

# Quarterly Analysis of Government's Revenue Receipts October-December 2023

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Research Department  
**Bangladesh Bank**

*The report has been prepared by the team under Special Studies and Fiscal Affairs Wing, Research Department, Bangladesh Bank (The Central Bank of Bangladesh). Comments on any aspects of the report are highly welcomed and can be sent to [rupok.chad@bb.org.bd](mailto:rupok.chad@bb.org.bd) or [puja.bhattacharjee@bb.org.bd](mailto:puja.bhattacharjee@bb.org.bd).*

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### **Some Stylized Facts: October-December 2023**

- *The target for total revenue collection for FY24 has been set at Tk. 5,00,000 crore, which is 15.5 percent higher than the revised target of Tk. 4,33,000 crore in FY23.*
- *During the second quarter of FY24, i.e. October-December 2023, total revenue collection stood at Tk. 93,970.9 crore, which was 0.20 percent and 11.2 percent higher than that of the preceding quarter and that of the same quarter of FY23.*
- *During the quarter under review, total NBR tax revenue collection stood at Tk. 88,878.5 crore, which was 15.8 percent and 13.5 percent higher than that of the preceding quarter and that of the same quarter of previous fiscal year.*
- *During October-December 2023, direct tax and indirect tax increased by 14.9 percent and 12.8 percent to Tk. 28,182.9 crore and Tk. 60,695.6 crore respectively compared to that of the corresponding quarter of the last fiscal year.*
- *During October-December 2023, non-NBR tax revenue collection stood at Tk. 1,122.1 crore, which was 37.5 percent and 35.2 percent lower than that of the preceding quarter and that of the corresponding quarter of the last fiscal year.*
- *During the quarter under review, non-tax revenue collection stood at Tk. 3,970.3 crore, which was about 74 percent and 10.6 percent lower than that of the preceding quarter and the corresponding quarter of the last fiscal year respectively.*

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

## October-December 2023

The quarterly analysis of revenue receipts provides a comprehensive view of its various aspects, encompassing by category and sub-category, quarter-to-quarter comparisons, tracking progress towards the annual target and highlighting key government policy initiatives in the process. 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	Target for FY24	Actual* Collection till Dec'23 of FY24	Revised Target for FY23	Actual Collection till Dec'22 of FY23
<b>1. Tax Revenue</b>	4,50,000	1,68,547.4	3,88,000	1,48,922.3
<b>1.1. NBR Tax Revenue</b>	4,30,000	1,65,629.8	3,70,000	1,45,431.3
<b>1.2. Non-NBR Tax Revenue</b>	20,000	2,917.6	18,000	3,491.0
<b>2. Non-Tax Revenue</b>	50,000	19,210.8	45,000	11,742.6
<b>Total (1+2)</b>	<b>5,00,000</b>	<b>1,87,758.2</b>	<b>4,33,000</b>	<b>1,60,664.3</b>

\*Provisional

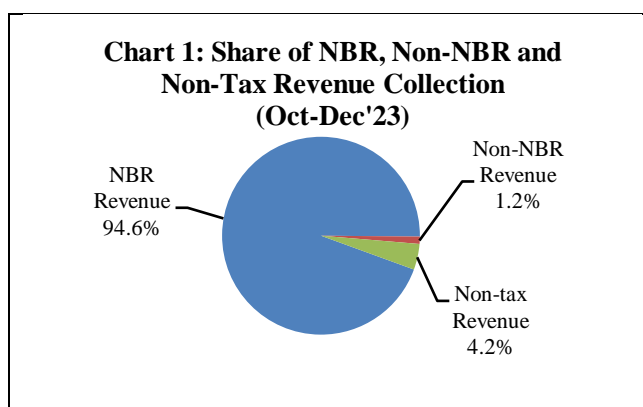
Sources: Budget Speech, FY 2023-24, Ministry of Finance, National Board of Revenue (NBR) and Office of the Controller General of Accounts (CGA)

