

NBR reform underway to boost revenue

New wing, liaison with FBCCI among fresh steps

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Nojibur Rahman

The National Board of Revenue (NBR) has kick-started a set of reforms to gear up the revenue administration to boost revenues to meet a tall target for the current fiscal year.

Chairman of the NBR Md Nojibur Rahman, talking to the FE, elaborated on the reform recipe, crafted against the backdrop of initial target shortfall. The setting up of a separate commissionerate for mobilising tax at source, partnerships with the chamber bodies, modernisation of tax administration and holding tax fairs in potential upazilas are some of the reform agenda. "We've already built a partnership with the FBCCI [Federation of Bangladesh Chambers of Commerce and Industry] and we are working on specified areas to help each other and help boost revenues," Mr Rahman told the FE at his office in the city on Sunday. Terming the Tk 1.76 trillion revenue target in 2015-16 'most challenging', the NBR boss said under the partnership arrangement the FBCCI and the NBR will now work together to help achieve the target. The NBR has already formed four working groups under the partnership programme on customs, value-added tax, income tax and training.

"We'll help them [businesses] grow their business activities and from them we expect that they will not evade taxes," said the NBR chief, also secretary of the internal resources division. On the growing allegations about the hassles caused by taxmen, the NBR chief said the board has been pursuing zero-tolerance policy to reduce corruption in the tax-mobilisation process. "We've suspended a few officials recently as part of zero-tolerance policy. Even an official has been axed for his involvement in tax evasion," Mr Rahman said. Tax at sources is the prime source of revenues and the finance minister in his budget speech announced the setting up of separate tax zone for taxes at sources.

The NBR is working on it. On growing court cases and cumulative overdue tax volumes, Mr Rahman said the tax office is giving top priority to alternative dispute resolution.

"We believe in the ADR as it solves the crisis and we get the taxes," the NBR chief said.

There are around 26,000 cases pending with courts, involving revenues worth Tk 310 billion in nearly a decade. "We're meeting with the attorneys and the judges for solving the cases outside court," he said. The NBR has now opened a position named legal focal point in the tax offices for solving cases outside court. About the long-pending issue of SIM replacement with the mobile-phone operators, Mr Rahman said few operators are now opting for solving the matter through ADR. Originally there are dues worth Tk 31 billion as SIM-replacement taxes with the mobile operators but the amount was later reduced by the finance minister to Tk 24 billion. But it also remained un-settled for few years.

The revenue board is now exploring opportunities for holding regular tax fairs in the potential areas, especially at the upazila level, to boost revenues. "We all know that Keraniganj is potential, but we did not take any attempt to expand tax net into there."

"We'll soon organise a tax fair there to motivate the businesses and the people on resource mobilisation," said Mr Rahman, who also served as secretary of the statistics and informatics division and the ministry of environment and forest. The revenue chief admitted a lack of confidence of people about the NBR. "We're building the confidence as we think that people are the key strategic partner," Mr Rahman, also keen about strategic management, said. The NBR has long been modernising its process of providing services to the people, but it is yet to complete.