



National Revenue Report 2007-2008



Department of Revenue and Customs
Ministry of Finance
Royal Government of Bhutan

Vision

Contribute to nation building through the development of an effective revenue system

Mission

To ensure that the tax and customs administration has the capacity to collect taxes efficiently and effectively at minimum cost through impartial and consistent enforcement of regulations, and to provide a convenient and honest service to the taxpayers



Foreword



The last fiscal year of the extended ninth plan period 2007-08 was, undoubtedly, another commendable year for the Department of Revenue & Customs. During the year, the Department has registered a revenue collection of Nu. 12,345.984 million, recording a notable increase of 22.5% or Nu. 2,263.824 million over the previous fiscal year. Both tax and non-tax revenue recorded a similar growth rate at 22.8% and 22.2% respectively. The collection has also exceeded the latest revised target of Nu.11,607.981 million by 6.4% or Nu. 738.003 million.

The achievement during the year was possible because of the concerted efforts of our colleagues working in revenue and customs offices across the country, the unstinting support and cooperation of all the revenue agencies and better compliance of our taxpayers.

In the wake of evolving political scenario, the Department is faced with several critical challenges of mobilising and consolidating revenues to meet the increased budgetary spending. Therefore the Department looks forward to continued co-operation from our regional offices and the revenue agencies to assist the department in fulfilling the above added responsibilities.

I would like to take this opportunity to acknowledge the assistance and cooperation received from all taxpayers, revenue agencies and employees of the department. Furthermore, I would like to extend our sincere gratitude to the Ministry of Finance for their continued support and guidance.

Tashi delek

Choyzang Tashi
Director

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PART A

Revenue Performance

1. Overall Revenue Performance

a) Current year collection vis-à-vis previous year collection

Revenue for the fiscal year amounted to Nu.12,345.984 million recording a growth of 22.5% or Nu.2,263.824 million over the previous year's collection of Nu.10,082.160 million. The tax revenue constitutes 42.4% of the total revenue while the non-tax forms the remaining 57.6%. The major increase under tax revenue is from PIT and BIT. The excise duty refund from GOI has contributed to the tax revenue growth. Under non-tax revenue, the increase is mainly from dividend, administrative fees & charges and revenue from government departments. The details of each revenue source are explained.

b) Current year collection vis-à-vis target

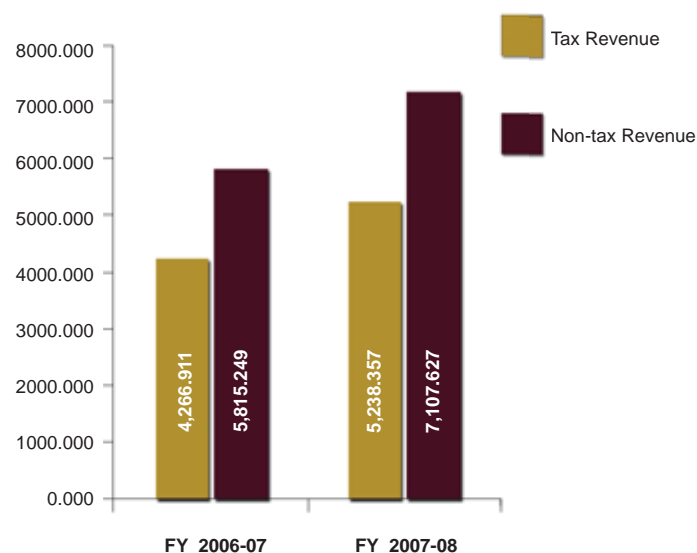
The actual collection for the year exceeded the revised target of Nu.11,607.981 million by 6.4% or Nu. 738.003 million (Refer annexure V for details). The collections from both tax and non-tax sources have exceeded the target by 8.1% and 5.1% respectively. The tax and non-tax revenue for the fiscal year stands at Nu.5,238.357 million and Nu. 7,107.627 million respectively. The details of tax and non-tax revenue by source are depicted in the Table 2 below.

c) Revenue Growth

The responsiveness of revenue to economy growth is commonly expressed in terms of buoyancy. Revenue buoyancy is a useful concept for measuring the performance of both revenue policy and administration over time.

To evaluate how the revenue/tax policy and administration had been performing, revenue buoyancy was estimated for last ten years using five different methods. The average buoyancy estimated is around one indicating that the revenue has been buoyant for the last ten years and responsive to the economic growth. However, buoyancy is expected to improve in the coming years with further strengthening of administration and rationalization of revenue policy.

