv Kvh©µg †Kvb mvj †_‡K ïiæ n‡q‡Q?

e¨emv Kvh©µg ïiæ Kivi mb	

5| †Kvb cwÄKv erm‡i Avcbvi cÖwZôvb GbweAvi ‡_‡K wUAvBGb/weAvBGb b¤^i wb‡q‡Q?

mb	wUAvBGb	**weAvBGb**

6| GbweAvi ‡_‡K f¨vU`vZv wn‡m‡e wUAvBGb †bqvi †ÿ‡Î RwUjZvi gvÎv †Kgb wQ‡jv ?

LyeB RwUj	1	
wKQz †ÿ‡Î RwUj	2	
wbDUªvj/mnRmva¨ wQj	3	
A‡bKUvB mnR	4	
LyeB mnR	5	

7| MZ wZb gv‡mi g‡a¨ Avcwb wb‡Pi †Kvb Drm †_‡K f¨vU cÖkvmb msµvšÍ Z_¨ †c‡q†Qb ?

†Uwjwfkb	1	
†eZvi	2	
^`wbK msev`cÎ	3	
B›Uvi‡bU	4	
f¨vU msµvšÍ weÁvcb	5	
f¨vU Kg©KZ©vi gva¨‡g	6	
Ab¨vb¨, wbw`©ó K‡i ejyb	7	

8| Ki`vZv wn‡m‡e Ki wbeÜb Gi K‡qKwU myweav Ges Amyweav m¤ú‡K© Avcbvi gZvgZ w`b|

myweavmg~n

1|----------

2|----------

3|----------

4|----------

5|----------

Amyweavmg~n

1| ----------

2|----------

3|----------

4|----------

5|----------

9| 2015-16 A_©-eQ‡i Avcbvi cÖwZôv‡bi cÿ †_‡K wK wK Ki cwi‡kva Kiv n‡q‡Q ?

K‡ii weeiY	nu¨v	bv
f¨vU	1	2
AvqKi	1	2
Kv÷gm wWDwU	1	2
mvwcø‡g›Uvix †U·	1	2
m¤ú‡`i Dci Ki	1	2
Dr‡m Ki KZ©b	1	2
‡eZb fvZvw` n‡Z KZ©bK…Z Ki	1	2

10| 2015-16 A_©-eQ‡i Avcbvi cÖwZôv‡bi cÿ †_‡K f¨vU widv‡Ûi Rb¨ Av‡e`b Kiv n‡qwQj wK bv ?

UvKvi cwigvb LyeB Kg wQj	1
c×wZ Lye RwUj nevi Kvi‡Y	2
cÖwµqv LyeB e¨qeûj nevi Kvi‡Y	3
cÖwµqv LyeB `xN©‡gqvw` nevi Kvi‡Y	4
Avwg RvbZvg †h Avwg widvÛ cv‡ev bv	5
f¨vU widvÛ m¤ú‡K© wR‡Ám Kiv gv‡b Avevi cwi`k©b, AwWU BZ¨vw`	6
Avwg Rvwb bv wKfv‡e widv‡Ûi Rb¨ Av‡e`b Ki‡Z nq	7
Ab¨vb¨, wbw`©ó Kiæb	9

11| 2015-16 A_©-eQ‡i Avcbvi †Kv¤úvbx wK †Kvb f¨vU widvÛ MÖnY K‡i‡Q ?

nu¨v	1	
bv	2	

12| f¨vU widv‡Ûi Rb¨ Av‡e`b Kivi ci UvKv †diZ †c‡Z KZw`b mgq †j‡M‡Q, ?

w`b	
A_ev	
gvm	

14 | f¨vU widvÛ ‡c‡Z Avcbv‡K wK cÖ‡qvR‡bi AwZwi³ †Kvb UvKv e¨q Ki‡Z n‡q‡Q ?

n¨vu	1
bv	2

15| **2015-16 A_©-eQ‡i Avcbvi †Kv¤úvbxi f¨vU g~j¨vq‡b RvZxq ivR¯^ †evW© †Kvb Mowgj †c‡q‡Q wK ?**

n¨uv	bv

hw` n¨uv nq,Zvn‡j †Kgb **Mowgj ?**
1|
2|
3|

16| f¨vU `vwL‡ji digmg~n wK Avcbvi Kv‡Q mnR g‡b nq ?

nu¨v	bv

17| f¨vU kvLvi cÖ`Ë Z_¨ ‡mev m¤ú‡K© wK Avcwb mš‘ó ?

