

HANDBOOK

TDS RATES FY 2021-22



MYTAX

A HANDBOOK OF TDS RATES FY 2021-22

2021-2022

According to the rules of new Law

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TDS Rates 2021-22

It is important to know the TDS rates 2021-22 as well as it is also important to deposit the deducted amount timely to the government treasury. Failure to do so means the defaulter as per tax law which fall into penalty. We have also a video channel in YouTube where we are regularly publishing new videos on tax and VAT issues. Please visit our YouTube channel and hope it will help you to learn more about complex tax and VAT issues.

Now, let's start for details TDS rates 2021-22 with section references.

SI	Heads	Ref	Rate
1	Salaries	Section 50	Average
	Salaries (Government)	Section 50 (1A)	Average
2	Discount on the real value of Bangladesh Bank Bills	Section 50A	Maximum
3	Interest or profit on securities	Section 51	5%
4	(a) Execution of contract, other than a contract for providing or rendering a service mentioned in any other section of Chapter VII. (b) Supply of goods; (c) Manufacture, process or conversion; (d) Printing, packaging or binding	Section 52 & Rule 16	Annexure 1

SI	Heads	Ref	Rate
5	Royalties, franchise, fee for issuing license, brand name, patent, invention, formula, process, method, design, pattern, know-how, copyright, trademark, trade name, literary or musical or artistic composition, survey, study, forecast, estimate, customer list or any other intangibles	Section 52A	Annexure 2
6	(1) Advisory or consultancy service (2) Professional service, technical services fee, technical assistance fee. (excluding professional services by doctors)	Section 52AA	Annexure 3
	(2) Professional service (by doctors)	Section 52AA	Annexure 3
	3. (i) Catering service; (ii) Cleaning service; (iii) Collection and recovery service; (iv) Private security service; (v) Manpower supply service; (vi) Creative media service; (vii) Public relations service; (viii) Event management service; (ix) Training, workshop, etc. organization and management service; (x) Courier service; (xi) Packing and Shifting service; (xii) any other service of similar nature (4) Media buying agency service (5) Indenting commission (6) Meeting fees, training fees or honorarium (8) Credit rating agency (9) Motor garage or workshop (10) Private container port or dockyard service (11) Shipping agency commission (12) Stevedoring /berth operation commission (13) (i) Transport service, carrying service, vehicle rental service (ii) Any other service under any sharing economy platform including ride sharing service, coworking space providing service and accommodation	Section 52AA	Annexure 3

SI	Heads	Ref	Rate
	providing service; (13A) Wheeling charge for electricity transmission (14) Any other service which is not mentioned in Chapter VII, and is not a service provided by any bank, insurance or financial institutions		
	(7) Mobile network operator, technical support service provider or service delivery agents engaged in mobile banking operations	Section 52AA	Annexure 3
7	C&F agency commission	Section 52AAA	10%
8	Manufacturer of nonmechanical cigarette (Bidi)	Section 52B	10% of the value of banderols
9	Compensation against acquisition of property	Section 52C	(a) 6% of the amount of such compensation against the immovable property situated within a city corporation, paurashava or cantonment board (b) 3% of the amount of such compensation against the immovable property situated outside the jurisdiction of a city corporation, paurashava or cantonment board
10	Interest on saving instruments	Section 52D	10% (No withholding tax on interest on pensioners savings certificate if cumulative investment in such certificate at the end of the income year does not exceed tk. 5 lakh)
11	Payment to a beneficiary of Workers' Participation Fund	Section 52DD	5%
12	Brick Manufacturer	Section 52F	Tk.45,000/-for one section brickfield, Tk.70,000/-for one and half section brickfield, Tk.90,000/-for two section brick field, Tk.1,50,000/-for automatic brickfield
13	Commission of letter of credit	Section 52I	5%

