

## TOAB demands reformation of Tour Operators, Guides Act incl VAT withdrawal

- A Monitor Report

Date: 01 October, 2024



Dhaka : Tour Operators Association of Bangladesh demanded the removal of deposits and several other inconsistencies in the Tour Operator and Tour Guide Act as well as the withdrawal of VAT on tour operator services. The association made the demands during a press conference held at Press Club in the capital on September 25.

The move is aimed at improving the current situation of the country's tourism industry, which was hard-hit, especially inbound travel, due to nationwide unrest following the ousting of the former government.

Addressing the event, TOAB President Md Rafeuzzaman said, the new gazette regarding the registration of tour operators contains certain rules and conditions, which are difficult to comply with. The tourism industry will suffer if the restrictions and policies mentioned in the gazette are implemented.

According to the rules, BDT 50,000 fee, BDT 10,00,000 bank status certificate and BDT 3,00,000 security deposit are required for registration, which are not feasible for tour operators. This will discourage new entrepreneurs to enter the tourism industry of Bangladesh in the near future, he said.

He also demanded the abolition of VAT on the services of tour operators for the sake of the industry's growth. According to him, they already pay VAT for the services they source for travellers from stakeholders like airlines, hotels and others. Still, if an additional 15 per cent VAT is imposed on tour operator's services, the price of packages will increase manifold for the travellers, ultimately harming the industry.