

# Quarterly Analysis of Government's Revenue Receipts

April-June 2022

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### **Some Stylized Facts: April-June 2022**

- *Revised target for total revenue collection for FY22 was set at Tk. 3,89,000 crore, 18.4 percent higher than the actual revenue receipts (Tk. 3,28,665 crore) in FY21.*
- *The total revenue collection in FY22 stood at Tk. 3,32,473.4 crore which was 85.5 percent of the revised annual target of FY22.*
- *During the last quarter of FY22, i.e. April-June 2022, total revenue collection stood at Tk. 1,06,993.2 crore, which was 28.5 percent and 23.1 percent higher than that of the previous quarter and that of the same quarter of FY21.*
- *During the quarter under review, total NBR tax revenue collection stood at Tk. 97,654.8 crore, which was 30.4 percent higher than that of the previous quarter as well as 19.7 percent higher than that of the same quarter of previous fiscal year.*
- *During April-June 2022, direct tax and indirect tax increased by 36.4 percent and 10.2 percent compared to that of the corresponding quarter of the last fiscal year and stood at Tk. 40,133.6 crore and Tk. 57,521.2 crore respectively.*
- *During April-June 2022, non-NBR tax revenue collection stood at Tk. 1675.1 crore, which was 31.9 percent lower than that of the previous quarter and 28.3 percent higher than that of the corresponding quarter of the last fiscal year.*
- *During April -June 2022, non-tax revenue collection stood at Tk. 7,663.4 crore, which was 30 percent higher than that of the previous quarter as well as 92.3 percent higher than that of the corresponding quarter of the last fiscal year.*

# Quarterly Analysis of Government's Revenue Receipts<sup>P</sup>

## April-June 2022

The quarterly scenario on revenue collection depicts many dimensions of the revenue earnings path including category and sub-category-wise comparisons, inter-quarter comparisons, progress towards yearly target etc. along with important policy aspects taken by the government. The category-wise target, revised target and actual revenue collection are shown in Table 1.

**Table 1: Target and Actual Revenue Collection at a glance**

Source of Revenue	Revised Target for FY22	Actual* Collection in FY22	Revised Target for FY21	Actual Collection in FY21
<b>I. Tax Revenue</b>	3,46,000	3,08,625.6	3,16,000	2,69,803
<b>A. NBR Tax Revenue</b>	3,30,000	3,01,633.8	3,01,000	2,63,886
<b>B. Non-NBR Tax Revenue</b>	16,000	6,991.8	15,000	5,917
<b>II. Non-Tax revenue</b>	43,000	23847.7	35,532	58,862
<b>Total</b>	<b>3,89,000</b>	<b>3,32,473.3</b>	<b>3,51,532</b>	<b>3,28,665</b>

\* Provisional

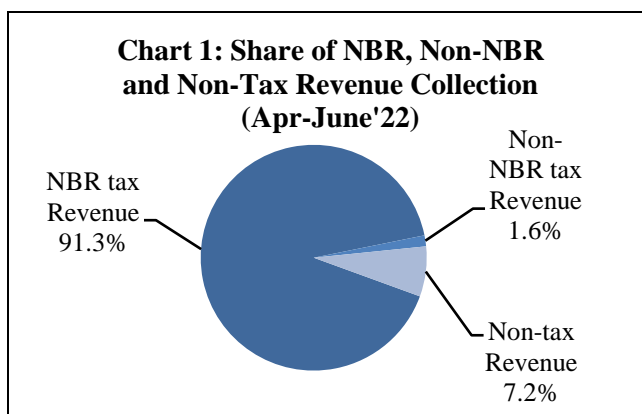
Sources: Budget Speech, FY 2022-23, Ministry of Finance, National Board of Revenue (NBR) and Office of the Controller General of Accounts (CGA)

During April-June 2022, total revenue collection stood at Tk.1,06,993.2 crore, which was 28.5 percent and 23.1 percent higher than that of the previous quarter and that of the same quarter of the previous fiscal year respectively. In the said quarter, NBR tax revenue collection comprised almost 91.3 percent of total revenue collection, while Non-NBR tax revenue and Non-tax revenue collection is only 1.6 percent and 7.2 percent respectively (Chart-1). According to the latest data, revenue collection from different sources of the Government is elaborately described below:

### I. Tax Revenue

#### A. NBR Tax Revenue Collection

During the last quarter of FY22 (April-June 2022), the NBR tax revenue collection stood at Tk. 97,654.8 crore (Annex 1), which was 30.4 percent and 19.7 percent higher than that of the previous quarter and the same quarter of previous fiscal year respectively mainly due to the increase in VAT, income tax, import duty, Supplementary duty and travel tax. The increased amount of tax revenue collection by NBR in this quarter



Source: NBR and CGA

<sup>P</sup>This report has been prepared based on the provisional statements provided by NBR and CGA

can also be attributed to the continuous effort and necessary steps undertaken by the responsible authorities in this field. Tax revenue collection by NBR can be categorized into direct and indirect segments based on the impact of taxation principle.

