

Changes at Imports related to VAT

Customs Duty Structure - *Restructured*

Existing (2014-15)

- ✓ 0%
- ✓ 2%
- ✓ 5%
- ✓ 10%
- ✓ 25%

Proposed (2015-16)

- ✓ 0%
- ✓ 1%
- ✓ 2%
- ✓ 5%
- ✓ 10%
- ✓ 25%

Supplementary Duty Structure - *Restructured*

Proposed (2015-16) – 11 slabs

| | | | |
|------|------|------|------|
| 10% | 20% | 30% | 45% |
| 60% | 100% | 150% | 200% |
| 250% | 350% | 500% | |

Duty/Tax Changes

CD Increased

✓ 59 lines

CD Decreased

✓ 43 lines

SD Increased

✓ 85 lines

SD Decreased

✓ 98 lines

VAT Exemption (new)

✓ 14 lines

Regulatory Duty – Reduced

Existing (2014-15)

✓ 5%

Proposed (2015-16)

✓ 4%

- Applicable on goods having 25% CD
- Also applicable on certain intermediary goods having 10% CD

Changes in VAT

Areas of Changes

- ✓ Changes in VAT Act
- ✓ Changes in VAT Rules
- ✓ New Exemption
- ✓ Withdrawn of exemption
- ✓ Redefining certain services
- ✓ Changes in SD rates
- ✓ Changes in price slabs of Tobacco products

Areas of Changes – *Continued*

- ✓ Changes in Truncated Rates
- ✓ Trade VAT
- ✓ Changes in seasonal brick field
- ✓ Increase in Tariff values
- ✓ VAT/SD on mobile sector
- ✓ Increasing Excise Duty

Changes in VAT Act

- ✓ Turnover Enlisted persons can attend tender (s19ka)
- ✓ Officers (AC & above) get power as Assistant Commissioner
- ✓ Purchase for Registered Person without VAT Challan is a punishable offence
- ✓ Time for the Entry of Raw materials in Mushak-16 increased from 24 hours to 48 hours

Changes in VAT Rules

- ✓ Amend the value for Bond in the line of stamp act (tk. 300/-)
- ✓ The Firms having annual turnover more than one croe is added in the list of withholding entity
- ✓ Increase time for condition of adjustment in Account Current in case of Drawback

Changes in Exemption

- ✓ Orphanage is added in the exempt service list
- ✓ Some changes made in exemption list made by SRO

Changes in Definition of Service

- ✓ “Firms having annual turnover more than one crore” added to the definition of different services like: Procurement Provider (S037.00), Rent-a-car (S049.00)
- ✓ Definition of Coaching Center (S068.00) broaden. Training on human beautification added.
- ✓ New 2 services are defined: E-Commerce (S099.50) and Credit Rating Agency (S099.60)

Changes in SD rates

- ✓ Massive Changes in effective SD structure of Cigarettes and Bidi
- ✓ Cigarette Paper

Changes in Price Slab of Tobacco products

- ✓ Pricing slabs for cigarettes are re-arranged.
- ✓ Lower and upper limits for all slabs are increased.

Changes in Truncated rate

- ✓ 3 rates for Building Construction forms as per flat sizes (1-1100 sq.ft – 1.5%, 1101-1600 sq.ft – 2.5% & 1601 & above – 4.5%: Previous ave. 3%)
- ✓ Goldsmith & silversmith – 5% (increased from 3%)
- ✓ Procurement Provider –5% (increased from 4%)
- ✓ Private university, medical college & engineering college– 7.5% (new introduction)

Changes in Trade VAT

- ✓ Increase VAT on Supershops from 2% to 4% for equalization of trade AVT
- ✓ Increase package VAT:
 - For DNCC, DSCC, CCC – 14,000/-
 - For other city corporations – 10,000/-
 - District metro area – 7,200/-
 - Rest of the country – 3,600/-

Changes in Tariff Value

- ✓ Tariff value for all items are increased almost 10%
- ✓ No new entry in this year.

Changes in Excise Duty

- ✓ First Schedule of Excise and salt Act, 1944 is replaced
- ✓ Excise duty rates increased
- ✓ For Banking service
 - Balance upto – 20,000/- – ED Nil
 - Balance upto – 1,00,000/- – ED 150/-
 - Balance upto – 10,00,000/- – ED 500/-
 - Balance upto – 1,00,00,000/- – ED 1,500/-
 - Balance upto – 5,00,00,000/- – ED 7,500/-
 - Balance above – 5,00,00,000/- – ED 15,000/-

