

NBR to verify import taxes through customs database

Officials will pull data directly from ASYCUDA system under new directive

MD ASADUZ ZAMAN and MOHAMMAD SUMAN

The National Board of Revenue (NBR) has ordered income tax officials to use import data directly when calculating tax liabilities, a move aimed at curbing evasion and easing the refund burden on businesses.

Under a directive issued Wednesday, tax inspectors must now pull information on import values and advance income tax (AIT) payments from the Business Intelligence server of the ASYCUDA system, used by the NBR to process trade documentation.

The automated customs platform will allow officials to verify goods and taxes paid at the border without relying on documents submitted by importers.

The order was circulated to tax zones under the income tax wing of the NBR and includes detailed guidelines for officials on how to use the BI server of the ASYCUDA system.

As per the directive, inspecting range officers must retrieve import-related information of taxpayers, if they are importers, from the system while selecting audit cases, reopening tax cases under the Income Tax Act, or correcting erroneous tax assessments.

Sources at the NBR said officials will log into the system from designated computers to collect data and pass verified data to assessment officers in writing. Range officers will also have to record the data regularly in a designated register.

For now, assessors themselves won't have direct access.

NBR said the system will allow officials to ensure accurate AIT credit, help curb tax evasion, speed up case disposal and make the tax refund process more transparent.

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Moazzem Hossain Imran, proprietor of Golden Steel Traders, which imports steel in Keraniganj, told The Daily Star that he pays 7.5 percent AIT on shipments, much higher than his profit margin.

To claim a refund of excess AIT, importers must collect import-related documents from the customs and VAT offices and submit them to the tax authorities, after which they often have to wait a long time, he added.

Tax officials usually need to verify the authenticity of those documents either by visiting the offices concerned in person or through official correspondence, he explained. "Now officials can verify everything themselves."

Amir Hossain, proprietor of Chattogram-based fruit importer Abir Traders, said importers like him pay 5 percent AIT at the import stage. But getting a refund of excess advance tax is quite troublesome.

"Most businesses either fail to get the excess tax back or do not even apply for a refund. With the process becoming simpler now, it will be easier for us to adjust advance income tax and recover any excess payments," he added.

Tax officials say direct access to import data will speed case settlements, improve credit accuracy, and close evasion loopholes.

The NBR also expects the initiative to result in better coordination between customs and income tax wings,

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reducing unnecessary harassment of businesses by ensuring transparency.

Snehasish Barua, managing director of SMAC Advisory Services, sees potential but warns of pitfalls.

He noted that using the ASYCUDA system for income tax

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But, to fully realise these benefits, he said robust mechanisms for periodic supervision are essential to ensure uniform adherence to

taxpayers and officials to bypass regulations", he said this must be addressed through stringent oversight and accountability measures.

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Snehasish Barua, managing director of SMAC Advisory Services, sees potential but warns of pitfalls.

He noted that using the ASYCUDA system for income tax assessment represents a significant opportunity to curb tax evasion and enhance domestic resource mobilisation.

Beyond that, he said, "The initiative is expected to streamline tax administration, fostering greater transparency, procedural efficiency,

and data accuracy. It can ultimately relieve the compliance burden on honest taxpayers by minimising superfluous audits."

But, to fully realise these benefits, he said robust mechanisms for periodic supervision are essential to ensure uniform adherence to standard operating procedures across all jurisdictional offices.

"While technology is a powerful enabler, the integrity of tax administration fundamentally depends on human ethical conduct," he noted.

Stating concerns regarding "potential collusion between certain

taxpayers and officials to bypass regulations", he said this must be addressed through stringent oversight and accountability measures.

"Officials must exercise due diligence and professional judgment, recognising that valuation differences are inherent in international trade," he said.

He further warned, "Over-reliance on system data without contextual verification could lead to unjustified tax adjustments, potentially harassing compliant businesses and hindering rather than helping tax administration."

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Footwear exports to US rise 52pc amid trade, tariff tension

MONIRA MUNNI

Bangladesh's footwear exports to the US market witnessed about 52-percent growth in 2025 amid trade and tariff tension, which encouraged American buyers to diversify sourcing destinations and reduce dependence on China and Vietnam.

In the last calendar year, Bangladesh exported footwear worth \$387.72 million, compared to \$255.21 million in 2024, according to OTEXA, an affiliate of the US Department of Commerce.

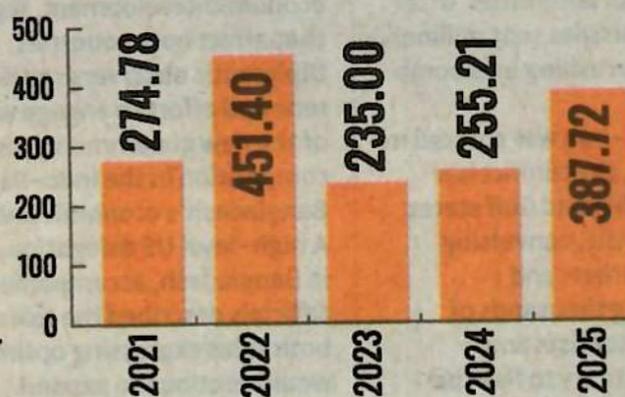
Bangladesh has huge potential to increase exports to the US and raise market share, provided improvements in "speed to market" and ease of doing business, including that of customs procedures to reduce long lead time, are ensured, industry insiders have said.

