

## PVT UNIVERSITIES Education cost to rise if VAT implemented

WASIM BIN HABIB

The cost of education in private universities of the country may go up if the proposal made by the finance minister of levying VAT on the private universities is carried out.

This new move would worsen the situation for students, as the tax burden would ultimately fall on them alongside a large amount of tuition fees paid to the universities, said students, guardians and teachers of the private universities.

Students with rich family background may not face much problem but those belonging to the middle-class

SEE PAGE 15 COL 7

## Education cost

FROM PAGE 1

families will feel the crunch if the tuition fees are upped, they said.

The authorities and owners of private universities think this move would badly affect around 2 lakh students pursuing higher education in the country's 52 private universities.

They said as the government puts highest emphasis on education it should not impose any VAT on education sectors.

On June 10, Finance Minister AMA Muhith in his budget speech proposed withdrawal of VAT exemption from private universities.

In its post budget analysis, the Centre for Policy Dialogue said VAT at the rate of 4.5 percent will be imposed on private universities and English medium schools that are likely to increase the cost of education since this tax burden will finally go to the guardians of students.

The Association of Private Universities of Bangladesh (APUB) leaders said the decision would shrink the scope of higher education instead of widening it.

The students have to bear some of the burden of the move and so the government should not charge the private universities any VAT, said CM Shafi Sami, chairman of APUB.

"Since it is the education sector and the private universities are non-profit organisations, we hope the government would not impose VAT on the private universities in view of the interest of the students," the APUB chairman told The Daily Star.

Abul Quasem Haider, vice-chairman of APUB, said the students would have to bear the cost if VAT is finally levied on the private universities.

"Why should the private universities pay VAT when the public universities are out of the VAT net?" Haider said.

Prof Nazrul Islam, chairman of University Grants Commission, suggests that the tuition fees of the students be adjusted if the move is made.

Jahangir Hossain, a student of a private university, said it would be tough to bear the financial burden if the universities raise their tuition fees following imposition of VAT.

A number of guardians said the middle-class families would have difficulties coping with the rising expenses of education and it would be a huge burden for them if the tuition fees go up further.