During the second quarter of FY24 i.e. October-December 2023, the total revenue collection stood at Tk. 93,970.9 crore which is 0.20 percent and 11.2 percent higher than that of the preceding quarter and the same quarter of the previous fiscal year respectively. During this quarter, a substantial portion of the revenue, approximately 94.6 percent, was as usual collected by NBR as tax revenue, while non-NBR tax revenue and non-tax revenue constituted smaller shares of 1.2 percent and 4.2 percent respectively (Chart-1). As per the latest available data, revenue collection from different sources of the government is elaborately described below:

## 1. Tax Revenue

### 1.1. NBR Tax Revenue Collection

During the second quarter of FY24 (October-December 2023) the NBR tax revenue collection stood at Tk. 88,878.5 crore (Annex 1) which was 15.8 percent and 13.5 percent higher than that of the preceding quarter and the same quarter of previous fiscal year. Tax revenue collection by NBR can be categorized into direct and indirect segments based on the



Source: NBR and CGA

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

impact of taxation principle.

### 1.1.1. Direct Tax (Income Tax and Travel Tax)

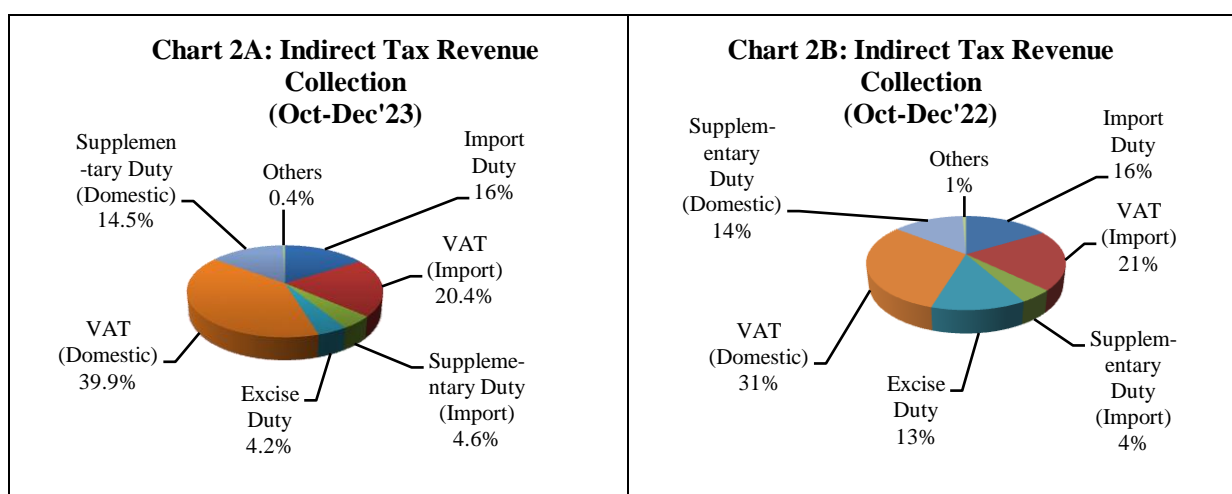
During October-December 2023, collection from direct tax increased by 19.2 percent compared to the preceding quarter to Tk. 28,182.9 crore. Moreover, this was 14.9 percent higher than that of the same quarter of the previous fiscal year. In the said quarter, direct tax contributed 31.7 percent to total NBR revenue collection.

Of the sources of direct tax, income tax and travel tax collection increased by approximately 19 percent and 32 percent to Tk. 27,594.3 crore and Tk. 588.5 crore respectively compared to the previous quarter. However, this income tax and travel tax were 14.3 and 59.7 percent higher than that of the corresponding quarter of the previous fiscal year respectively. The contribution of the income tax was 97.9 percent to total direct tax revenue collection by NBR during the quarter under review (Annex 2).

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

During the second quarter of FY24, indirect tax increased by 14.3 percent to Tk. 60,695.6 crore compared to that of the preceding quarter. This is also 12.8 percent higher than that of the same quarter of the previous fiscal year. Indirect tax contributed 68.3 percent of total NBR revenue collection during the quarter under review (Annex 2).

