

Department of the People's Republic of Bangladesh  
Ministry of Finance  
Internal Resources Division  
National Board of Revenue

Memo No. 9(41) NBR/Cus-IV/72/246 Dated. Dhaka the 10<sup>th</sup> April. 1981

Subject: Import of Defence stores and payment of duties and taxes.

The matter regarding applicability of duties and taxes on imports by Defence of items of general and extensive use by other Government agencies as well as individuals have been thoroughly examined at appropriate level. The definition of Defence Stores envisaged in Ministry of Finance Memo. No. 13(106)-Cus/50 dated 29.12.51 was to include such stores which directly contributed to the strengthening and maintaining of services of Defence Organization. If the intention was otherwise the wording would have been "all stores required by Defence and not "Defence Stores". It would not therefore be appropriate to include items like stationeries, air-conditioner, type-writer, tape and cassette recorders, lifts, etc. as Defence stores.

2. After due consideration of all aspects the list of items which would be allowed exemption from duties and taxes is modified and expanded as, follows:-

- (i) Arms;
- (ii) Ammunitions;
- (iii) Equipments, spare parts thereof used exclusively by Defence;
- (iv) Uniforms and allied materials including military boots and blankets for use in the barracks;
- (v) Vehicles including water-crafts for Defence use and spare parts thereof;
- (vi) Air-crafts and parts thereof imported for Air Force;
- (vii) Naval Vessels and related equipments and spare parts imported for Navy;

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- (viii) Spare parts required for the above noted equipments;
- (ix) Ordnance stores mainly for use by Defence;
- (x) Special lubricants and oils required for vehicles and equipments of the Armed Forces;
- (xi) Military tents;
- (xii) Milk food including skimmed milk and edible oil purchased by the troops and paid for by the Government and not for sale through canteen Stores or for any other purposes
- (xiii) Medicines and medical equipments used by Medical Hospitals, medical centres or in field operation.

3. On the basis of above clarification and modified list of the tax exempt items all other items including construction materials stationery, printing machines, air-conditioners, lifts, etc. will be subject to taxes and duties. For such items which have so far been cleared on undertakings, duties and taxes will be payable. If, however, the budget allocation for Defence during 1980-81 is not adequate to cover the payable amounts the imports would continue to be released on furnishing undertakings upto 30.6.81. Thereafter duties and taxes for such imports will be payable including the arrears. Ministry of Defence is accordingly requested to keep provision for the liability in the budget for 1981-82, in case it is not found possible to pay relevant amount due for payment after taking into account the modified and expanded list of exempted items mentioned in para 2 of this office memorandum during 1980-81.

Sd/-  
(A.K. Azizul Haq)  
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