LyeB mš‘ó	1
mš‘ó	2
Mo ciZvq mš‘ó	3
Amš‘ó	4

17| Avcwb wK f¨vU m¤úwK©Z mKj Z_¨ f¨vU Ab jvBb kvLv †_‡K †c‡q _v‡Kb ?

nu¨v	bv

18| f¨vU kvLvi mvwf©†mi Dci wb‡¯œv³ wel‡q kZKiv nv‡i †iwUs Kiæb

f¨vU ÷vd‡`i `ÿZv I †hvM¨Zv	%

f¨vU ÷v‡di mn‡hvwMZv	%
f¨vU ÷v‡di b¤ªZv	%
f¨vU ÷v‡di mZZv	%
g~j¨vq‡bi †ÿ‡Î wbi‡cÿZv	%

1= LyeB mšÍÍó, 2=AmšÍÍó, 3=¯^vfvweK, 4= mšÍÍó, 5=LyeB AšÍÍó

19| 2015-16 A_©-eQ‡i g~j¨ ms‡hvRb Ki kvLvq Avcbvi †Kv¤úvbxi f¨vUu msµvšÍ wel‡q †m‡Uj Ki‡Z wM‡q wb‡¯§v³ mgm¨v¸‡jv ˆZix n‡q‡Q wK bv ?

	cÖavb evav	Ab¨vb¨ evav
Nyl	1	1
U¨v· Awd‡mi nqivwb	2	2
AwZwi³ Ki Av‡ivc Kiv	3	3
eyKm Ae GKvD›Um cÖZ¨vLvb Kiv	4	4
mv‡cvwU©s WKz‡g›U cÖZ¨vLvb Kiv	5	5
g~j¨vq‡bi †ÿ‡Î `xN©mw~ÎZv	6	6
GKB KvR evievi Kiv‡bv	7	7
‡Kvb evaviB m¤§yLxb nB bvB	8	8

1= nu¨v, 2= bv, 3= †Kvb evavi m¤§yLxb nBwb

20| f¨vU AbjvBb kvLvi ¸YMZ gvb Avcwb wKfv‡e g~j¨vqb Ki‡eb ?

LyeB Lvivc	1
wKQz †ÿ‡Î Lvivc	2
cÿcvZ `yó bq	3
wKQz †ÿ‡Î fvj	4
LyeB fvj	5

21| 2015-16 A_©-eQ‡i Avcbvi †Kv¤úvbxi Uvb©Ifvi KZ wQj AbyMÖn K‡i ejyb|

UvKv 2,00,000 nB‡Z 5,00,000 ch©šÍ	1
5,00,000 nB‡Z 8,00,000 ch©šÍ	2
10,,00,000 ev Zvi Dci	3

22| Avcbvi cÖwZôv‡bi wK †Kvb e¨vsK GKvD›U Av‡Q ?

nu¨v	1
bv	2

23| Avcbvi cÖwZôv‡bi AwaKvsk e¨vswKs Kvh©µg Avcwb †Kvb gva¨‡g cwiPvjbv K‡ib ?

bM` †jb‡`b	1	
e¨vswKs P¨v‡bj	2	
Ab¨vb¨	3	

24| †Kvb wKQz µq Ki‡j †mUvi µq iwk` Avcbvi Kv‡Q KZUzKz ¸iæZ¡c~Y© ?

LyeB ¸iæZ¡c~Y©	1
Kg ¸iæZ¡c~Y©	2
¸iæZ¡c~Y© bq	3
Avvwg Rvwb bv	4
DËi w`‡Z PvBbv	5

25| Avcbvi wkÿvMZ †hvM¨Zv wK ?

Gm Gm wm- Gi bx‡P	1
Gm Gm wm/ GBP Gm wm	2
¯œvZK/gv÷vm©	3
wnmve weÁv‡b wW‡cøvgv	4
GdwmG/AvBwmGgG	5
Ab¨vb¨ wbw`©ó K‡i ejyb	6

26| f¨vU wbi*f*c†bi c×wZ,‡jvi g‡a¨ ‡KvbwU‡K Avcbvi wbKU me‡P‡q †ekx RwUj g‡b nq?