Domestic Revenue by Year



2. Summary of National Revenue FY 2007-08

Table 1

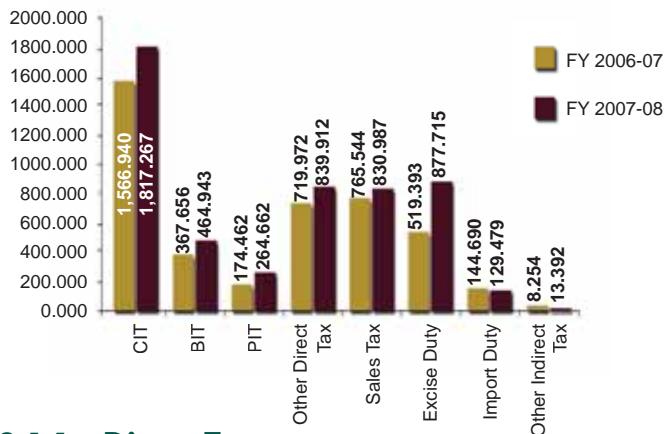
Nu: in million

Source of Revenue	2006-07 (Net Revenue)	2007-08 (Net Revenue)	(+) or (-) (Nu)	(+) or (-) (%)	% over Total Revenue
Tax Revenue (I+II)	4,266.911	5,238.357	971.446	22.77	42.43
Direct Tax	2,829.030	3,386.784	557.754	19.72	27.43
Corporate Income Tax	1,566.940	1,817.267	250.327	15.98	14.72
Business Income Tax	367.656	464.943	97.287	26.46	3.77
Personal Income Tax	174.462	264.662	90.200	51.70	2.14
Other Tax revenue	719.972	839.912	119.940	16.66	6.80
Motor Vehicle Tax	93.273	107.954	14.681	15.74	0.87
Business & Professional Licences	45.628	52.898	7.270	15.93	0.43
Foreign Travel Tax	19.230	22.556	3.326	17.30	0.18
Municipal Tax	13.808	25.365	11.557	83.70	0.21
Health Contribution	49.419	58.194	8.775	17.76	0.47
Royalties	498.614	572.945	74.331	14.91	4.64
Indirect Tax	1,437.881	1,851.573	413.692	28.77	15.00
Sales Tax	765.544	830.987	65.443	8.55	6.73
Excise Duty	519.393	877.715	358.322	68.99	7.11
Import Duty	144.690	129.479	(15.211)	(10.51)	1.05
Other Tax Revenue	8.254	13.392	5.138	62.25	0.11
Non -Tax Revenue	5,815.249	7,107.627	1,292.378	22.22	57.57
Adm. fees & charges	214.726	238.566	23.840	11.10	1.93
Dividends	2,123.164	2,479.823	356.659	16.80	20.09
Revenue from Government Departments	225.700	256.905	31.205	13.83	2.08
Capital Revenue	175.258	84.356	(90.902)	(51.87)	0.68
Transfer of Profits	2,678.750	2,366.124	(312.626)	(11.67)	19.17
Other Non-Tax Revenue	8.144	22.502	14.358	176.30	0.18
Interest on loan from corp.	389.507	1,659.351	1,269.844	326.01	13.44
Total Revenue (A+B)	10,082.160	12,345.984	2,263.824	22.45	100.00

2.1 Tax Revenue

The overall tax revenue for the year is Nu.5,238.357 million registering a growth of 22.8% or Nu.971.446 million over Nu.4,266.911 million in the previous year. Though the collections from both direct and indirect tax have improved, the major increase is noted under indirect tax because of receipt of excise duty refund from Government of India (GOI). The indirect tax has recorded 28.8% growth over previous year's collection, while the direct tax has recorded 19.7% growth. Tax revenue forms 42.4% of the total revenue. The composition of collection by tax type is given below:

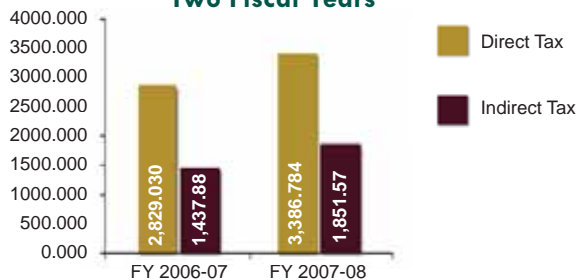
Tax Revenue compared for Two Fiscal Years



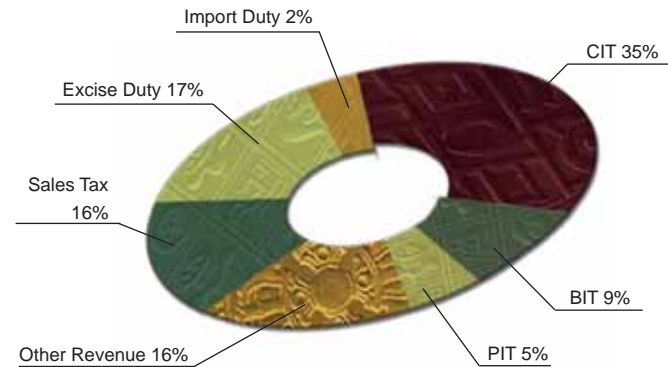
2.1.1 Direct Tax

The collection from direct tax stands at Nu.3,386.784 million registering a growth of 19.7% or Nu. 557.754 million against the previous year's collection. The sources under direct tax have registered an impressive growth with Personal Income Tax(PIT) registering the highest growth of 51.7% followed by Business income Tax (BIT) with 26.5% and Corporate Income Tax (CIT) 15.9%. The other direct tax such as motor vehicle taxes, municipal taxes, royalties have registered a growth of 16.7%. Direct tax constitutes 64.7% of the total tax revenue and 27.4% of the total revenue. The collections from various heads under direct tax are explained in the following sections.