SI	Heads	Ref	Rate
14	Travel agent	Section 52JJ	See lesson 3.1
15	Renewal of trade license by City Corporation or Paurashava	Section 52K	Tk. 3,000/-for Dhaka North City Corporation, Dhaka South City Corporation & Chittagong City Corporation; Tk. 2,000 for any other city corporation, Tk. 1,000 for any paurashava of any district headquarters; Tk. 500 in any other paurashava
16	Freight forward agency commission	Section 52M	15%
17	Purchase of power	Section 52N	6%
18	Foreign technician serving in diamond cutting	Section 52O	5%
19	Services from convention hall, conference centre etc.	Section 52P	5%
20	Any income in connection with any service provided to any foreign person by a resident person; <i>No tax against sale of software or services if it is exempted under paragraph 33 of part A of the sixth schedule, or excluded from total income by paragraph 48 of Part A of the Sixth Schedule.</i>	Section 52Q	10% But 7.5% in case of contracts on manufacturing, process or conversion, civil work, construction, engineering or works of similar nature.
21	International gateway service in respect of phone call.	Section 52R	(1) 1.5% of total revenue received by IGW services operator. (2) 7.5% of revenue paid or credited to ICX, ANS, BTRC and others (2A) 7.5% on the whole amount so paid or credited at the time of payment or credit
22	Payment in excess of premium paid on life insurance policy	Section 52T	5%
23	Payment on account of purchase through local L/C	Section 52U	3% (If purchase of goods for the purpose of trading or reselling after process or conversion)

SI	Heads	Ref	Rate
			1% (Payment against the invoice or sale of goods to distributor) 2% (If the payment related to local letter of credit (L/C) and any other financing agreement in respect of purchase or procurement of rice, wheat, potato, onion, garlic, peas, chickpeas, lentils, ginger, turmeric, dried chilies, pulses, maize, coarse flour, flour, salt, edible oil, sugar, black pepper, cinnamon, cardamom, clove, date, cassia leaf, computer or computer accessories, jute, cotton, yarn and all kinds of fruits)
24	Payment of fees, revenue sharing etc. by cellular mobile phone operator	Section 52V	10%
25	Import	Section 53 & Rule 17A	Not exceeding 20% on the value of imported goods
26	House property or hotel accommodation	Section 53A	5% of the gross rent
27	Shipping business of a resident	Section 53AA	5% of total freight received or receivable in or out of Bangladesh 3% of total freight received or receivable from services rendered between two or more foreign countries
28	Recruiting agents	Section 53B	10% BDT 50,000 as advance tax for license or renew of license
29	Export of knit wear and woven garments, terry towel, carton and accessories of garments industry, jute goods, frozen food, vegetables, leather goods packed food	Section 53BB	0.5% of the total export proceeds of all goods
30	Member of Stock Exchanges	Section 53BBB	i) 0.05% on the value of shares and mutual funds transacted ii) 10% on the commission received or receivable
31	Export of any goods except the goods mentioned in section 53BB	Section 53BBBB	0.5% of the total export proceeds of all goods except the goods mentioned in section-53BB

SI	Heads	Ref	Rate
32	Goods or property sold by public auction	Section 53C	10% of sale price
33	Courier business of a non-resident	Section 53CCC	15% on the amount of service charge
34	Payment to actors, actresses, producers, etc.	Section 53D	(a) 10% on the payment in case of purchase of film, drama, any kind of television or radio program (b) 10% on the payment to actor/actress (If the total payment exceed Tk.10,000)
35	Export cash subsidy	Section 53DDD	10%
36	Commission, discount or fees	Section 53E	See lesson 2.12
37	Commission or remuneration paid to agent of foreign buyer	Section 53EE	10%
38	Interest or share of profit on saving deposits and fixed deposits etc	Section 53F(1)	10% if there is TIN; 15% if there is no TIN (not applicable if the balance does not exceed BDT 1 lakh at any time in the year in case of saving deposit)
	Interest or share of profit on any saving deposits or fixed deposits or any term deposit by or in the name of a fund	Section 53F(2)	5%
39	Real estate or land development business	Section 53FF	See annexure 4 in case of Building or apartment In case of Land: (i) 5% for Dhaka, Gazipur, Narayanganj, Munshiganj, Manikganj, Narshindi & Chittagong district; (ii) 3% for any other district
40	Insurance commission	Section 53G	5%
41	Fees of survey or so for general insurance company	Section 53GG	10%
42	Transfer of property	Section 53H	As mentioned in Appendix 6
43	Collection of Tax from lease of property	Section 53HH	4%
44	Interest on deposit of post office Saving bank account	Section 53I	10%