1|----------
2|----------
3|----------
4|----------
5|----------

27| f¨vU m¤úwK©Z welqmg~n Av‡iv mnR‡eva¨ Kivi Rb¨ f¨vU AbjvBb Awd‡mi gva¨‡g Avi wK wK c`‡ÿc †bqv DwPr e‡j Avcwb g‡b K‡ib ?

1| ----------
2|----------
3|----------
4|----------

5|----------

28| Avcbvi cÖwZôv‡bi f~vUmsµvšÍ KvR †`Lvïbvi Rb¨ wbw`©ó †Kvb †jvK Av‡Q wK bv ?

nu¨v	1
bv	2

29| f~vU msµvšÍ KvR †`Lvïbvi Rb¨ cÖwZw`b KZ N›Uv mgq e¨qKi‡Z nq?

1 N›Uv	1
2 N›Uv	2
3 N›Uv	3
4 N›Uv	4
5 N›Uv	5

30| bZzb f~vU e¨e¯’v m¤ú‡K© †Kvb aviYv Av‡Q wK bv ?

nu¨v	1
bv	2

31| f~vU msµvšÍ †Kvb gvgjvi AwfÁZv Av‡Q wK bv ?

nu¨v	1
bv	2

32| f~vU Kg©KZ©v KZevi Avcbvi cÖwZôvb wfwRU K‡i‡Q ?

GKevi	1	
`yBevi	2	
wZbevi	3	
Pvievi ev ZviI †ekx	4	

33| f~vU Kg©KZ©v‡`i f~vU m¤ú‡K© ch©vß aviYv Av‡Q wK bv ?

nu¨v	1	
bv	2	

34| f~vU m¤úwK©Z GKB wel‡q wewfbœ Kg©KZ©v wewfbœ e¨vL¨v cÖ`vb K‡ib wK bv ?

nu¨v	1	
bv	2	

35| wb¤œ ewY©Z `&ß‡ii †mevi gvb wKi*f*c ?

GbweAvi	1	2	3	4	5	

f¨vU AbjvBb	2	2	3	4	5	
Kwgkbv‡iU Awdm	3	2	3	4	5	
wefvMxq g~mK Kvh©vjq	4	2	3	4	5	

Avgv‡K Avcbvi g~j¨evb mgq †`qvi Rb¨ ab¨ev` |

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mvÿvrKvi MÖnbKvixi

¯^vÿi

Taxpayer satisfaction for NBR's (National Board of Revenue) Value Added Tax (VAT) services	
Business Identification Number (BIN)	
Registered or listed	
Name of registered or listed organization	
Question paper	
Name of supervisor	
Name of Surveyor/ interviewer	
Date of interview	

Business identity Related information	
Department	
Location of commissionerate's Office (Area)	
VAT circle	
Name of respondent	
Respondent's telephone number	

Questionnaire

1. Type of taxpayer:

Public Limited Company	1	
Private limited Company	2	
Partnership	3	
Private Ownership	4	
Others	5	

2. What kind of business is your company related to ?

Manufacturing	1	
Trading business	2	
Service oriented	3	
Others, please specify	4	

3. What is the size of your workforce? Of them, how many are males and females?
(Any worker who works less than 40 hours per week is termed as part-time workers)

Description	Total	Male	Female
Total workforce			
Number of full-time employees			
Number of part-time employees			

4. In which year did your business go into operation?

Year of initiating business operation	

5. In which Celender did your business obtain a TIN?BIN from NBR

Year	TIN	**BIN**

6. What was the level of difficulty to obtain a TIN/BIN from NBR?

Very difficult	1	
Difficult in some cases	2	
Neutral/Easy	3	
Relatively easy	4	
Very easy	5	

7. From which source do you usually acquire VAT administration related information

Television	1	
Radio	2	
Daily newspaper	3	
Internet	4	
VAT related advertisements	5	
Through VAT officials	6	
Others, Please specify	7	

8. Please give your opinion on some of the benefits and challengers of registering as a taxpayer.

Benefits:

1. .....
2. .....
3. .....
4. .....
5. .....

Challenges:

1. .....
2. .....
3. .....
4. .....
5. .....