### (i) Direct Tax (Income Tax and Travel Tax)

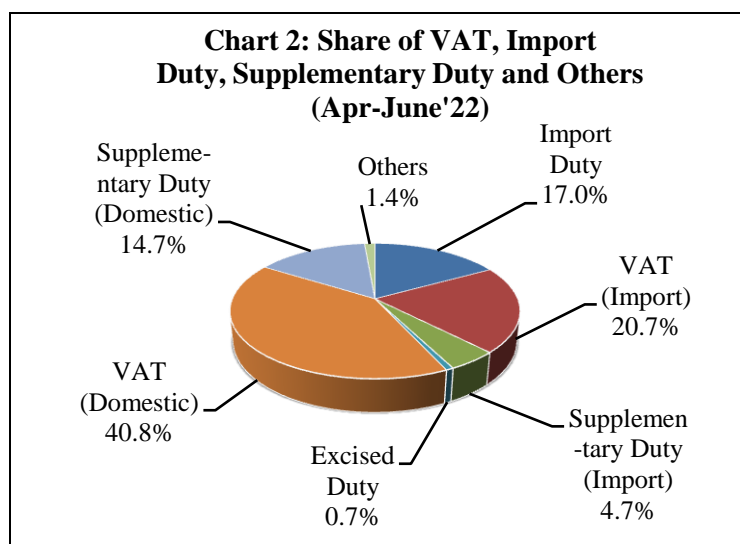
During April-June 2022, collection from direct tax increased by 67.1 percent compared to the previous quarter and stood at Tk. 40,133.6 crore. Moreover, this was 36.4 percent higher than that of the same quarter of the previous fiscal year. In the said quarter, direct tax contributed 41.1 percent of total NBR revenue collection.

Of the sources of direct tax, income tax and travel tax increased by 67.7 percent and 15.7 percent compared to the previous quarter and stood at Tk. 39,801.3 crore and Tk. 332.4 crore respectively. Moreover, this income tax and travel tax were 35.8 and 220.5 percent higher than that of the corresponding quarter of the previous fiscal year respectively. This boost in the collection from travel tax during this quarter, over that of the same quarter of the previous fiscal year can be attributed to the post pandemic normalcy of this sector. The contribution of the income tax was 99.2 percent to total direct tax revenue collection by NBR during the quarter under review (Annex 2).

### (ii) Indirect Tax (VAT, Import Duty, Supplementary Duty and Others)

During the last quarter of FY22, indirect tax increased by 13.0 percent compared to that of the previous quarter and stood at Tk. 57,521.2 crore. Moreover, this was 10.2 percent higher than that of the same quarter of the previous fiscal year. Indirect tax contributed 58.9 percent of total NBR revenue collection during the quarter under review (Annex 2).

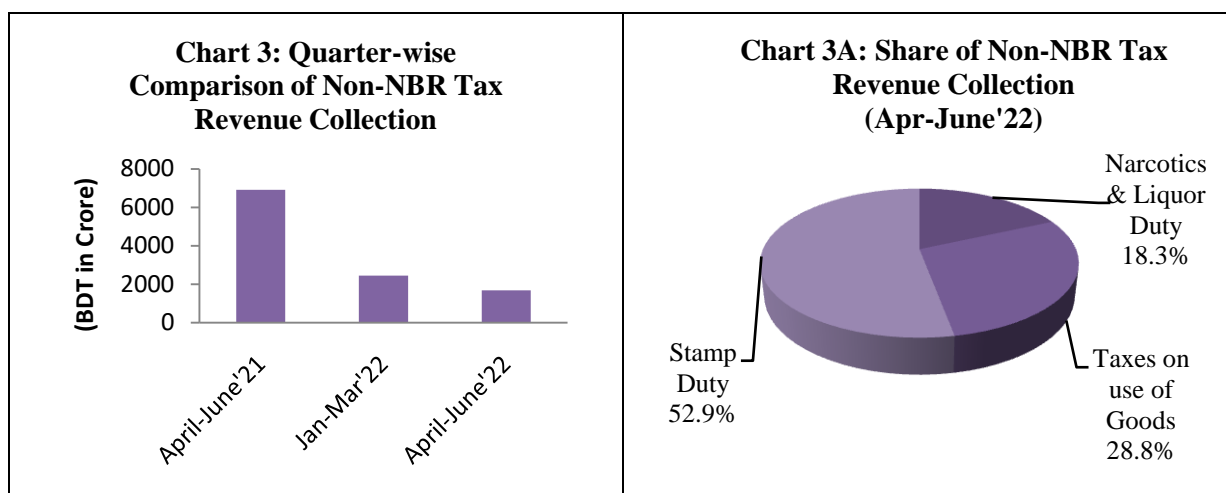
VAT plays dominant role in indirect tax revenue collection as usual. A total of Tk. 35,343.3 crore was collected during April-June 2022 from VAT (domestic including import) which was 19.9 and 11.8 percent higher than that of the previous quarter and the same quarter of the previous fiscal year. Of the other sources, Tk. 11,199.1 crore was collected from Supplementary Duty (domestic including import) which was 1.8 and 5.1 percent higher than that of the previous quarter and the same quarter of the previous fiscal year respectively. A total of Tk. 9,769.4 crore was collected from import duty which was 5.3 and 8.6 percent higher than that of the previous quarter and the same quarter of the previous fiscal year. The share of the components of indirect tax during April-June 2022 is shown in chart 2.