The robust growth came after two years when export earnings remained almost static at \$255 million and \$235 million in 2024 and 2023, respectively, on a climb-down, the data shows. Bangladesh exported footwear worth \$451.40 million in 2022, compared to \$274.78 million in 2021. Industry insiders say Bangladesh has huge potential to increase exports to the US and raise market share there and also attract foreign investment, mostly from China, provided local factors like ease of doing business, smooth power supply, reduction in long lead time, availability of affordable land, investment in backward integration, and fiscal measures like tax holiday are addressed.

Data analysis shows out of \$387.72 million footwear exports from Bangladesh to

BANGLADESH'S FOOTWEAR EXPORTS TO AMERICA

FOOTWEAR EXPORTS TO US (Million \$)



the US in 2025, the highest amount of \$343.71 million came from leather-footwear shipments.

Overall US footwear imports stood at \$25.12 billion from January to December of 2025, marking a slight decline from \$25.53 billion in 2024, according to the OTEXA data.

China's footwear exports to the US during the period were subdued, earning \$6.0 billion in an annualised negative growth of 28.80 per cent over \$8.42 billion in 2024. Vietnam bagged the largest slice of this trade cake, booking \$9.43 billion in a 9.01 per cent growth over \$8.65 billion.

Footwear imports by the United States from Indonesia, Cambodia, and India grew 16.03 per cent, 50.08 per cent, and 10.21 per cent to \$2.93 billion, \$1.28 billion, and \$485.49 million, respectively, in 2025.

Talking to The Financial Express, Riad Mahmud, managing director of Shoeniverse Footwear Ltd, a unit of NPOLY Group, said US buyers started diverting work

orders from China to other destinations anticipating trade war between China and America.

In early months of last year, Bangladesh was getting lots of enquiries and also orders from January to June, while those slowed down in mid-year, especially after July, for the time being over new and varied tariff rate imposition for specific countries, he explained.

They held some orders to calculate the costs between Bangladesh and China, he said, explaining that Bangladesh was in an advantageous position in labour and other costs, but lagged behind China in lead time and raw material imports.

Buyers see no difference or equal costing and prefer China due to its speed to market despite high wages there for the period of the middle of last year over tariff uncertainty, Mr Mahmud added.

"Bangladesh neither has the capacity nor the infrastructure to grab the shifting orders from China,"

WHAT CAN BOOST EXPORTS

- Improving ease of doing business
- Ensuring smooth power supply
- Reducing long lead time
- Making affordable land available
- Investing in backward integration
- Taking fiscal measures like tax holiday

he said, adding that American buyers were now supporting local footwear exporters, including technology, to gradually get accustomed to their requirements.

European Union (EU) buyers, who also have business in the US, would increase their business here in the country manifold in the next three to four years, he noted.

He said Bangladesh needed to invest and develop backward linkage industry to handle the volume with uninterrupted power supply, stability in labour and political situations, and banking support in industrial investment.

A few big companies were getting certificate from Nirapon - the platform that is looking to compliance issues of garment factories once monitored by Alliance - to get work orders from big US buyers like Walmart and Target, showing that the "footwear industry is also going towards international standards to get global



The Financial Express

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buyers," he noted. About 15 per cent of Shoeriverse Footwear's footwear, mostly synthetic or non-leather footwear, is shipped to the US, which had no such shipments before 2025.

Talking to the FE, RFL Group Managing Director RN Paul said, "Bangladesh has huge opportunities in both footwear and luggage exports mostly because of its huge labour force."

RFL Group is focused on footwear and luggage manufacturing to grab the shifting business from China and the Chinese community in Vietnam.

It has so far invested more than Tk 3.0 billion in these two segments last year.

RFL has purchased the government's closed old factories in Rajshahi with ready infrastructure and added additional lines to manufacture footwear and luggage.

Mr Paul said they were going to remote areas of the country like Pabna, Rangpur, and Bhola to utilise the untapped and available labour force and create employment.

The company's monthly \$20 million production capacity would double this year, he noted.

He, however, sought the government's support in the form of indirect incentives like toll-free raw material transportation, area-based gas pricing, development of local roads for smooth transportation, infrastructure for worker trainings, and ensuring local services.

He also demanded that the central bank come forward with the required policy support based on different industry needs to help develop the backward linkage industry, saying global factors like the Iran war disrupted the supply chain.

Industry insiders say US buyers are looking to low-cost production hubs as production in China has been high while tariffs are now the same for all major manufacturing countries. Chinese traders are shifting in a scattered way and Bangladesh needs to attract the whole set of business from China that is shifting to have investment in backward linkage industries, too, they add.

They stress investment-friendly environment and fiscal support like tax holidays and a dedicated export zone to attract both local and foreign investments.

According to Bangladesh Export Processing Zones Authority (BEPZA), at least three Chinese companies and a South Korean one signed agreements in recent months to invest in producing shoe accessories, shoes, and other footwear items.

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