

## Travel tax may increase for domestic passengers too

A Monitor Report

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Dhaka : For the first time ever, domestic air travellers may witness a surge in travel tax while outbound passengers are expected to pay up to 67 per cent higher taxes from next fiscal year as the government is planning to increase revenue collection.

The hike is expected to come after nine years as the National Board of Revenue (NBR) had last increased the rate in 2014. Reports claimed, domestic air passengers may require paying BDT 200 as travel tax, citing officials of the finance ministry.

In terms of international travel, the rate of tax may rise 50 per cent to BDT 6,000 for travels to the Americas, Europe, Africa, Australia, New Zealand, China, Japan, Hong Kong, North Korea, Vietnam, Laos, Cambodia and Taiwan.

Currently, an air passenger pays BDT 4,000 as travel tax when travelling to these destinations, according to NBR.

The amount of tax for people going to member countries of the South Asian Association for Regional Cooperation (Saarc) is expected to increase 67 per cent to BDT 2,000 from the next fiscal year, which begins in July 2023.

Air passengers to other countries and regions, such as the Middle East, the main destination of Bangladesh's migrant workers, may require paying 33 per cent higher in travel tax to BDT 4,000 on their tickets, further claimed reports.

After the Covid-19 pandemic, as air travel returned to normalcy gradually, NBR also witnessed a surge in their collection from travel tax. In the nine months to the end of March during fiscal year 2022-23, travel tax collection shot up 94 per cent to BDT 1,069 crore, higher than the tax authority's target for the whole fiscal year, added reports.

On the other hand, people who will travel abroad by road, for instance to India, are expected to pay a travel tax of BDT 1,000, double the current rate. In case of travel by waterways, the rate of travel tax may rise 25 per cent to BDT 1,000 per person from next fiscal year, reports cited Ministry officials saying.