Source: NBR

## B. Non-NBR Tax Revenue Collection

Among all the sources of revenue collection, the least expected earning source is the non-NBR tax revenue. In the revised budget of FY22, the annual target for non-NBR tax revenue collection has been set at only Tk. 16,000 crore which is 4.1 percent of the revised target for total revenue collection. During April-June 2022, revenue collection from non-NBR tax was Tk. 1,675.1 crore, which was 31.9 percent lower than that of the previous quarter but 28.3 percent higher than that of the same quarter of the preceding year respectively (Annex 1). Stamp duty, taxes on use of goods and narcotics & liquor duty are the components of non-NBR revenue collection, which contributed by 52.9 percent (Tk. 886.7 crore), 28.8 percent (Tk. 482.4 crore), and 18.3 percent (Tk. 306.0 crore) respectively in the total non-NBR tax revenue collection of the quarter under discussion. The quarter-wise comparison of Non-NBR tax revenue collection and share of the components of non-NBR tax revenue collection are shown in chart 3 and chart 3A respectively.



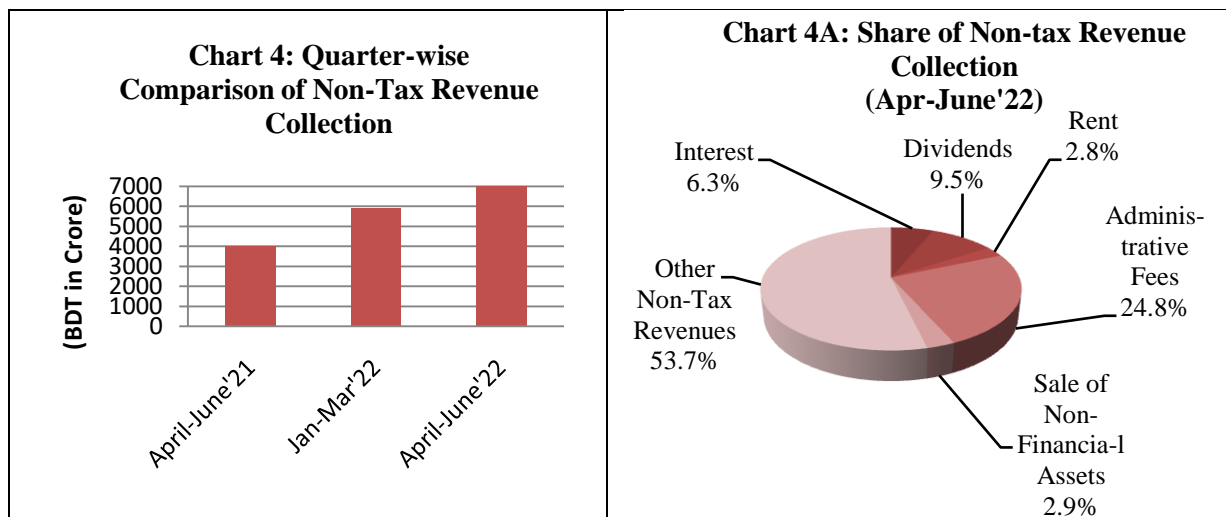
Source: CGA

Source: CGA

## II. Non-tax Revenue Collection

The second highest revenue earning source is the non-tax revenue collection. The annual revised target for non-tax revenue collection has been set at Tk. 43,000 crore in FY22 which is 11.1 percent of the total target set for revenue collection. During April-June 2022, the non-tax revenue collection was Tk. 7,663.4 crore which was 30.2 percent and 92.3 percent higher than that of the previous quarter and that of the corresponding quarter of the previous fiscal year respectively.