SI	Heads	Ref	Rate
45	Rental value of vacant land or plant or machinery	Section 53J	5% of the rent
46	Advertisement of newspaper or magazine or private television channel or private radio station or any web site or any person on account of advertisement or purchasing airtime of private television channel or radio station or such website.	Section 53K	4%
47	Transfer of shares by the sponsor shareholders of accompany listed with stock exchange	Section 53M	5%
48	Transfer of shares of any Stock Exchange	Section 53N	15% on gain
49	Any sum paid by real estate developer to land owner	Section 53P	15%
50	Dividends	Section 54	Resident/nonresident Bangladeshi company - 20% Resident/nonresident Bangladeshi person other than company -If TIN, 10% -If No TIN, 15%
51	Income from lottery	Section 55	20%
52	Income of non-residents (Section 56): (1) Advisory or consultancy service (2) Pre-shipment inspection service (3) Professional service, technical services, technical know-how or technical assistance (4) Architecture, interior design or landscape design, fashion design or process design (5) Certification, rating etc. (6) Charge or rent for satellite, airtime or frequency, rent for channel broadcast (7) Legal service (8) Management service including event management (9) Commission (10) Royalty, license fee or payments related to intangibles (11) Interest (12) Advertisement broadcasting	Section 56	Annexure 5

SI	Heads	Ref	Rate
	(13) Advertisement making or Digital marketing (14) Air transport or water transport (15) Contractor or sub-contractor of manufacturing, process or conversion, civil work, construction, engineering or works of similar nature (16) Supplier (17) Capital gain (18) Insurance premium (19) Rental of machinery, equipment etc. (20) Dividend (21) Artist, singer or player (22) Salary or remuneration (23) Exploration or drilling in petroleum operations (24) Survey for coal, oil or gas exploration (24A) Fees, etc. of surveyors of general insurance company (25) Any service for making connectivity between oil or gas field and its export point (26) Any payments against any services not mentioned above		
	(27) Any other payments under section 56	Section 56	30%

Annexure 1: Rate of deduction under section 52

(a) subject to clause (b), in case of a payment made under sub-section (1) of section 52, the deduction on payment shall be at the following rate:

SI	Base value	Rate
1	Up to BDT 50 lakh	3%
2	Above BDT 50 lakh but below BDT 2 crore	5%
3	Above BDT 2 crore	7%

(b) the rate of deduction from the following classes of persons shall be at the following rate:

SI	Base value	Rate
1	In case of oil supplied by oil marketing companies	0.60%
2	In case of oil supplied by dealer or agent (excluding petrol pump station) of oil marketing companies, on any amount	1%
3	In case of supply of oil by any company engaged in oil refinery, on	3%

	any amount	
4	In case of company engaged in gas transmission, on any amount	3%
5	In case of company engaged in gas distribution, on any amount	3%
6	In case of an industrial undertaking engaged in producing cement, iron or iron products except MS Billets	2%
7	In case of an industrial undertaking engaged in the production of MS Billets	0.5%
8	In case of locally procured MS Scrap	0.5%
9	In case of supply of rice, wheat, potato, onion, garlic, peas, chickpeas, lentils, ginger, turmeric, dried chillies, pulses, maize, coarse flour, flour, salt, edible oil, sugar, black pepper, cinnamon, cardamom, clove, date, cassia leaf, jute, cotton, yarn and all kinds of fruits	2%

Annexure 2: Rate of deduction under section 52A

Description of payment	Rate
Where base amount does not exceed taka 25 lakh	10%
Where base amount exceeds taka 25 lakh	12%

Annexure 3: Rate of deduction from the payment of certain services under section 52AA

SI	Description of service and payment	Rate	
		Where base amount does not exceed Tk. 25 lakh	Where base amount exceeds Tk. 25 lakh
1	Advisory or consultancy service	10%	12%
2	Professional service, technical services fee, or technical assistance fee	10%	12%
3	(i) Catering service; (ii) Cleaning service; (iii) Collection and recovery service; (iv) Private security service; (v) Manpower supply service; (vi) Creative media service; (vii) Public relations service; (viii) Event management service; (ix) Training, workshop, etc. organization and management service; (x) Courier service (xi) Packing and shifting service (xii) any other service of similar nature- (a) on commission or fee (b) on gross bill amount	10% 1.5%	12% 2%
4	Media buying agency service (a) on commission or fee (b) on gross bill amount	10% 0.5%	12% 0.65%
5	Indenting commission	6%	8%
6	Meeting fees, training fees or honorarium	10%	12%
7	Mobile network operator, technical support service provider or service delivery agents engaged in mobile banking operations	10%	12%

