Government should impose indirect tax for tobacco control in the National Budget

Press Releases – The government can earn an additional 11 thousand crore taka if the tax structure proposed by the Ministry of Health and Family Welfare was taken into account in the FY 2020-2021 budget. This ample amount of money could have been then used by the government to spend on financial and healthcare sectors to fight back against the covid-19 pandemic throughout the country.

Dhaka Ahsania Mission Health Sector had organized an online live discussion program “Corona Songlap”, Episode-17: “National Budget: Public Health or Tobacco?” on 27 June, 2020, Saturday evening at 7:30 pm. The discussants who were invited in the discussion program were Former Minister and
Honorable Member of Parliament Advocate Kazi Firoz Rashid, Renowned Economist, Chairman of Palli-Karma Sahayak Foundation (PKSF) and Convener of the National Anti-Tobacco Platform Dr. Qazi Kholiquzzaman Ahmad and Dr. Muhammad Abdul Mazid, Former Secretary and Chairman of National Board of Revenue.

Former Minister and Honorable Member of Parliament Advocate Kazi Firoz Rashid said, “The government gets one-fourth of the income from value added tax, they do not get the rest of the money. Hence he suggested that the vat collection system should be uplifted to an automated system which can ensure that the government is getting its fair share from vat”.

Former Secretary and Chairman of National Board of Revenue Dr. Muhammad Abdul Mazid said, “Indirect tax would have a direct effect on price of the cigarettes which would demotivate cigarette smokers to buy cigarettes when the government can earn some revenue from it.”. He agreed with honorable MP Advocate Kazi Firoz Rashid on the fact that the government does not get the right amount of money from value added tax due to inefficient tax collecting system.