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| Title | Two Decades of Tax Revenue Dynamics: Bangladesh Panorama. |
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| Conference name |  |
| Type of Publication | Conference Proceedings |
| Volume |  |
| Issue |  |
| Place | American International University - Bangladesh |
| Conference Date | November 29-30, 2018 |
| ISSN |  |
| DOI |  |
| URL | https://aicbm.aiub.edu/ |
| Other Related Info. |  |
| Keywords | Tax, Tax-GDP Ratio, Direct Tax, Indirect Tax |
| Citation | Alam, M. F. & Mohiuddin, M. (2018, November 29-30). Two Decades of Tax Revenue Dynamics: Bangladesh Panorama. In Proceedings of 1st AIUB International Conference on Business and Management, Dhaka, Bangladesh. |

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| Abstract |
| This paper aims at analyzing the dynamics of Bangladesh Tax System for the most recent two decades. This paper also intends to bring out the salient features of the existing tax structure to come up with some relevant policy recommendations. Despite having impressive story of progress with its resilient and steady GDP growth of more than 6% for a number of years, Bangladesh has one of the world's lowest tax contributor to GDP ratios since long. It has estimated approximately 9.8 percent in the most recent tax year 2016-17 which is one of the lowest among its neighboring countries and similar economies. Tax revenue has been contributing more than 80% of the total government revenue for the last two decades with a dominance of indirect tax contribution, although there witnessed a decreasing trend in the last decade. Although direct tax contribution is around 37% of the tax revenue, it is collected from the less than 1% population of the country with an indication of dissatisfactory compliance behavior of taxpayers. Such performances put Bangladesh in 152nd position among 190 economies in the Paying taxes 2018 study, as well as 148th position among 157 economies as per the Commitment to Reducing Inequality (CRI) Index 2018. Two decades of comparative study revealed that necessary reform measures should be taken to address the non-compliance problem with an expectation to improve the tax performance through an optimal and balanced tax system, that may take a good hand to reduce the degree of inequality in society.  Keywords: |
| Sustainable Development Goal(s) (SDG) |
| Decent Work and Economic Growth |