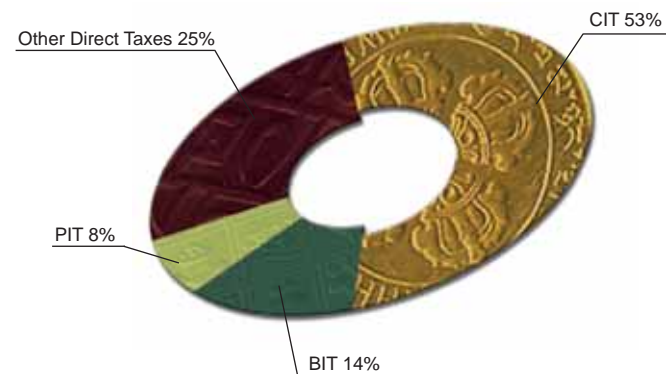
Comparison of Direct tax and Indirect tax for Two Fiscal Years



Composition of Tax Revenue



Composition of Direct Tax



Corporate Income Tax (CIT)

The collection from CIT amounts to Nu.1,817.267 million recording a growth of 15.9% or Nu.250.327 million over the previous year's collection. The increase is due to improved performance by corporate units such as; Bhutan Telecom, Penden Cement Authority Limited(PCAL), Chukha Hydro Power Corporation Limited(CHPCL), and Bhutan National Bank Limited(BNBL). Bhutan Power Corporation (BPC) has paid its first corporate income tax of Nu. 108.852 million during the period. Revenue from CIT for the year constitutes 14.7% of the total revenue. The table 2 shows the details of revenue contributions from the corporations for the fiscal year.

Table 2: CIT Payers for FY 2007-08 Nu: in million

Corporate Units	CIT for FY 2007-08	% to Tax Revenue
1 CHPCL	866.122	16.53
2 Bhutan Telecom	178.618	3.41
3 PCAL	141.950	2.71
4 BPC	108.852	2.08
5 BNBL	108.434	2.07
6 BOBL	71.817	1.37
7 RICBL	45.865	0.88
8 NRDCL	43.148	0.82
9 Jigme Mining Company	23.972	0.46
10 AWPL	20.292	0.39
11 Druk Satair Limited	19.262	0.37
12 SD Eastern Bhutan Coal Co.	17.639	0.34
13 BBPL	14.206	0.27
14 BHPCL	10.014	0.19
15 BCCL	9.771	0.19
16 Singye Group of Companies	7.700	0.15
28 Other corporations	80.501	1.54
	1768.163	33.77

Note: CIT figures are based on actual receipts during the FY 2007-08 and does not include TDS collection from corporations

CIT as a % of Total Revenue



Business Income Tax (BIT)

The collection from BIT is Nu.464.943 million registering a growth of 26.5% or Nu.97.287 million over the previous year's collection. Out of the total BIT revenue, Nu.276.295million is collected through tax deducted at source (TDS) from contract businesses and suppliers and Nu.13.401 million from tourism business. Revenue from BIT constitutes 3.8% of the total revenue.

BIT as a % of Total Revenue



Personal Income Tax (PIT)

The collection from PIT for the year is Nu.264.662 million registering a growth of 51.7% or Nu.90.200 million compared to the previous year's collection. The increase is due to revision of PIT tax rates from income year 2007 and growth in the number of taxpayers. Revenue from PIT constitutes 2% of the total revenue. Table 3 shows the details of the collection under PIT.

Table 3

Personal Income Tax	2006-2007	2007-2008
TDS on personal income tax	159.151	245.055
Salary tax	114.452	197.400
Rental income	13.198	14.216
Interest	11.849	18.212
Dividend	18.128	12.25
Other sources	1.524	2.977
Final personal income tax	27.029	54.212
PIT: Fines & penalties	0.991	0.922
Gross Total	187.171	300.189
Refunds	12.709	35.527
Net Total	174.462	264.662

Other Direct Tax

The revenue collected on account of other direct tax is from motor vehicle tax, business & professional licences, airport tax, municipal tax, health contribution and royalties. Total collection from other direct tax amounted to Nu.839.912 million registering a growth of 16.7% or Nu.119.940 million compared to the previous year's collection. The increase in collection is mainly from tourism royalty, mines and minerals, motor vehicle tax and municipal tax. Other direct tax constitutes 6.8% of the total revenue. Table 4 shows the revenue sources under other direct tax.

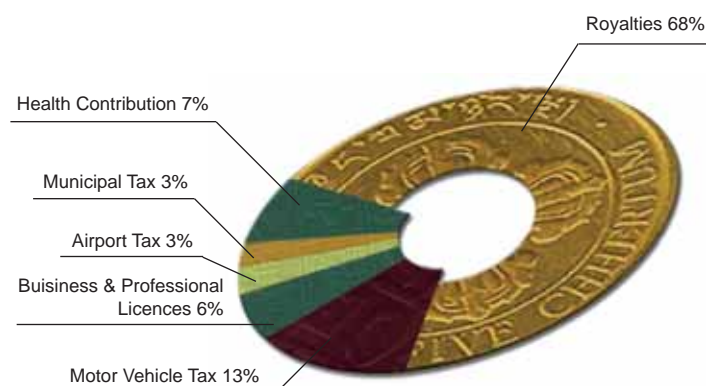
Table 4

Source	Nu. in million	% share to total revenue
Royalties	572.945	4.6
Motor vehicle tax	107.954	0.8
Business & Prof. licences	52.898	0.4
Foregin Travel Tax (airport)	22.556	0.1
Municipal tax	25.365	0.2
Health contribution	58.194	0.4
Total	839.912	6.8

PIT as a % of Total Revenue



ODT as a % of Total Revenue



Royalties

Royalty from forestry products, mines and minerals and the tourism sector is Nu.572.945 million registering a growth of 14.9% or Nu.74.331 million over the previous year's collection. The royalty collections from tourism and mines & minerals amounting to Nu.434.851 million and Nu.94.491 million have increased by 19.2% and 32.4% respectively compared to the previous year. The increase in tourism royalty is mainly because of increase in the number of tourists arrivals from 17,342 in 2006 to 21,094 in the year 2007. Royalties represents 4.6% of the total revenue. Table 5 shows the revenue collected from sources under royalty.

