



No. CAAB/BHU-SHA/IL-338/14 (Part-1)/190

Dated : 28 /07/2015.

: Circular :

Subject : Imposition of Value Added Tax (VAT) on Aeronautical and Non-Aeronautical Charges.

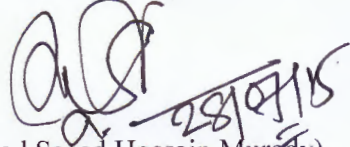
This is to inform you that as per section 3 of the Value Added Tax (VAT) Act 1991, the office of the Customs, Excise & VAT Commissionerate has imposed VAT on the following Aeronautical & Non-Aeronautical Charges from the Fiscal Year 2009-2010.

Sl. No.	Sectors	Rate
1.	Landing Charge	15%
2.	Route Navigation Charge	15%
3.	Security Charge	15%
4.	Boarding Bridge Charge	15%
5.	Embarkation Fee	15%
6.	Licence Fee	15%

It may be noted that at present CAAB is collecting/deducting VAT from the bill of Non-Aeronautical Charges and VAT is not being collected/deducted from Aeronautical Charges. CAAB requested National Board of Revenue (NBR) vide Letters No. CAAB/A-A/Estate/IL-338/collection-1/55/5949, Dated: 11.02.2015 & No. CAAB/Central Accounts/fee/deduction of VAT/2938, Dated: 04.06.2015 for not to impose/charge VAT on Aeronautical Charges. But NBR has regretted the appeal and informed CAAB, vide Letter No.08.01.0000.068.25.005.15/144(1), Dated: 22.03.2015.

In view of the above, all concerned Airlines/Organizations are requested to pay 15% VAT on Aeronautical and Non-Aeronautical Charges from 01 July 2015 and deposit the arrears amount of VAT from the FY 2009-2010. VAT on Embarkation Fee is to be paid on tickets issued on/from 01 August 2015 only.

This is for kind information and necessary action please.


(Mohammad Saeed Hossain Murady)
Director (ATS & Aerodromes)
Civil Aviation Authority of Bangladesh

Distribution for execution (Internal) :

1. Chief Engineer, CAAB, HQs, Kurmitola, Dhaka.
2. Director (Finance), CAAB, HQs, Kurmitola, Dhaka.
3. Director (HSIA), CAAB, Kurmitola, Dhaka.
4. Director (FSR), CAAB, HQs, Kurmitola, Dhaka.
5. Director (ATS & Aerodromes), CAAB, HQs, Kurmitola, Dhaka.
6. Director (Com), CAAB, HQs, Kurmitola, Dhaka.
7. Director (CEMSU), CAAB, Kurmitola, Dhaka.
8. Director (CATC), CAAB, Kurmitola, Dhaka.
9. Superintendent Engineer, Civil Circle/E/M Circle/P&D/QS Circle, CAAB, Kurmitola, Dhaka.
10. Executive Engineer, Civil Division- 1,2,3 & E/M Division- 1,2,3, CAAB, Kurmitola, Dhaka.
11. All Airport Manager, CAAB.

Distribution for execution (External) :

1. Chairman, AOC, HSIA, Dhaka.
2. Secretary, AOC, HSIA, Dhaka.
3. All Airlines, Dhaka.

CC :

1. PS to Hon'ble Minister, Ministry of Civil Aviation & Tourism, Bangladesh Secretariat, Dhaka.
2. PS to Secretary, Ministry of Civil Aviation & Tourism, Bangladesh Secretariat, Dhaka.
3. PS to Chairman, CAAB, HQs, Kurmitola, Dhaka.
4. PA to Member (Ops & Plan), CAAB, HQs, Kurmitola, Dhaka.
5. PA to Member (Finance), CAAB, HQs, Kurmitola, Dhaka.