Changes in Excise Duty

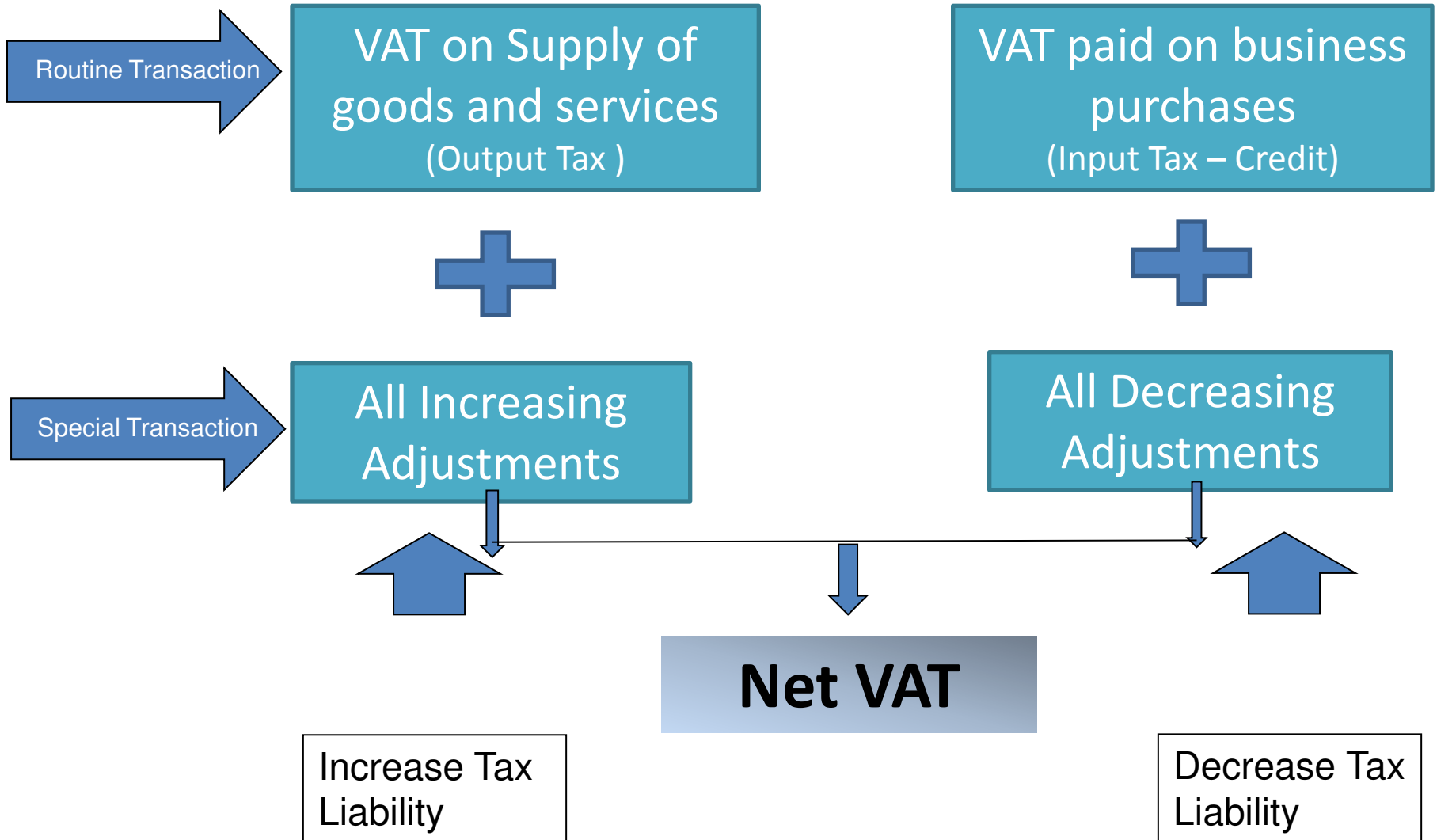
- ✓ For Airline tickets
 - Domestic travel ED 500/-
 - International travel:
 - SAARC Countries ED 500/-
 - Other Asian Countries ED 1000/-
 - Europe, America & Others ED 1500/-
- ✓ Foreign Diplomats Exempt

New VAT

Basic Features of 2012 VAT

- ✓ Single Rate (@15%)
- ✓ Central Registration (One Company One Registration)
- ✓ VAT is imposed on supply (no need to define different services)
- ✓ Payment to be done before return submission
- ✓ Transaction value is the basis of VAT calculation
- ✓ All price are VAT inclusive
- ✓ Simple calculation method
- ✓ VAT accounting follows business accounting

Calculation of VAT



Integration with external systems



Legend

iVAS – Integrated VAT Administration System; **iTAS** – Integrated Tax Administration System

iBAS – Integrated Budget & Accounting System

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- cÖwZôv†bi we`“gvb B-wUAvBGb bα^iwUB e“emvq mbv³KiY bα^i (**Business Identification Number - BIN**) wn†m†e e“ëüZ n†e| iay kvLv wPwýZ Kivi j†ÿ“ B-wUAvBGb Gi ci 3 ev 4 wWwR†Ui GKwU msL“v (**suffix**) e“envi Ki†Z n†e|

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|---|---|---|---|---|---|---|---|---|---|---|---|---------------|---|---|---|---|
| 2 | 1 | 1 | 3 | 4 | 7 | 1 | 0 | 5 | 4 | 6 | 8 | - | 0 | 0 | 0 | 0 |
| E-TIN (12 Digit) | | | | | | | | | | | | Branch No (4) | | | | |
| Business Identification Number (BIN) | | | | | | | | | | | | | | | | |