9. What are the different types of taxes which have been paid by your company in Fiscal Year of 2015-16

Tax description	Yes	NO
VAT	1	2
Income tax	1	2
Customs duty	1	2
Supplementary tax	1	2
Wealth tax	1	2
Tax at source	1	2
Tax deduction from salaries and allowances	1	2

10. D id your company apply for the VAT Refund in Fiscal Year of 2015-16 ?

Yes	No

If No , What were the Reason ?

11. What was the reason for your organization for not applying for a VAT refund in the Fiscal Year of 2015-16 ?

The amount was year less	1
For the reason that the process was very complex	2
For the reason that the process was very expensive	3
For the reason that the process was very lengthy	4
I knew that I would not get any refund	5
To ask for a VAT refund means to go for inspection, audit, etc. yet again	6
I do not know how to apply for a refund	7
There is ignorance regarding VAT refund application	8
Others, please specify	9

12. Did your company receive any VAT refund on the 2014 calendar year?

Yes	1	
No	2	

13. How long it takes get your money back after applying for a VAT refund?

Days	
or	
Months	

14. Did you have to spend any additional amount over the stipulated amount to get VAT refund?

Yes	1
No	2

15. Have you noticed any anomalies in your company's VAT valuation in Fiscal year 2015-16?

Yes	No

If Yes, what kind of anomalies?

1.
2.
3.
4.

16. Do you find the forms for VAT submission easy?

Yes	Np

17. Are you satisfied with the information service provided by the VAT wing?

Very happy	1
Happy	2
Average	3
Unhappy	4

18. Please rate the following services of VAT wing in percentage?

Competence and qualification of the VAT staff	%
Cooperation of VAT staff	%
Humility of VAT staff	%
Honesty of VAT staff	%
Fairness in valuation	%

Very Unhappy-1, Unhappy-2, Normal-3, Happy-4,Very happy-5

19. What difficulties did you have to face while setting your company's VAT related issues in the VAT wing in Fiscal year 2015-16 ?

Brive	1	1
Tax office's harassment	2	2
Excessive tax levy	3	3
Books of accounts decline	4	4
Supporting documents decline	5	5
Procrastination regarding valuation	6	6
Repetition of same processes	7	7
Did not experience any barrier	8	8

Yes-1, No-2, Did not experience any barrier **-3**

20. How will you evaluate the quality of VAT online wing?

Very poor	1
Poor in some cases	2
Fair	3
Good in some cases	4
Very good	5

21. Please state your company's turnover in the fiscal year of 2015-16

Taka 2,00,000 to 5,00,000	1
Taka 5,00,000 to 8,00,000	2
Taka 10,00,000 and above	3

22. Does your organization have any bank account?

Yes	1
No	2

23. What was the proportion of your cash and bank transaction in 2014 calendar year? (Including credit card and mobile banking)

Cash	%
Through banking channels	%
Total	100%

24. How important are purchase receipts to you when you buy something?

Very important	1
Less important	2
Not important	3
Do not know	4
Do not want to answer	5

25. What is your educational qualification?

Below SSC	1
SSC/HSC	2
Graduate/Masters	3
Diploma in Accounting	4

FCA/ICMA	5
Others, Please specify	6

26. Which of the VAT assessment processes do you find most complex?
    1. .....
    2. .....
    3. .....
    4. .....

27. According to you, what additional steps should be taken to further streamline VAT related Issues through the VAT online office?
    1. .....
    2. .....
    3. .....
    4. .....
    5. .....

28. Do you have an employee to look after VAT related issues of your organization?

Yes	1
No	2

29. How many hours are spent daily to look after VAT related issues?

1Hour	1
2Hours	2
3Hours	3
4Hours	4
5Hours	5

30. Do you have any idea about the new VAT Law?

Yes	1
No	2

31. Do you have any experience regarding VAT related litigation?

Yes	1
No	2

32. How many times have VAT officials visited your organization?

Once	1
Twice	2
Thrice	3
Four times	4

33. Do VAT officials have adequate knowledge regarding VAT?

Yes	1
No	2

34. Do different officials provide varied explanations for the same subject?

Yes	1
No	2

35. What do you think about the services of the following offices?

NBR	**1**	**2**	**3**	**4**	**5**	
VAT Online	**1**	**2**	**3**	**4**	**5**	
Commissionerate Office	**1**	**2**	**3**	**4**	**5**	
Divisional VAT Office	**1**	**2**	**3**	**4**	**5**	

Thank you for sparing your precious time.

Signature of the Interviewer