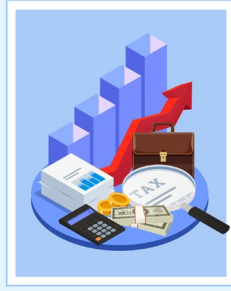


FY2022-23  
**Budget**



**THE  
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# EDITORIAL



**H**ighlights of the proposed budget for 2022-2023 were published by BSS on 9th June 2022 which entails the followings:

Total proposed budget-- Taka 6,78,064 crore; GDP growth target 7.5 percent, GDP size-- Taka 44.50 lakh crore; Revenue target-- Taka 4.33 lakh crore; Budget deficit-- Taka 2.42 lakh crore (5.4pc of the GDP); The average inflation is 5.6pc in 2022-23; Government proposes to withdraw advance tax on gold imports; Cigarettes to get costlier; Low-income families to get food assistance; Source tax on exports is likely to be doubled; Taka 36,863 crore allocation for health sector; Ten percent tax increase on shaving, beautification, toiletries, disinfectant and depilatory items; Tax-free income limit to remain unchanged; Textile sector is to enjoy reduced tax of 15pc till 2025; Ultra-rich to pay more excise duty on bank accounts services; Tax rebate for employers of physically handicapped or third gender people; to amend 5pc tax for restaurant sector, Import-dependent, less important govt expenditures to be stopped or reduced; Decreases allocation for Covid-19 response; Source tax on bank deposit interests of companies are doubled; Imposed five percent VAT on locally-made mobile phones, fridges, Tax-free forex earning for flag vessels; Reduces corporate tax to 12pc for non-RMG sectors; Slashes down source tax on raw material to four percent and Taka 82,745 crore subsidized for fuel, electricity, gas and fertilizer.

ICMAB has organized a round table discussion on the budget issues on 17th May 2022 at ICMAB auditorium where Honorable Minister, Ministry of Planning, Government of the People's Republic of Bangladesh Mr. M.A. Mannan MP Said the present government is very much sincere in handling the ongoing economic issues. "Economics is a very important issue and you can't panic about it," he said. I am a child of the Haor area. As a kid, I saw the waves of Haor. He would have lost his head when he saw the waves, but he did not give up. We have

an eye on marginalized people. I can't control the market because of the practice of the market economy. We are working to reduce the cruelty of the market economy as much as possible by accepting its reality.

Stability and continuity are essential for economic development. Mahathir Mohammad is considered a role model to us. Because he has supported and developed Malaysia for 22 years.

Comptroller and Auditor General of Bangladesh Mr. Mohammad Muslim Chowdhury said the budget is not a sheet of income and expenditure. At present, there is more transparency in budget formulation than ever before. The national budget is only a segment of public financial management and it is one-fourth of the total public financial management issues. He also mentioned that money is not unlimited. The government has money limits. An average of 30 percent of our GDP is invested. Of this, 24 percent comes from the private sector, and the remaining 8 percent is government investment.

To boost FDI, the speakers opined to lower the corporate tax in line with other competing countries. They also demanded a consistent tax policy to bring the private investors under confidence. It is also necessary to restructure tax rates of the individual taxpayers to give relief to the low-income group. Considering the ongoing inflation scenario, the government should find out ways to keep the mid-income group in a comfort zone. The budget should also give due importance to the parliamentary election to be held next year. Income-generating development projects should be completed as early as possible avoiding time overruns and cost overrun. They suggested deferring the development projects, which will not generate any income for the government in near future. The budget for 2022-23 will be a big challenge for balancing between revenue earning targets and the hard reality of the increasing trend of inflation.

**Ruhul Ameen** FCMA