Of the different categories, VAT plays dominant role in indirect tax revenue collection as usual. A total of Tk. 36,537.7 crore was collected during October-December 2023 from VAT (domestic and import) which was 13.6 percent and 31.4 percent higher than that of the preceding quarter and the same quarter of the previous fiscal year respectively. Of the other sources, Tk. 11,611.4 crore was collected from supplementary duty (domestic and import) which was approximately 9 percent and 17.6 percent higher than that of the preceding quarter and the same quarter of the previous fiscal year respectively. A total of Tk. 9,731.1 crore was collected from import duty which was 0.9 percent and 10.4 percent higher than that of the preceding quarter and the same quarter of the previous fiscal year respectively. The share of the components of indirect tax revenue collection during October-December 2023 and October-December 2022 is shown in Chart 2A and Chart 2B respectively.

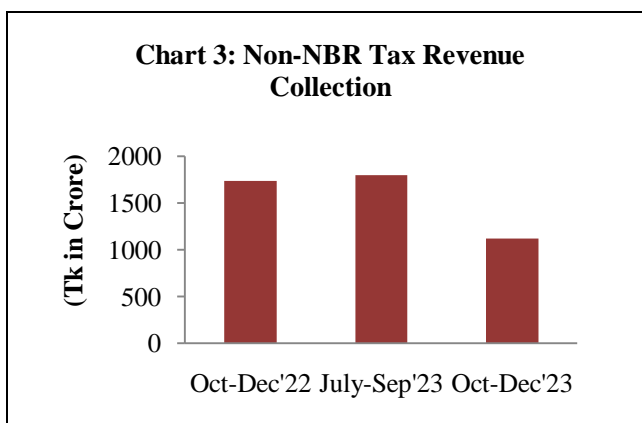


Source: NBR

## 1.2. Non-NBR Tax Revenue Collection

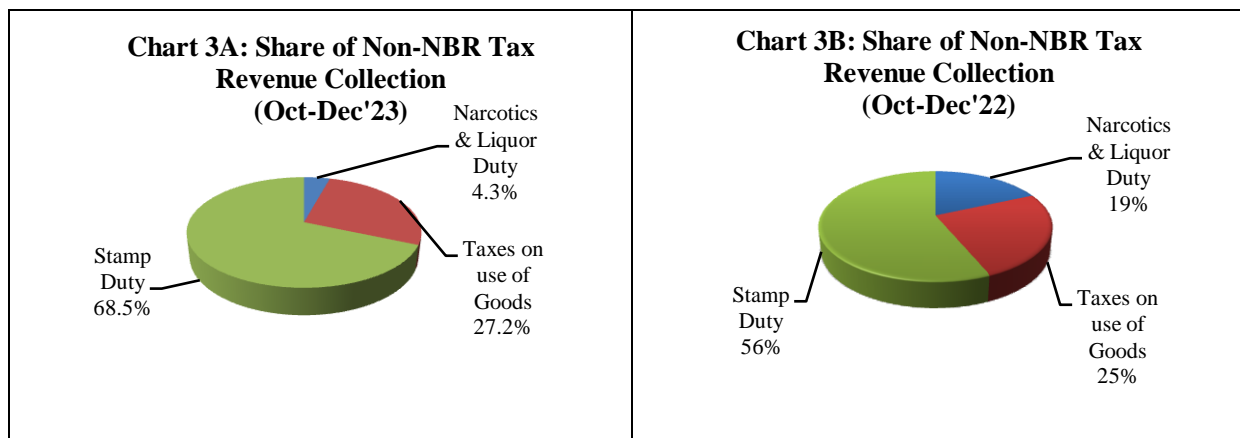
Among all the sources of revenue collection, the least expected earning source is the non-NBR tax revenue. In the budget of FY24, the yearly target for non-NBR tax revenue collection has been set at only Tk. 20,000 crore which is 4 percent of the target for total revenue collection.