Table 5

Source	Nu. in million	% share to total revenue
Royalties from tourism	434.851	3.5
Royalties from mines	94.491	0.7
Royalties from forestry	43.603	0.3
Total	572.945	4.6

Motor Vehicle Tax

The collection from motor vehicle tax on account of annual registration fee and ownership transfer tax stands at Nu.107.954 million. The collection shows an increase of 15.7% or Nu.14.681 million over the previous year's collection. The increase is mainly from the issuance of new registration books and levy of 5% ownership transfer tax. Motor vehicle tax for the year constitutes 0.9% of the total revenue.

Business and Professional Licenses

The collection from business and professional licenses is Nu.52.898 million registering an increase of Nu.7.270 million or 15.9% over the previous year's collection. The increase is attributed to the efforts made by Ministry of Economic Affairs to revise and streamline the business licenses. Business and professional licenses constitutes 0.4% of the total revenue.

Municipal Tax

The revenue collected from municipal tax stands at Nu.25.365 million recording an increase of Nu.11.557 million or 83.7% from the previous year's collection. The municipal tax does not include collections from Thimphu and Phuentsholing City Corporations. Municipal tax constitutes 0.2% of the total revenue.

Health Contribution

The collection from health contribution amounted to Nu.58.194 million registering a growth of 17.8% or Nu.8.775 million from the previous year's collection. The increase in the collection of health contribution is attributed to increasing number of employees both in the private and public sector as well as enhancement in salary. Health contribution constitutes 0.5% of the total revenue.

2.1.2 Indirect Tax

Indirect tax comprises of revenue from sales tax, excise duty on domestic goods, refund from GOI, import duty and other indirect tax revenue. The total collection under indirect tax for the year stands at Nu.1,851.573 million registering a growth of 28.8% or Nu.413.692 million. The increase is from excise duty refund from GOI and sales tax. Indirect tax for the year constitutes 15% of the total revenue. The details are further explained under the respective sources.

Composition of Indirect Tax



Sales Tax

Sales tax collection for the year amounted to Nu.830.987 million recording a growth of 8.6% or Nu.65.443 million compared to the previous year. The increase is mainly from sales tax on goods, hotels and restaurants which have registered an increase of Nu.39.411 million and Nu.22.789 million respectively as compared to the previous year's collection. The increase is due to increase in import volume, more hotels established and improved compliance. Sales tax collection constitutes 6.7% of the total revenue. Table 6 shows the revenue collected under sales tax.

Sales Tax as a % of Total Revenue



Table 6

Source	Nu. in million	% share to Total Revenue
Sales tax on goods	492.110	4.0
Sales tax on petroleum products	61.383	0.5
Sales tax on hotels	80.232	0.6
Sales tax on cable TV/cinema	12.963	0.1
Sales tax on beer, alcoholic drinks, aerated water	184.299	1.5
Total	830.987	6.7

Excise Duty

Excise Duty comprises of duties levied on distillery products manufactured in Bhutan and Excise Duty Refund (EDR) received from the Government of India (Gol) on excisable goods imported from India. Excise duty constitutes 7.1% of the total revenue.

Unlike other revenue sources, EDR contribution to the total revenue will not be consistent over the years since the actual receipt of refund entirely depends on the reimbursement of EDR admissible claims by the Gol in a particular period.

Excise Duty on Distillery Products

Domestic excise duty collection for the year is recorded at Nu.152.563 million registering a growth of 8.9% or Nu.12.572 million as compared to previous year's collection. Domestic excise duty on distillery products contributes 1.2% to the total revenue.

Excise Duty Refund from Gol

The actual receipt of excise duty refund from Gol amounts to Nu.725.152 million, which is an increase of 91.1% or Nu.345.750 million from the previous year. The increase in EDR claims during the year pertains to the imports made in 2004 whilst the last fiscal year accounted only for the balance amount pertaining to the year 2002 and 2003. Excise duty refund from Gol contributes 5.9% to the total revenue. Table 7 shows the sources under excise duty.

Table 7

Source	Nu. in million	% share to Total Revenue
Excise duty on distillery products	152.563	1.2
Excise duty refund from Gol	725.152	5.9
Total	877.715	7.1

Excise Duty as a % of Total Revenue



Import Duty

Import duty collection amounted to only Nu.129.479 million, showing a decline of 10.5% or Nu.15.211 million, despite the increase in volume of import. This is owing to the increase in the issue of Import Duty Exemption Certificate (IDEC) for import of plants and machineries and raw materials or increase in imports on duty and tax exempt basis, restrictions imposed on the size and number of the containers that can be imported and the increase in import of non-dutiable items. Import duty constitutes 1.1% of the total revenue.