Among all the components, Administrative fees contributed the highest of 24.81 percent (Tk. 1901.4 crore) to the total non-tax revenue collection. Besides, dividends, interest and rent contributed 9.5 percent (Tk. 726.2 crore), 6.3 percent (Tk. 480.1 crore) and 2.8 percent (Tk. 212.9 crore) respectively. A total of Tk. 4117.9 crore (53.7 percent) was collected from other non-tax revenue sources. The quarter-wise comparison of non-tax revenue collection and share of the components of non-tax revenue collection are shown in chart 4 and chart 4A respectively.



Source: CGA

Source: CGA

### Progress in Revenue Collection over the quarters in FY22

Collection of revenue boosts as the fiscal year progresses in general. The first quarter of this fiscal year accumulated the lowest percentage (only 16.9 percent) of the total revised revenue target, followed by 19.7 percent in the second quarter, 21.4 percent in the third quarter. However, the highest percentage of the revised annual target is achieved in this last quarter that is April-June 2022 as usual which is 27.5 percent amounting Tk. 1,06,993.2 crore in FY22. Finally, a total of Tk. 3,32,473.4 crore was collected in the FY22 which was 85.5 percent of the revised annual target set for this fiscal year (Table-2).

**Table 2: Progress in Revenue Collection over the quarters during this Fiscal Year\***

Quarter	Quarterly collection	% of Revised Annual Target	Quarter to Year collection (Cumulative)	Cumulative percentage
July-Sep'21	65650.3	16.9	65650.3	16.9
Oct-Dec'21	76559.9	19.7	142210.2	36.6
Jan-Mar'22	83270.0	21.4	225480.2	58.0
Apr-June'22	106993.2	27.5	332473.4	85.5

\*Provisional

Sources: Budget Speech, FY 2022-23, Ministry of Finance, National Board of Revenue (NBR) and Office of the Controller General of Accounts (CGA)

## **Important policy measures taken by the government for revenue mobilization**

Every year revenue target is set at a newer height to cover higher budgetary expenses for the operating and development projects including the Annual Development Program projects. In line with this, the government has declared some important policy measures and action plans for revenue mobilization in the budget of FY22 which are stated below:

- Easy and seamless services to the taxpayers through digitalization and automation of income tax, VAT and customs duties have been provided by the NBR.
- To encourage the taxpayers, e-payment services have been initiated which are creating opportunity for the taxpayers to pay taxes at their convenience even without physical presence. Moreover, NBR has taken necessary steps for submitting the income tax online.
- To ascertain the authenticity and transparency of the audited statements of accounts submitted by the taxpayer companies The National Board of Revenue and Institute of Chartered Accountants of Bangladesh (ICAB) have jointly introduced Document Verification System (DVS). Furthermore, the e-TDS system has also been introduced for monitoring tax deduction and collection.
- For bringing transparency in VAT collection and establishing an ICT based VAT administration system the government has introduced a VAT Online Project.
- From August 2020 the NBR started installing EFD (Electronic Fiscal Device)/SDC (Sales Data Controller) to ensure easy, transparent and hassle-free VAT collection hoping that the general consumers will make this project successful.
- Following the global best practices of customs management, Customs Act, 2021 is being formulated which is now at the vetting stage.

(Annex-1)

Total Revenue Collection						
(Tk. In Crore)						
Source	Revised Target For FY22	Apr-June'21	Jan-Mar'22	Apr-June'22	Percentage Change	
					Apr-June'22 over Jan-Mar'22	Apr-June'22 over Apr-June'21
NBR Tax revenue	330000 (84.83)	81618.62 (93.91)	74917.64 (89.97)	97654.80 (88.78)	30.35	19.65
Non-NBR Tax Revenue	16000 (4.11)	1305.56 (1.50)	2458.26 (2.95)	1675.05 (1.57)	-31.86	28.30
Non-Tax Revenue	43000 (11.05)	3985.53 (4.59)	5894.07 (7.08)	7663.37 (7.16)	30.02	92.29
<b>Total</b>	<b>389000</b>	<b>86909.52</b>	<b>83269.98</b>	<b>106993.22</b>	<b>28.49</b>	<b>23.11</b>

(Annex-2)

