

Private higher educational institutions asked to register to pay VAT

Staff Correspondent

THE National Board of Revenue has asked the private universities, medical colleges and engineering institutions to get registered with the value-added tax offices and pay VAT imposed on education services.

Field offices of the VAT wing of the revenue board in July wrote to the registrars of the private educational institutions to comply with the new law.

In the letters, the field offices asked the institutions to pay VAT to the state exchequer and submit the VAT returns by 15th of the following month as per the law on VAT.

The government imposed

7.5 per cent VAT on private universities, medical colleges and engineering institutions in the budget for current financial year 2015-16.

The VAT, effective from June 4, will be applicable on tuition fees, semester fees, admission fees, library fees, exam fees, registration fees, and other charges collected from the students.

Private educational institutions, teachers, students, civil society members and education activists have demanded the VAT should be scrapped as imposition of VAT would increase the cost of the already expensive education in the private sector.

Dhaka (west) Customs, Excise and VAT Commis-

sionerate asked the institutions under its jurisdiction to give information about the number of subjects studied at the institutions, details of classes and semesters, number of students, collected semester fees and tuition fees (per students), other charges, total collection and the amount of payable VAT.

A letter was also sent to the Association of Private Universities of Bangladesh for dissemination amongst its member universities.

Earlier in 2010, the government imposed VAT at 4.5 per cent on private universities but had to scrap the decision following massive protests by students in the streets.