Import Duty as a % of Total Revenue



Other Indirect Tax Revenue

Other indirect tax revenue consists of collections from stamp duty which represents sale proceeds from revenue and judicial stamps and export tax levied on export of timber in primary form. The collection on account of other indirect tax revenue amounted to Nu.13.392 million recording an increase of 62.3% or Nu.5.138 million over the previous year's collection of Nu.8.254 million. The stamp duty collection is Nu.13.288 million which is an increase of 58.8% or Nu.4.918 million. Other indirect tax constitutes 0.1% of the total revenue.

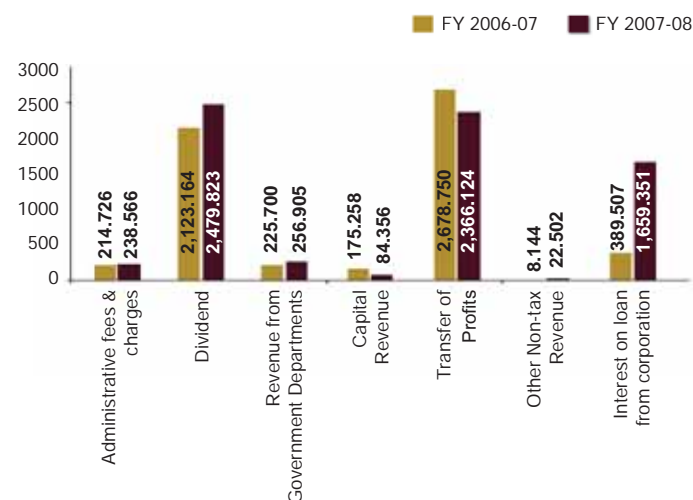
2.2. Non-Tax Revenue

Non-tax revenue comprises of administrative fees & charges, capital revenue from sale of government properties, revenue from government departments, dividend receipts from companies under DHI and others, transfer of profits, interest receipts from corporations and other non-tax revenue.

During the year, there was substantial contribution from the non-tax revenue amounting to Nu.7,107.627 million registering a growth of 22.2% or Nu.1,292.378 million compared to the previous year's collection. This growth

is mainly from dividend, revenue from government departments and administrative fees and charges. Other non-tax revenue has also increased substantially due to deposit of audit recoveries and on account of others accounts heads. The interest on loan forms a substantial portion of non-tax revenue for the year with the commencement of repayment of loan by THPA. Non-tax revenue for the year covers 57.6% of the total revenue. The details are further explained under its respective sources.

Comparison of Non-tax Revenue for Two Fiscal Years



Administrative Fees & Charges

Collection from administrative fees & charges stands at Nu.238.566 million registering a growth of 11.1% or Nu.23.840 million over the previous year's collection. The increase is mainly from motor vehicle fees and charges, house rent and air passenger surcharge that was introduced in October 2006. Administrative fees & charges constitute 1.9% of the total revenue.

Administrative Fees and Charges as a % of Total Revenue



Dividend

The revenue from dividend comprises of receipts from companies under DHI and the other government owned companies. Dividend for the year amounted to Nu.2,479.823 million recording a growth of 16.8% or Nu.356.659 million over the previous year's collection. The increase is from dividend declared by Bhutan Telecom, PCAL and Natural Resource Development Corporation Limited (NRDCL). A higher remittance from NRDCL is partly due to increase in the auction selling rate of timber and cost control measures taken up by the corporate unit. BPC has paid its first dividend of Nu.93.723 million during the year. The remittance from DHI amounting to Nu.367.521 million for the year has also been accounted under this source. As agreed between DHI and Ministry of Finance, an advance dividend is paid on a monthly basis by DHI that will help to maintain cash flow to the treasury. The revenue from dividend covers 20.1% of the total revenue.

Revenue from Government Departments

Revenue from government departments for the year is Nu.256.905 million compared to previous year's collection of Nu.225.700 million. It has recorded an increase of 13.8% or Nu.31.205 million over the previous year's collection. The increase is attributed mainly to collections from issue of new citizenship identity card and registration fees from Ministry of Home and Cultural Affairs, industrial plot rent from Ministry of Economic Affairs and fees and charges from Ministry of Health. Revenue from government departments constitutes 2.1% of the total revenue.

Capital Revenue

Capital revenue comprises of revenue from sale of government properties and assets, proceeds from agricultural products, bid value from coal, gypsum, dolomite and other capital revenue. The collection from capital revenue amounted to Nu.84.356 million showing a decline of 51.9% or Nu.90.902 million from the previous year. The decline is mainly on account of sale of government properties as in the previous year the remittance from disinvestment of INTELSAT shares abroad amounting to Nu.68.954 million was accounted. The coal mine bid value has also declined due to suspension of mining at Samrang and Borilla from September 2007 due to security reasons. Capital revenue covers 0.68% of the total revenue.

Dividend as a % of Total Revenue



Revenue from Government Departments as a % of Total Revenue



Transfer of Profits

Revenue on account of transfers from RMA, DoL and transfer from THPA for the year is Nu.2,366.124 million showing a decline of 11.7% or Nu.312.626 million from the past collections. The decline is on account of transfers from RMA as it has remitted only the balance amount of Nu.341.426 million pertaining to the previous year and no remittance of profit transfer for the year has been received. The remittance from DoL amounted to Nu.274.698 million which is a growth of 93.9% or 132.998 million. A transfer of Nu.1750 million has been remitted by THPA which is a decline of Nu.50 million from the previous year due to its commencement of loan repayment from this fiscal year. Revenue from transfer of profits constitutes 19.2% of the total revenue.

