

From the **President's Desk**



The national budget for 2022-23 fiscal year is probably the most challenging in the recent history of economic policymaking in Bangladesh. The world has not yet recovered from the pandemic fallout. On top of that is the Russia-Ukraine war. Due to multidimensional challenges, international organizations have downgraded their economic growth projections for 2022. The International Monetary Fund (IMF) moderated its estimation for global economic growth to 3.6 percent for 2022 against its earlier projection of 6.1 percent. Prior to the Russia-Ukraine war, as the global economy was on the recovery path, demand for goods and services started to increase, but the supply could not cope up with it. The pandemic disrupted the supply system globally. In May 2022, fuel prices went up by almost 70 percent compared to May 2021. Prices of essentials such as rice, wheat, maize, edible oil, lentils, and sugar also skyrocketed.

Two important sources of these products have traditionally been Russia and Ukraine.

The global economic downturn and inflationary pressure will stay for some time as there is no sign of cessation in the war. Therefore, the government needs to make all-out efforts to face the crisis.

The FY2022-23 budget in Bangladesh will need to have measures addressing the immediate challenges as well as those tackling the medium-term issues.

I am confident, the successful implementation of the proposed budget requires the involvement of the professionals. Implementation of the proposed large budget may be a challenge for the government, though not impossible to achieve. Of this, we conveyed some demand and proposal to the Government of Bangladesh so as to make desire to the country people notably to implementation of financial audit as well as

cost audit to bring transparency in the accounting system which has been made compulsory in various countries including neighboring India. At the same time, if the cost of goods sold statement can be audited by the CMAs, the overall economy will be benefited as it will ensure cost efficiency through proper cost management. Here also a provision should be made in appointing an ICMAB member as one judicial member in each bench of the Taxes Appellate Tribunal. This will reduce the number of pending income tax cases. As continue support to the government and the people of Bangladesh we demanded the deduction of income tax at source from service fees like advisory, consultancy, professional, technical etc. should be considered as final tax. Senior citizens whose only source of income is pension and interest on savings certificate should be exempted from return submission as well as proposed to increase the budget allocation for food security, agricultural security, medical and health security, national disaster response, industrialization, business expansion and capital market development, special facilities for garments sector, special facilities for transport industry and aviation industry.

Furthermore, the tax deducted on dividend income of an individual should be considered as final tax. Because it is often not possible to collect evidence of income tax deduction in this case and it is difficult, time consuming, and the taxpayer has to face many problems at the field level in this regard. Although many practical and business-friendly steps have been taken in the VAT Act this year, further steps should be taken incorporating CMAs to make business easier, more transparent and increasing revenue. For the adjustment of reduced tax levied at source, the term has been extended to three years instead of the next one. It is suggested to allow full financial year for such adjustment as the accounts are prepared at the end of a year.

For proper and transparent accounting system and to increase revenue, the accounting statements

should have cost of goods sold statement certified by the CMAs. If the input output coefficient (Mushok 4.3) is certified by the CMAs, VAT will be collected on the correct price. These CMA's certification will also ensure no requirement for re-audit on product price unless for certain specific cases. This clause may be accepted as a pilot project. Here we also sincere thanked to the National Board of Revenue to allow the proposal of ICMAB for Cost and Management Accountants (CMAs) to act as facilitators in alternative dispute resolution (ADR) under the VAT Rules 2016 that one of our thriving flagship voyages includes.

A galaxy of flair CMA Professionals are working to uplift the economic development of Bangladesh. Our profession is driven by the pursuit of knowledge and with persistence we have established a legacy of excellence and integrity, which we must always uphold. With increased transparency in the industry and wellbeing of every aspect of our lives, there is an increased requirement for diligent CMA vigilant as regulators of the profession thereby strengthening public trust and fulfilling our role as trustees of public interest.

We now need to take all this forward to the next step in our journey of deepening, strengthening and spreading our work through engagement, collaboration and partnerships.

I also urge all of our ICMA members to work towards building a sustainable atmosphere, contributing and implementing sustainable Good governance & encouraging awareness for the economic development of Bangladesh. With a multi-pronged effort on the CMA Profession and welfare fronts, so much has been achieved, and it will continue onwards with even greater force. My heartfelt compliments go out to each and every ICMA member.

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