8	Credit rating service	10%	12%
9	Motor garage or workshop	6%	8%
10	Private container port or dockyard service	6%	8%
11	Shipping agency commission	6%	8%
12	Stevedoring/berth operation- a. On commission or fee b. On gross bill amount	10% 1.5%	12% 2%
13	(i) Transport service, carrying service, vehicle rental service (ii) Any other service under any sharing economy platform including ride sharing service, coworking space providing service and accommodation providing service;	3%	4%
13A	Wheeling charge for electricity transmission	2%	3%
14	Any other service which is not mentioned in Chapter VII of this Ordinance and is not a service provided by any bank, insurance or financial institutions	10%	12%

Annexure 4: Rate of deduction from income of non-residents under section 52JJ

Any person responsible for making any payment to a resident any sum by way of commission or discount or any other benefits, called by whatever name, convertible into money for selling passenger tickets or air cargo carriage shall deduct or collect advance tax at the rate of zero point three zero percent (0.30%) of the total value of the tickets or any charge for carrying cargo by air at the time of payment to such resident.

Where any incentive bonus, performance bonus or any other benefits, called by whatever name, is to be paid in relation to such sale of tickets or bill for carrying cargo by air in addition to the amount mentioned in sub-section (1), person responsible for making such payment shall deduct an amount equal to $(A/B) \times C$, where:

“A” is the amount of incentive bonus, performance bonus or any other benefits as mentioned in sub-section (2),

“B” is the amount of commission or discount or any other benefits as mentioned in subsection (1), and

“C” is the amount of source tax on commission or discount or any other benefits as mentioned in sub-section (1).

For the purpose of computation of value of tickets or charge, any payment made in respect of any embarkation fees, travel tax, flight safety insurance, security tax and airport tax shall not be included in such value or charge.

“payment” includes a transfer, a credit or an adjustment of payment.

Annexure 5: Rate of deduction from income of non-residents under section 53E

(1) Any company making a payment or allowing an amount to a distributor, called by whatever name, or to any other person by way of commission, discount, fees, incentive or performance bonus or any other performance related incentive or any other payment or benefit of the similar nature for distribution or marketing of goods, shall deduct or collect tax at the time of payment

or allowing the amount at the rate of ten percent (10%) of the amount of payment or the amount allowed or the value of benefits allowed, as the case may be.

(2) Any company making a payment in relation to the promotion of the company or its goods to any person engaged in the distribution or marketing of the goods of the company shall, at the time of payment, deduct tax at the rate of one point five percent (1.5%) of the payment.

(3) Any company, other than an oil marketing company, which sells goods to:

(a) any distributor, or

(b) any other person under a contract,

at a price lower than the retail price fixed by such company, shall collect tax from such distributor or such any other person at the rate of five percent (5%) on the amount equal to $B \times C$,

where B = the selling price of the company to the distributor or the other person;

C = 5%:

Provided that a cigarette manufacturer company shall collect tax at the time of sale of its goods to such distributor or to such other person at the rate of three percent (3%) of the difference between the sale price to the distributor or the other person and the retail price fixed by such company.

(4) In this section:

(a) "payment" includes a transfer, credit or an adjustment of payment;

(b) "contract" includes an agreement or arrangement, whether written or not.

Annexure 6: Rate of deduction from income of non-residents under section 53F (2)

TDS @ 5% is applicable on profit or share of profit.

The responsible person who will paid or credit, earlier one, profit or share of profit on savings deposit, fixed deposit or term deposit by Fund or Name in any schedule bank, cooperative bank, bank operated under Islami Shariah, non-banking finance institute, leasing company or house finance company shall deduct the tax at the above rate.

Fund means approved superannuation fund, pension fund, gratuity fund, recognized provident fund or workers' participation fund which is created and operated by law has a legal identity and can operate separate bank account under law.

The above rate will be applicable from July 01, 2016.

However, the fund which was exempted from source tax shall enjoy the facility upto June 30, 2016.