NBR Tax Revenue Receipts						
(Tk. In Crore)						
Sector of Receipts	Revised Target For FY22	Apr-June'21	Jan-Mar'22	Apr-June'22	Percentage Change	
					Apr-June'22 over Jan-Mar'22	Apr-June'22 over Apr-June'21
<b>Direct Tax</b>	<b>105475</b>	<b>29420.27</b>	<b>24023.93</b>	<b>40133.63</b>	67.06	36.41
	(31.96)	(36.05)	(32.07)	(41.10)		
Income Tax	103945.10	29316.58	23735.72	39801.26	67.69	35.76
		(99.65)	(98.80)	(99.17)		
Travel Tax	1529.90	103.69	287.32	332.37	15.68	220.54
		(0.35)	(1.20)	(0.83)		
<b>Indirect Tax</b>	<b>224525</b>	<b>52198.35</b>	<b>50894.09</b>	<b>57521.17</b>	13.02	10.20
	(68.04)	(63.95)	(67.93)	(58.90)		
Import Duty	37807.18	8994.46	9276.85	9769.36	5.37	8.62
		(17.23)	(18.23)	(16.98)		
VAT (import)	45554.76	11770.43	11919.82	11902.10	-0.15	1.12
		(22.55)	(23.42)	(20.69)		
VAT (domestic)	82192.82	19855.44	17565	23441.23	33.45	18.06
		(38.04)	(34.51)	(40.75)		
Supplementary duty (Import)	12234.61	2396.21	2681.89	2730.36	1.81	13.94
		(4.59)	(5.27)	(4.75)		
Supplementary duty (domestic)	42990.65	8261.11	8323.44	8468.71	1.75	2.51
		(15.83)	(16.35)	(14.72)		
Regulatory Duty	55.45	0.60	0.00	0.00	-	-
		(0.00)	(0.00)	(0.00)		
Excise Duty	3685.69	199.17	905.12	409.52	-54.76	105.61
		(0.38)	(1.78)	(0.71)		
Turn Over Tax	3.84	0.19	0.19	0.08	-57.89	-57.89
		(0.00)	(0.00)	(0.00)		
Others	0	720.74	222.30	799.81	261.92	10.97
		(1.38)	(0.44)	(1.39)		
<b>Total of NBR tax</b>	<b>330000</b>	<b>81618.62</b>	<b>74917.13</b>	<b>97654.80</b>	<b>30.35</b>	<b>19.65</b>



(Annex-3)

Non-NBR Tax Revenue Receipts						
(Tk. In Crore)						
Sector of Receipts	Revised Target for FY22	Apr-June'21	Jan-Mar'22	Apr-June'22	Percentage Change	
					Apr-June'22 over Jan-Mar'22	Apr-June'22 over Apr-June'21
Narcotics & Liquor Duty		268.56 (20.57)	1034.80 (42.09)	306.01 (18.27)	-70.43	13.94
Taxes on use of Goods		393.57 (30.15)	477.09 (19.41)	482.35 (28.80)	1.10	22.56
Stamp Duty		643.43 (49.28)	946.37 (38.50)	886.69 (52.94)	-6.31	37.81
Other Non-NBR Taxes		0.00 (0)	0.00 (0)	0.00 (0)	-	-
<b>Total Non-NBR Tax</b>	<b>16000</b>	<b>1305.56</b>	<b>2458.26</b>	<b>1675.05</b>	-31.86	28.30

(Annex-4)

Non-Tax Revenue Receipts						
(Tk. In Crore)						
Sector of Receipts	Revised Target for FY22	Apr-June'21	Jan-Mar'22	Apr-June'22	Percentage Change	
					Apr-June'22 over Jan-Mar'22	Apr-June'22 over Apr-June'21
Interest		691.53 (17.35)	593.30 (10.07)	480.12 (6.27)	-19.08	-30.57
Dividends		634.61 (15.92)	531.28 (9.01)	726.16 (9.48)	36.68	14.43
Rent		256.85 (6.44)	116.43 (1.98)	212.91 (2.78)	82.86	-17.11
Administrative Fees		1035.02 (25.97)	1812.32 (30.75)	1901.41 (24.81)	4.92	83.71
Sale of Non-Financial Assets		150.20 (3.77)	33.19 (0.56)	224.83 (2.93)	577.36	49.69
Other Non-Tax Revenues		1217.13 (30.54)	2807.55 (47.63)	4117.93 (53.74)	46.67	238.33
<b>Total of Non-Tax</b>	<b>43000</b>	<b>3985.35</b>	<b>5894.07</b>	<b>7663.37</b>	30.02	92.29

*N.B: Figures in parenthesis indicate share in the respective total for that category.*

**Data Source:**

*Budget Speech, FY 2022-23, Ministry of Finance,  
National Board of Revenue (NBR) and  
Office of the Controller General of Accounts (CGA)*