

Foreigners to pay 25pc tax against outward remittances

A Monitor Report

Date: 16 February, 2022



Dhaka : The Bangladesh Bank asked foreign individuals and business entities who are providing services in the country to pay 25 per cent tax against their income before repatriating it as outward remittances.

The central bank's Foreign Exchange Policy Department instructed all the dealer banks through a circular issued in this regard on February 8.

According to the circular, if the authority finds irregularities in repatriating income, then an additional 2 per cent simple interest charge will be applied monthly, apart from the existing 25 per cent tax on income.

The circular enclosed a letter from the National Board of Revenue (NBR).

According to the NBR letter, in case of a requirement to remit the whole of a foreigner's income, a new calculation needs to be made considering the rate of applicable tax.

As per the new calculation, if a foreigner wants to repatriate BDT 100 income, the authority will deduct BDT 20 as tax and send BDT 80 as outward remittance.

However, if a foreigner wants to send the whole of BDT 100 abroad, then he will have to pay BDT 25 separately as tax, said the NBR.

