

V for NO VAT

Pvt university students leave streets, hail govt decision

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In the face of continuous student protests in Dhaka and other cities, the government has finally withdrawn the 7.5 percent VAT on private universities as well as medical and engineering colleges.

The National Board of Revenue (NBR) issued a special order to this end last night, with retrospective effect from June 4, the day the government imposed the VAT in the current budget.

The NBR said the cost of education in private universities and medical and engineering colleges was already high and imposing the VAT would further increase the cost.

"Therefore ... the service of private universities and medical and engineering colleges are being exempted from the value added tax (VAT)," the order said.

Earlier in the afternoon, the finance ministry announced through a press release the government decision to lift the VAT.

Private university students greeted the decision with joyous rallies, flashing victory signs.

They had been agitating on the streets in Dhaka and elsewhere since Wednesday, demanding withdrawal of the VAT.

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