

Package of duty reliefs proposed

TK 15,450 cr r

Staff Correspondent

Revenue Budget

Finance Minister M. Saifur Rahman proposed Taka 15,450 crore surplus-revenue budget on Thursday afternoon while presenting the national budget for 1995-96 fiscal year at the Jatiya Sangsad (parliament).

Tax revenue in the proposed budget has been projected at Taka 12,205 crore (NBR portion Taka 11,300 crore; non-tax NBR portion Taka 950 crore). Non-tax revenue has been targeted at Taka 3,245 crore.

Because of the reduction in customs duty at import stage and exemptions proposed in Value Added Tax (VAT) at domestic trade, estimated debt revenues will incur loss of Taka 39 crore. The implementation of the proposals on income tax will result in a loss of Taka 71 crore in the revenue.

The Finance Minister hoped that the total gap of Taka 350 crore will be compensated by administrative measures.

The revenue expenditure in educa-

tion sector has been estimated at Taka 2145 crore in 1995-96 compared with Tk 2008 crore in the revised budget of 1994-95 fiscal year. It is the highest allocation in the revenue budget. Defence got the second highest allocation of Taka 1935 crore, up by Taka 48 crore from the revised budget. Taka 753 crore have been allocated for health and population sector. The Police and Bangladesh Rifles received an allocation of Taka 495 crore and Taka 242 crore respectively, slightly higher than the alloca-

The revised revenue receipt in 1994-95 has been estimated at Taka 14,210 crore, an increase of Taka 573 crore over the original target.

The revenue receipt in 1995-96 has been proposed at Taka 15,450 crore and revenue expenditure at Taka 11070 crore leaving a revenue surplus of Taka 4380 crore.

Domestic capital resources have been projected to generate Taka 464 crore, foreign grant Taka 3569 crore, foreign loan Taka 4420 crore, T & T

Board earning Taka 435 crore, self-autonomous bodies Taka 150 crore. Total resources availability have been targeted at Taka 13,420 crore.

This resource of Tk. 13,420 crore will finance Annual Development Programme (ADP) of Taka 12,100 crore, Food for Works Programmes of Taka 705 crore, non-ADP project of Taka 201 crore and net outlay in food operation of Taka 414 crore.

The contribution of domestic resources in the Annual Development Programme has been projected at

Taka 4,877 crore and external assistance at Taka 7,223 crore. Thus in terms of percentage, the contribution of net internal resources to ADP comes at 40 per cent while in the revised budget of 1994-95 it was 42 per cent.

A series of tax reduction proposals have been made in the new budget. This will cause a total revenue loss of Taka 350 crore.

Reduction in tariff rates will result in a revenue loss of about Taka 240

crore. Because of the reduction in customs duty at import stage and exemptions proposed in Value Added Tax (VAT) at domestic trade, estimated debt revenues will incur loss of Taka 39 crore. The implementation of the proposals on income tax will result in a loss of Taka 71 crore in the revenue.

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tion made in the revised budget of 1994-95. General administration, public order and safety (excluding Police and BDR) has been estimated to receive Taka 310 crore.

Customs duties will fetch highest revenue earning of Taka 4070 crore, followed by Value Added Tax (VAT) of Taka 3629 crore. Income tax and excise duties will generate Taka 1635 crore and Taka 200 crore respectively.

In the food budget gross outlay in

1995-96 has been estimated at Taka 2238 crore cash receipts have been projected at Taka 655 crore and non-monetised receipts at Taka 1169 crore leaving a deficit of Taka 414 crore.

Rice import has been estimated to cost Taka 327 crore, wheat Taka 319 crore and edible oil Taka 33 crore. Internal procurement of rice, wheat and edible oil has been projected to cost a total of Taka 437 crore. Foreign food aid will amount to Taka 647 crore.