

HC questions VAT on pvt higher education

Seeks explanation from govt in four weeks why it will not be declared illegal

STAFF CORRESPONDENT

Questioning the decision to impose 7.5 percent VAT on tuition paid at private universities and medical and engineering colleges, the High Court yesterday again issued a rule seeking an explanation in four weeks why it would not be declared illegal.

The HC bench of Justice Sheikh Hassan Arif and Justice JN Deb Choudhury issued the rule following a writ petition filed by a teacher and two students of two private universities.

Secretaries to the education, finance and law ministries, and chairmen of the National Board of Revenue (NBR) and University Grants Commission of Bangladesh have been made respondents, petitioners' lawyer AKM Salahuddin Khan

told The Daily Star.

The NBR on July 4 issued a notification imposing the VAT, originally proposed in the near Tk 3 trillion budget for the 2015-16 fiscal presented by Finance Minister AMA Muhith in parliament.

The petition, submitted last week, said the notification was discriminatory and illegal for the VAT was not imposed on public universities and institutions.

Every student has the right to education as per the constitution, they said in the petition.

The same rule was issued on August 9 by the same HC bench following another writ petition. The rule is now pending with the bench, petitioners' lawyer Hassan MS Azim told The Daily Star. He said he would pray for holding hearing on the rule.