Other non-tax Revenue

Other non-tax revenue includes audit recoveries, recovery of outstanding dues, security/earnest money and treaty payment from Gol. Revenue from this source amounted to Nu.22.502 million, which is an increase of Nu.14.358 million over the previous year's collection. The increase is mainly from audit recoveries and other recoveries of dues and outstanding. Other non tax revenue constitutes 0.2% of the total revenue.

Interest on Loan from Corporations

Interest on loan from corporations comprises of Gol loan and other on-lending loans for government projects. Although this source of revenue is accounted for in the government revenue; nevertheless it is solely meant for servicing of external loans. The interest on loan for the year amounted to Nu.1659.351 million, an increase of Nu.1269.844 million from the previous year due to commencement of loan repayment by THPA. This source constitutes 13.4% of the total revenue.

Transfer of Profit as a % of Total Revenue



Interest Receipts as a % of Total Revenue



3. Sectoral Revenue

Sectoral² revenue includes collections from different sectors such as electricity, trading, services, primary, manufacturing and finance. The sectoral revenue reached Nu 10,468.702 million recording an increase of 9.4% or Nu.897.889 million over the previous year. All sectors except finance have performed well during the year.

The increase is mainly from trade on account of excise duty refund, CIT & BIT trading units, sales tax & depot surcharge, and service sector with increased remittances from Bhutan Telecom, department of lottery and Tourism Council of Bhutan (TCB)³. Revenue from trade sector and manufacturing sector has increased remarkably by 23.8% and 21.6% respectively. Still the electricity sector leads the contribution with 39.8% of the total revenue followed by service and trade. The overall contribution from these sources to the total revenue is 84.2%. Table 8 shows the revenue collection from the various sectors.

Composition of Sectoral Revenue in Relation to Total Sectoral Revenue of Nu. 10,468.702 million

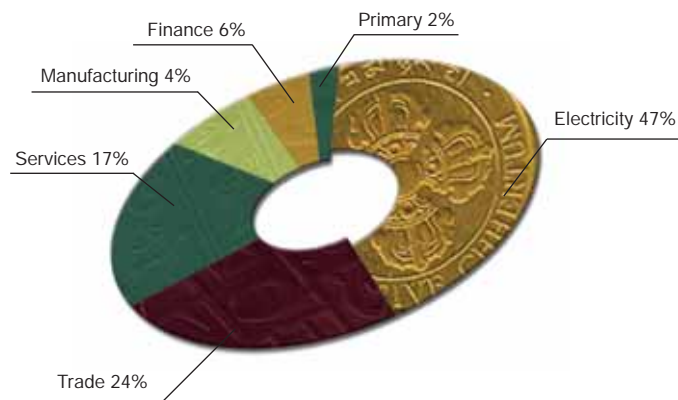


Table 8 - Highlights of Revenue by Sectors

Nu: In million

Sector	FY 2006-07	% of		% of		(+ or -) (Nu)	(+ or -) % growth
		Total Revenue	FY 2007-08	Total Revenue	FY 2007-08		
Electricity	4,603.570	45.4	4,949.550	39.8	345.980	7.5	
Trade	2,032.607	20.0	2,515.536	20.2	482.929	23.8	
Services	1,419.182	14.0	1,780.370	14.3	361.188	25.5	
Finance	1,006.903	9.9	619.500	5.0	(387.403)	(38.5)	
Manufacturing	307.425	3.0	373.684	3.0	66.259	21.6	
Primary	201.126	2.0	230.062	1.9	28.936	14.4	
Total	9,570.813	94.3	10,468.702	84.2	897.889	9.4	

Figures are based on gross collections.

² Sectoral revenue excludes PIT collections and Interest receipts on loan from corporations

³ Department of Tourism (DOT) has been renamed as Tourism Council of Bhutan from March 2008.

Electricity

Electricity sector takes the lead as the major source of revenue for the government comprising 39.8% of the total revenue as compared to 45.4% in the previous year. The collection from the sector for the year amounted to Nu. 4949.550 million, recording an increase of 7.5% or Nu.345.980 million over the previous year. The year also marks the commencement of revenue inflow from BPC and monthly remittances from DHI of Nu.367.521 million.



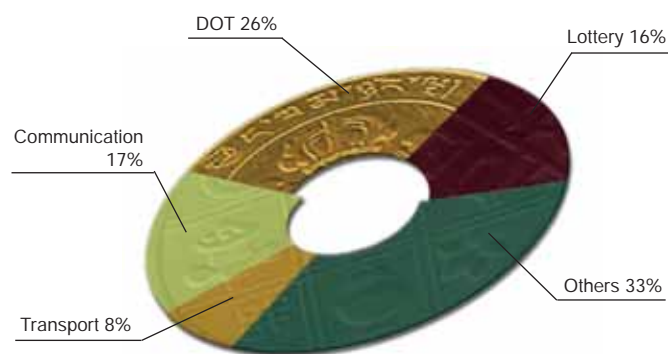
Trade

Trade sector is the second highest contributor among the sectors and has contributed Nu.2,515.536 million, which is an increase of Nu.482.929 million or 23.8% over the previous year. The increased collection from excise duty attributed mainly to duty refund from GOI, enhanced collections from CIT and BIT trading units and sales tax have contributed to the growth in this sector. The collection from this sector constitutes 20.2% of the total revenue.