During October-December 2023, revenue collection from non-NBR tax stood at Tk. 1,122.1 crore, which is 37.5 percent and 35.2 percent lower than that of the preceding quarter and that of the same quarter of the previous year respectively (Annex 1). Stamp duty, taxes on use of goods and narcotics & liquor duty as the components of non-NBR revenue collection, contributed 68.5 percent (Tk. 768.8 crore), 27.2 percent (Tk. 305.4 crore) and 4.3 percent (Tk. 47.9 crore)



Source: CGA

respectively to the total non-NBR tax revenue collection of the quarter under review. The quarter-wise comparison of non-NBR tax revenue collection and share of the components of non-NBR tax revenue collection during the October-December quarter of the current and previous fiscal year are shown in Chart 3, Chart 3A and 3B respectively.

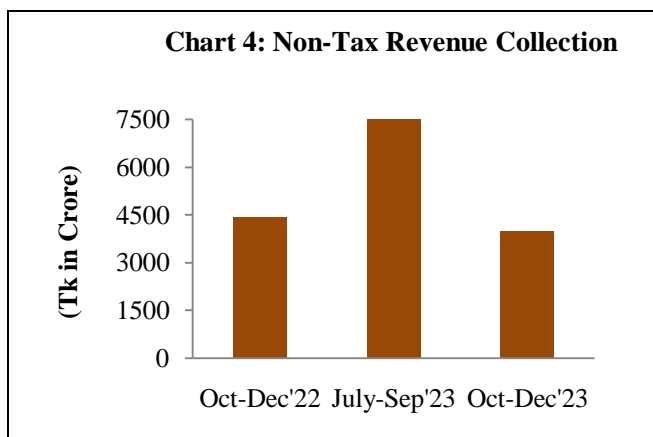


Source: CGA

## 2. Non-tax Revenue Collection

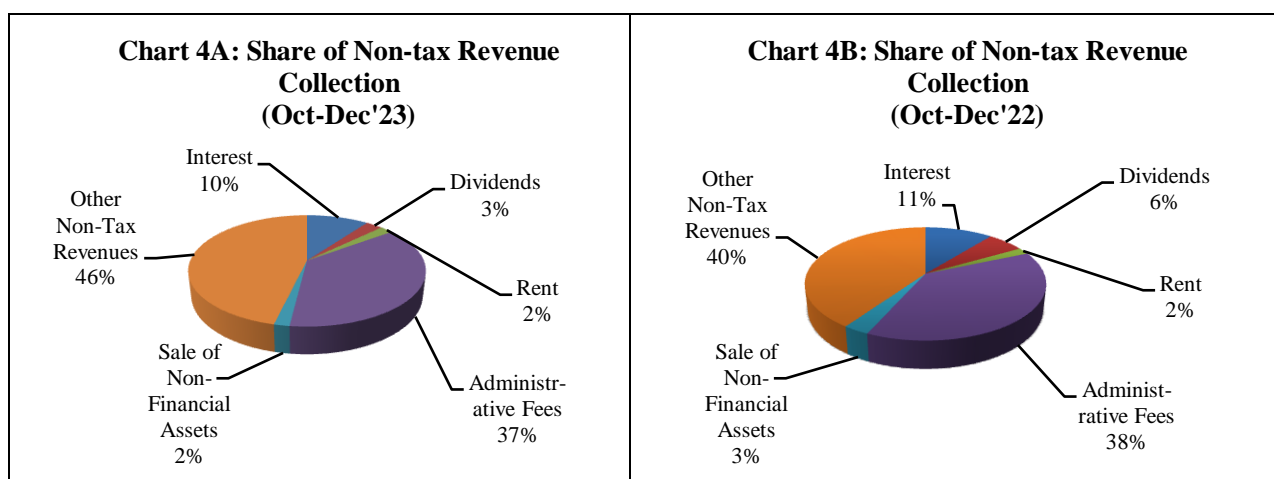
The second highest revenue earning source is the non-tax revenue collection. The annual target for non-tax revenue collection has been set at Tk. 50,000 crore in FY24 which is 10 percent of the total target for revenue collection. During October-December 2023, the non-tax revenue collection stood at Tk. 3,970.3 crore which are 74 percent and 10.6 percent lower than that of the preceding quarter and that of the corresponding quarter of the previous fiscal year respectively.