Annexure 7: Rate of deduction from income of non-residents under section 53FF

a) in case of building or apartment constructed for residential purposes:

Area	Per square metre (BDT)
i) Gulshan Model Town, Banani, Baridhara, Matijheel C/A and Dilkusha C/A of	1,600

Dhaka	
ii) Dhanmondi R/A, DOHS, Mohakhali, Lalmatia Housing Society, Uttara Model Town, Bashundhara R/A, Dhaka Cantonment Area, Karwanbazar C/A of Dhaka and Panchlaish R/A, Khulshi R/A, Agrabad and Nasirabad of Chittagong	1,500
iii) Dhaka North City Corporation, Dhaka South City Corporation and Chittagong City Corporation other than areas mentioned in (i) and (ii)	1,000
iv) Other City Corporations than Dhaka North City Corporation, Dhaka South City Corporation and Chittagong City Corporation	700
v) in areas other than areas mentioned in the above (i), (ii), (iii) & (iv)	300

Source tax for residential apartment consisting below 70 sqm including common space will be 20% lower and below 60 sqm including common space will be 40% lower.

b) in case of building or apartment or any space constructed not for the residential purposes:

Area	Per square metre (BDT)
i) Gulshan Model Town, Banani, Baridhara, Matijheel C/A and Dilkusha C/A of Dhaka	6,500
ii) Dhanmondi R/A, DOHS, Mohakhali, Lalmatia Housing Society, Uttara Model Town, Bashundhara R/A, Dhaka Cantonment Area, Karwanbazar C/A of Dhaka and Panchlaish R/A, Khulshi R/A, Agrabad and Nasirabad of Chittagong	5,000
iii) Dhaka North City Corporation, Dhaka South City Corporation and Chittagong City Corporation other than areas mentioned in (i) and (ii)	3,500
iv) Other City Corporations than Dhaka North City Corporation, Dhaka South City Corporation and Chittagong City Corporation	2,500
v) in areas other than areas mentioned in the above (i), (ii), (iii) & (iv)	1,200

Annexure 8: Rate of deduction from income of non-residents under section 56

SI	Description of services or payments	Rate
1	Advisory or consultancy service	20%
2	Pre-shipment inspection service	20%
3	Professional service, technical services, technical know-how or technical assistance	20%
4	Architecture, interior design or landscape design, fashion design or process design	20%
5	Certification, rating etc.	20%
6	Charge or rent for satellite, airtime or frequency, rent for channel broadcast	20%
7	Legal service	20%
8	Management service including event management	20%
9	Commission	20%
10	Royalty, license fee or payments related to intangibles	20%
11	Interest	20%
12	Advertisement broadcasting	20%
13	Advertisement making or Digital marketing	15%
14	Air transport or water transport	7.5%
15	Contractor or sub-contractor of manufacturing, process or conversion, civil work, construction, engineering or works of similar nature	7.5%
16	Supplier	7.5%
17	Capital gain	15%
18	Insurance premium	10%
19	Rental of machinery, equipment etc.	15%

20	Dividend- (a) company, fund and trust (b) any other person not being a company, fund and trust	20% 30%
21	Artist, singer or player	30%
22	Salary or remuneration	30%
23	Exploration or drilling in petroleum operations	5.25%
24	Survey for coal, oil or gas exploration	5.25%
24A	Fees, etc. of surveyors of general insurance company	20%
25	Any service for making connectivity between oil or gas field and its export point	5.25%
26	Any payments against any services not mentioned above	20%
27	Any other payments	30%

Annexure 9: Rate of advance tax under section 68B

SI	Types of car and engine capacity	BDT
1	Upto 1500cc motor car or jeep	25,000
2	More than 1500cc to 2000cc motor car or jeep	50,000
3	More than 2000cc to 2500cc motor car or jeep	75,000
4	More than 2500cc to 3000cc motor car or jeep	125,000
5	More than 3000cc to 3500cc motor car or jeep	150,000
6	Above 3500cc motor car or jeep	200,000
7	For each microbus	30,000

In case of more than one car or jeep solely or jointly owned by any person then the advance tax will be 50% higher for each next car or jeep.

The advance tax shall be paid at the time of registration or before expired date of fitness renewal.

The responsible authority who will issue the registration or fitness renewal certificate should confirm that the advance tax has been paid for respective motor car, jeep or microbus.

Where the fitness renewal is not required in each year then the advance tax shall be paid before the expired date of financial year. And the payment receipt of advance tax shall be submitted at the time of next renewal date.

The tax paid as advance shall be adjusted as credit but non-refundable or will not adjusted in next income year.

If regular tax is less than advance tax then the advance tax shall be treated as minimum tax.