



# Tax News Flash

- Income tax

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April 2024

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## Income tax exemption for interest on deposits and foreign borrowings

Exemption from income tax on interest of foreign borrowings with certain conditions was available until 30 June 2023.

Subsequently, NBR has again granted income tax exemption on interest payment on foreign borrowings subject to obtaining withholding tax exemption certificate and period of such exemption is valid up to 31 December 2024 from 28 November 2023.

Further, interest on deposits and foreign borrowings of Offshore Banking Unit (OBU) has been exempted from income tax without any period of limitation. NBR has not mentioned any condition to obtain separate withholding tax exemption certificate.

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This newsletter is a periodic publication of KPMG Bangladesh. If you need more detailed explanation, please feel free to contact us.

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