Among all the components, administrative fees contributed the most at 37 percent (Tk. 1,469.5 crore) to the total non-tax revenue collection whereas, interest, dividends and rent contribute 10.1 percent (Tk. 400.5 crore), 2.7 percent (Tk. 108 crore) and 2.1 percent (Tk. 84.6 crore) respectively. A total of Tk. 1,837.1 crore (46.3 percent) has been collected from other non-tax revenue sources. The quarter-wise comparison of non-tax revenue collection and share of



Source: CGA

the components of non-tax revenue collection during the October-December quarter of the current and previous fiscal year are shown in Chart 4, Chart 4A and 4B respectively.



Source: CGA

### 3. Important Policy Measures Taken by the Government for Revenue Mobilization in FY24

Each year, the revenue target is set in order to meet the increased budgetary expenditures. In tandem with this, the government also announces key policy measures and action plans for revenue mobilization in the budget. The major policy measures undertaken by the government for FY24, are outlined below:

- The NBR has facilitated taxpayers by offering user-friendly and seamless services through the digitalization and automation of income tax, VAT and customs duties.
- E-payment services have been initiated to create opportunities for encouraging the taxpayers to pay taxes at their convenience, even without physical presence. Moreover, taxpayers can now pay taxes directly through their bank accounts.
- The National Board of Revenue and the Institute of Chartered Accountants of Bangladesh (ICAB) have jointly introduced the Document Verification System (DVS) to ascertain the authenticity and transparency of the audited statements of accounts submitted by the

taxpayer companies. Furthermore, the E-TDS system has also been introduced for monitoring tax deduction and collection.

- To increase the number of taxpayers, an E-filing system has been introduced for the taxpayers so that they can easily file their income tax returns online. Furthermore, the growth of tax returns is further propelled by policy measures and the mandatory proof of submission of return (PSR) for accessing various government services.
- The NBR installed Electronic Fiscal Device (EFD)/Sales Data Controller (SDC) in various sectors to ensure easy, transparent and hassle-free VAT collection, hoping that the general consumers will make this project successful.
- Incorporating from international best practices in customs management, the formulation of the Customs Act, 2021 is currently at vetting stage. Additionally, various modernization endeavors, such as the implementation of the National Single Window (NSW), the automation of Bond Management, the establishment of the Customs Risk Management Commissionerate and the introduction of an Authorized Economic Operator (AEO), etc. are underway to expedite customs clearance and add dynamism into import-export trade.



(Annex-1)

**Total Revenue Collection**

(Tk. In Crore)

Source	Target For FY'24	Oct-Dec'22	July-Sep'23	Oct-Dec'23	Percentage Change	
					Oct-Dec'23 over July-Sep'23	Oct-Dec'23 over Oct-Dec'23
<b>NBR Tax revenue</b>	<b>430000</b> (86.0)	78306.81 (92.69)	76751.30 (81.84)	88878.51 (94.58)	15.80	13.50
Non-NBR Tax Revenue	<b>20000</b> (4.0)	1731.23 (2.05)	1795.44 (1.91)	1122.12 (1.19)	-37.50	-35.18
Non-Tax Revenue	<b>50000</b> (10.0)	4443.09 (5.26)	15240.52 (16.25)	3970.25 (4.22)	-73.95	-10.64
<b>Total</b>	<b>500000</b>	<b>84481.12</b>	<b>93787.27</b>	<b>93970.88</b>	0.20	11.23

(Annex-2)

**NBR Tax Revenue Receipts**

(Tk. In Crore)