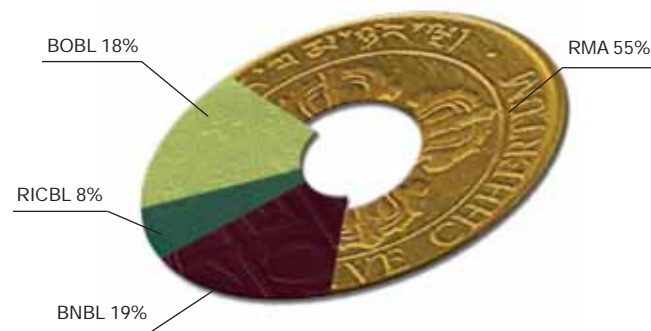
Service

Service sector comes third contributing Nu.1780.370 million, recording a growth of 25.5% or Nu.361.188 million over the previous year. The increased collections from Bhutan Telecom, DoL, tourism royalty, and motor vehicle taxes, fees and charges have contributed to the growth. The collection from the sector constitutes 14.3% of the total revenue.



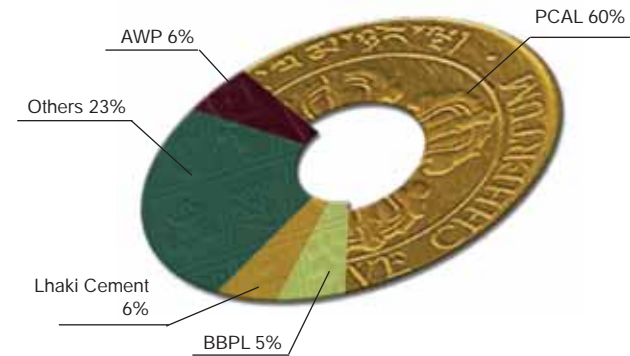
Finance

The revenue from finance sector amounted to Nu.619.500 million. The contribution from this sector has declined by 38.5% after recording a significant growth in the previous year. The decline is mainly on account of non receipt of profit transfer from RMA for this fiscal year and partly from decrease in BOB's interest from their investments. The revenue from this sector contributes 5% of the total revenue.



Manufacturing

The collection from the manufacturing sector stands at Nu.373.684 million registering an increase of Nu.66.259 million or 21.5% from the previous year. The increase is largely due to higher remittances from PCAL and Lhaki Cement due to increase in the selling price of cement. Increased remittance from BCCL during the year has also contributed to the growth under this sector. The revenue from this source comprises 3 % of the total revenue.



Primary

Primary sector covers forestry, mining and agricultural activities. Revenue from this sector amounted to Nu.231.215 million registering a growth of 15% or Nu.30.089 million as compared to previous year's collection. The increased collection from royalty from mining and remittances from NRDCL has contributed to the growth of this sector. Primary sector constitutes 2% of the total revenue.





Top ten Revenue Generating Agencies

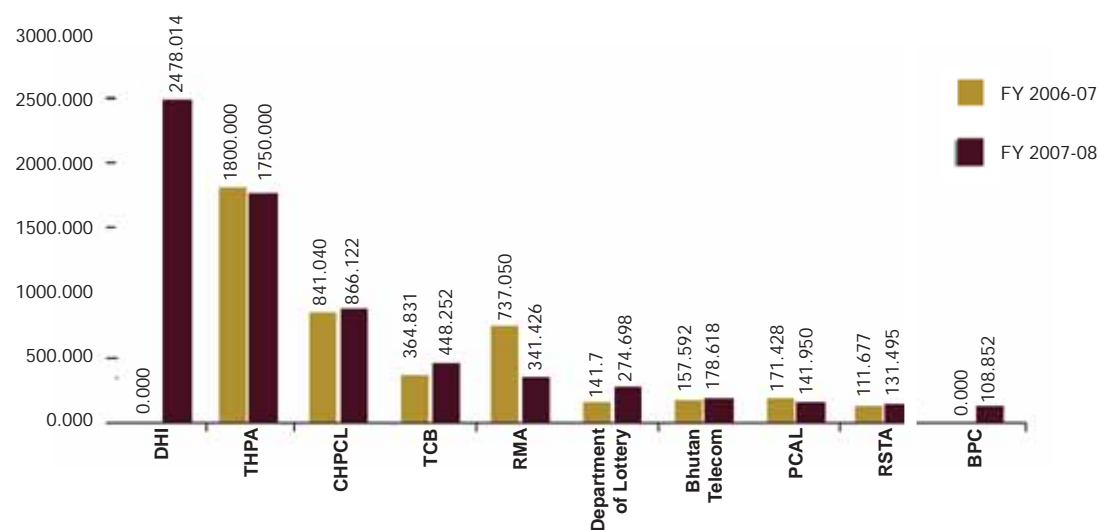
4. Top Ten Revenue Agencies

Top ten revenue agencies have been identified based on their contribution to the total revenue. Collection from top ten revenue agencies for the year reached Nu.6,719.427 million contributing 54.1% of the total revenue. The institution of DHI has significantly changed the list of top ten revenue agencies and their contribution to total revenue. DHI with its contribution of Nu.2478.014 million comprising of dividend from its companies and the monthly remittance leads the top ten agencies during the year. However other companies under DHI have also been listed due to their contribution from CIT. Table 9 shows the revenue collected from top ten agencies and the details are further explained below.

