



National Board of Revenue: Modernization Plan

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APA

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Implementation Status and Priorities:

Goals/Objectives of the Modernization Plan:

- A sound tax policy and law in line with the international best practice.
- Significant growth in revenue performance through widening and deepening of the existing tax base across all the three taxes.
- Reducing compliance cost for the taxpayer by reducing unnecessary paper works and contacts between tax administration and taxpayers.
- Shifting tax compliance management from the traditional subjective audit selection approach to a computer assisted intelligent selection approach based on efficient data mining and revenue risk management tools.

NBR Modernization Plan:

2011-2016 (Contd...)

- Setting up an efficient, integrated national tax accounting network that will correctly account for, reconcile and record tax payment information at a transactional level for all the three taxes and make visible this information in real time basis to taxpayers and to all stakeholders including GOB, NBR, tax officers, Bangladesh Bank and taxpayers.
- Reassignment of tax personnel from non priority routine work to priority compliance and tax collection work.

NBR Modernization Plan:

2011-2016 (Contd...)

- Creating an administrative and legal framework that ensures the collection of sovereign taxes in a fair/accurate manner while also supporting the competitiveness of Bangladeshi business in a transnational global economy.

Strategic Areas of Reforms/ Modernization

1.

Strategic Area/ Issue	Components of strategic issue	Implementation Status	Priorities
Tax Policy and Law Reforms	1. Formulation of Income Tax Law	Draft Ready. Being Examined Expected to be Finalized by June 2015	Top Priority
	2. Formulation of VAT Act	Enacted in 2012. Preparations on for Implementation	Do
	3. Formulation of New Customs Act	Draft Act Approved by Cabinet for Vetting	Top Priority
	4. Customs Tariff Restructuring and Rationalization	Being Restructured and Rationalized Every Financial Year	Priority

Strategic Areas of Reforms/ Modernization

2.

Strategic Area/ Issue	Components of strategic issue	Implementation Status	Priorities	Comments
Tax Policy and Law Reforms	Formulation of Direct Tax Code	Draft Ready. Being Examined Expected to be Finalized by June 2015	Top Priority	ADB Supported Investment Project.
	Formulation of VAT Act	Enacted in 2012. Preparations on for Implementation	Do	World Bank and GOB Funded Project.
	Formulation of New Customs Act	Draft Act Approved by Cabinet for Vetting	Do	IFC; ADB USAID Support these. Technical Support

Strategic Areas of Reforms/ Modernization

3.

Strategic Area/ Issue	Components of strategic issue	Implementation Status	Priorities	Comments
Integrated Revenue Management Program: Digitalization Program.	Taxpayer Identification Number (TIN) and Business Identification Number (BIN) Program	Being Implemented	Top Priority	IFC Supported Program.
	Centralized Processing of Income Tax and VAT Returns Program	Separately Designed and being Implemented	Do	ADB , WB GOB Funded Program
	NBR Data Centre	VAT and Income Tax Data Centre being Implemented	Do	Do

Strategic Areas of Reforms/ Modernization

4.

Strategic Area/ Issue	Components of strategic issue	Implementation Status	Priorities	Comments
Integrated Revenue Management Program: Digitalization Program.	Tax Information Network	Being Implemented separately. Could Have been Integrated Program	Priority	
	Integrated Tax Administration Software Project	Do	Do	ADB and WB Supported

Strategic Areas of Reforms/ Modernization

5.

Strategic Area/ Issue	Components of strategic issue	Implementation Status	Priorities
NBR and Field Formations Restructuring by Function and Size Program.	Segmented Tax Admin, LTU, MTU STU	Being Implemented Partially	Do
	Function Based Tax Admin.	Do	Do

Strategic Areas of Reforms/ Modernization

6.

Strategic Area/ Issue	Components of strategic issue	Implementation Status	Priorities	Comments
Strategic Communication and Taxpayer Outreach Program.	<ul style="list-style-type: none"> • Key Stakeholders: Parliamentarians, Judicial, Bureaucrats, Media men Program. • Taxpayer Education • Tax Fair • Publicity • Website Development Project • Taxpayer Service Centre Project 	Being Implemented separately Should Have been Coordinated	Priority	WBT GOB Funded.

Strategic Areas of Reforms/ Modernization

7.

Strategic Area/ Issue	Components of Strategic issue	Implementation Status	Priorities
Enforcement Improvement Program	Capacity Building Program: Audit Investigation Skill Development	Do	Do
	Collection: Organization and Structure Development Program	Do	Do
	Litigation: Structure Management, ADR	Do	Do

Strategic Areas of Reforms/ Modernization

8.

Strategic Area/Issue	Components of Strategic issue	Implementation Status	Priorities
H.R and Institutional Development Program	Performance Appraisal Development Program.	Do	Do
	Integrity Management Development Program	Do	Do
	Research Wing Development Program	Program Designed and Approved to be Implemented	Priority
	Customs and Tax Academy Development Program.	Program Yet be Taken	Do

Strategic Areas of Reforms/ Modernization

8.

Strategic Area/Issue	Components of Strategic issue	Implementation Status	Priorities	Comments
Infrastructure Develop Program:	Revenue Board Bhavan Construction	Being Implemented	Do	GOB Fund
	Revenue Bhavan-2 in Dhaka Construction.	Work going on for Program	Do	Development Partners can be Approached
	Regional Integrated Revenue Offices Building/Bhavan Construction	Partially Taken	Do	Do
	IT Infrastructure Management Project	Program to be Taken	Top Priority	Do

Strategic Areas of Reforms/ Modernization

9.

Strategic Area/ Issue	Components of Strategic issue	Implementation Status	Priorities
Redefining the Status and Regulatory Power of NBR	1. Corporate Entity with Autonomy of Financial Organizational, Personnel, Investment Performance Matters	No Program Yet	Priority
	2. Separation of Policy and Enforcement	Do	

Relevance to Perspective Plan (Vision 2021) : 2010-2021

Sixth Five Year Plan : 2010-2015 and Annual Performance Agreement 2014-2015 (of NBR):

- These Plans, and Agreement very Relevant to NBR Modernization Plan:
 - Each of The Said Document emphasizes on Institutional Particularly NBR Development for enhancing Revenue Collection.



Thank You