Sector of Receipts	Target For FY'24	Oct-Dec'22	July-Sep'23	Oct-Dec'23	Percentage Change	
					Oct-Dec'23 over July-Sep'23	Oct-Dec'23 over Oct-Dec'23
<b>Direct Tax</b>	<b>154800</b> (36.00)	<b>24519.29</b> (31.31)	<b>23641.15</b> (30.80)	<b>28182.87</b> (31.71)	19.21	14.94
Income Tax	153065.00	24150.85 (98.50)	23195.35 (98.11)	27594.36 (97.91)	18.97	14.26
Travel Tax	1735.00	368.44 (1.50)	445.8 (1.89)	588.51 (2.09)	32.01	59.73
<b>Indirect Tax</b>	<b>275200</b> (64.00)	<b>53787.52</b> (68.69)	<b>53110.15</b> (69.20)	<b>60695.64</b> (68.29)	14.28	12.84
Import Duty	46015	8812.38 (16.38)	9640.55 (18.15)	9731.12 (16.03)	0.94	10.43
VAT (import)	54944	11188.23 (20.80)	11941.77 (22.48)	12393.33 (20.42)	3.78	10.77
VAT (domestic)	110772.45	16622.5 (30.90)	20208.82 (38.05)	24144.36 (39.78)	19.47	45.25
Supplementary Tax (Import)	15075	2494.89 (4.64)	2545.57 (4.79)	2816.18 (4.64)	10.63	12.88
Supplementary Tax (domestic)	43118.71	7377.64 (13.72)	8108.66 (15.27)	8795.26 (14.49)	8.47	19.22
Export Duty	66	0.28 (0.00)	0.01 (1.88)	0.00 (0)	-100.00	-
Excise Duty	5208.14	6924.12 (12.87)	446.86 (0.84)	2564.70 (4.23)	473.94	-62.96
Turn Over Tax	0.9	0.07 (0.00)	0.35 (0.00)	0.03 (0.00)	-91.43	-57.14
Others	0	367.41 (0.68)	217.56 (0.41)	250.66 (0.41)	15.21	-31.78
<b>Total</b>	<b>430,000</b>	<b>78306.81</b>	<b>76751.30</b>	<b>88878.51</b>	15.80	13.50

(Annex-3)

## Non-NBR Tax Revenue Receipts

(Tk. In Crore)

Sector of Receipts	Target For FY'24	Oct-Dec'22	July-Sep'23	Oct-Dec'23	Percentage Change	
					Oct-Dec'23 over July-Sep'23	Oct-Dec'23 over Oct-Dec'23
Narcotics & Liquor Duty		317.91 (18.36)	309.86 (17.26)	47.91 (4.27)	-84.54	-84.93
Taxes on use of Goods		437.59 (25.28)	460.20 (25.63)	305.39 (27.22)	-33.64	-30.21
Stamp Duty		975.74 (56.36)	1025.38 (57.11)	768.82 (68.51)	-25.02	-21.21
Other Non-NBR Taxes		0.00 (0)	0.00 (0)	0.00 (0)	-	-
<b>Total Non-NBR Tax</b>	<b>20000</b>	<b>1731.23</b>	<b>1795.44</b>	<b>1122.12</b>	<b>-37.50</b>	<b>-35.18</b>

(Annex-4)

## Non-Tax Revenue Receipts

(Tk. In Crore)

Sector of Receipts	Target For FY'24	Oct-Dec'22	July-Sep'23	Oct-Dec'23	Percentage Change	
					Oct-Dec'23 over July-Sep'23	Oct-Dec'23 over Oct-Dec'23
Interest		479.69 (10.80)	522.10 (3.43)	400.46 (10.09)	-23.30	-16.52
Dividends		262.01 (5.90)	10907.04 (71.57)	107.96 (2.72)	-99.01	-58.80
Rent		82.53 (1.86)	129.78 (0.85)	84.55 (2.13)	-34.85	2.45
Administrative Fees		1695.72 (38.17)	1867.93 (12.26)	1469.48 (37.01)	-21.33	-13.34
Sale of Non-Financial Assets		132.35 (2.98)	33.92 (0.22)	70.66 (1.78)	108.32	-46.61
Other Non-Tax Revenues		1790.80 (40.31)	1779.76 (11.68)	1837.14 (46.27)	3.22	2.59
<b>Total of Non-Tax</b>	<b>50000</b>	<b>4443.09</b>	<b>15240.52</b>	<b>3970.25</b>	<b>-73.95</b>	<b>-10.64</b>

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

**Data Source:**

*Budget Speech, FY 2023-24, Ministry of Finance,*

*National Board of Revenue (NBR) and*

*Office of the Controller General of Accounts (CGA)*