Table 9 Top Ten Revenue Agencies

Nu: In million

Sl.no	Source of Revenue	FY 2006-07	Rank	FY 2007-08	Rank	(+) or (-) (Nu)	(+) or (-) (%)	% of Total Revenue 2007-08
1	DHI	-	-	2478.014	1	0.000	0.000	19.939
2	THPA	1800.000	2	1750.000	2	(50.000)	(2.778)	14.081
3	CHPC	841.040	1	866.122	3	25.082	2.982	6.969
4	TCB	364.831	4	448.252	4	83.421	22.866	3.607
5	RMA	737.050	3	341.426	5	(395.624)	(53.677)	2.747
6	Department of Lottery	141.700	7	274.698	6	132.998	93.859	2.210
7	Bhutan Telecom	157.592	6	178.618	7	21.026	13.342	1.437
8	PCAL	171.428	5	141.950	8	(29.478)	(17.196)	1.142
9	RSTA	111.677	10	131.495	9	19.818	17.746	1.058
10	BPC	0.000	-	108.852	10	108.852	0.000	0.876
Total		4325.318		6719.427		2394.109	55.35	54.07
Total National Revenue		10147.491		12428.242		2280.751	22.48	100.00



4.1 Druk Holding and Investment Company (DHI)

The dividend receipts from the companies that are now under management of DHI lead the top ten revenue agencies for the year with contribution of Nu. 2478.014 million, including the monthly remittance. It constitutes 20% of total revenue.

4.2 Tala Hydro Power Authority (THPA)

THPA stands second in the top ten with its contribution of Nu.1750 million. The contribution from THPA has declined by Nu.50 million or 2.8% from the previous year. The reduction is due to loan repayment started by THPA from this fiscal year. The revenue from the source constitutes 14.1% of the total revenue.

4.3 Chukha Hydro Power Corporation Limited (CHPCL)

CHPC that had been consistently the top revenue generating agency in the past has dropped to the third position this year. This is because only the CIT contribution of Nu.866.122 million is taken into account while the dividend is projected under DHI collectively. Although CHPC has dropped two positions, the CIT contribution this year has increased by Nu 25.082 million. Revenue from CHPC comprises 7% of the total revenue.

4.4 Tourism Council of Bhutan (TCB)

TCB with its contribution of Nu.448.252 million collected on account of tourism royalty and TDS from tourism businesses is fourth in the lists. The growth is largely attributed to the increase in the number of tourists arrivals from 17,342 tourists in 2006 to 21,094 tourists in 2007. The revenue from TCB registered a growth of 22.9% or Nu.83.421 million from the previous year. Revenue from the source comprises 3.6% of the total revenue.

4.5 Royal Monetary Authority (RMA)

RMA as one of the top ten has contributed Nu.341.426 million. The revenue on account of profit transfer from RMA has declined by 53.7% or Nu.395.624 million less than the previous year. The decline is because of non-deposit of profit transfer for this financial year. The amount received pertains to the balance from the previous financial year. Revenue from this source constitutes 2.8% of the total revenue.

4.6 Department of Lottery (DoL)

DoL has contributed Nu.274.698 million for the year registering a significant growth of Nu.132.998 million or 93.9%. The streamlining technique in the collection of marketing fees has led to the dramatic increase for this year. The revenue from this source constitutes 2.2% of the total revenue.

4.7 Bhutan Telecom Corporation (BTC)

Although BTC has dropped a position this year, the CIT this year alone amounts to Nu 178.618 million as compared to the total of dividend and CIT for the past FY of Nu.157.592 million. Like other companies under DHI, only the remittance from tax is taken into account as the dividend portion is reflected under DHI. The increase in the subscriber base for B-mobile services and reduced expenses owing to the bulk of the assets being fully depreciated in June 2006 has contributed to the substantial additional revenue. Revenue from this source comprises 1.4% of the total revenue.

4.8 Penden Cement Authority Limited (PCAL)

Revenue from PCAL in terms of CIT is Nu.141.950 million and PCAL has dropped to eighth position this year from fifth since dividend is taken into account under DHI. However, the CIT contribution has registered a growth of 43.7% or Nu.43.078 million as compared to the previous year due to rise in the cement rates and increase production and sales. Revenue from PCAL covers 1.1% of the total revenue.

4.9 Road Safety & Transport Authority (RSTA)

Receipt from RSTA on account of motor vehicle tax, fees and charges for the year stands at Nu.131.495 million registering an increase of 17.8% or Nu.19.818 million from the previous year's collection of Nu.93.273 million. The increase is mainly from the issuance of new registration books and levy of 5% ownership transfer tax. It constitutes 1.7% to the total revenue.

4.10 Bhutan Power Corporation (BPC)

BPC has paid its first CIT of Nu.108.852 million during the year and stands tenth in the top ten lists. Although BPC started earning profit from last year, due to the adjustment of prior years losses no remittances was made into the RGR account. BPC is also one of the companies under DHI and only the remittance from tax is taken into account as the dividend portion is accounted under DHI collectively. The revenue from this source constitutes 0.9% of the total revenue.

5. Revenue Performance by Region

This section highlights revenue performances by all Regional Revenue and Customs Offices. Collection this year has recorded a growth of 23% or Nu.2280.751⁴ million over the previous year's collection. The revenue composition of regions has changed from this fiscal year with the formation of DHI as the collection from major corporations is reflected under Thimphu region. The details on the performance by each regional office are explained below. Table 10 shows the revenue contribution from regions and its jurisdiction.

5.1 RRCO Thimphu

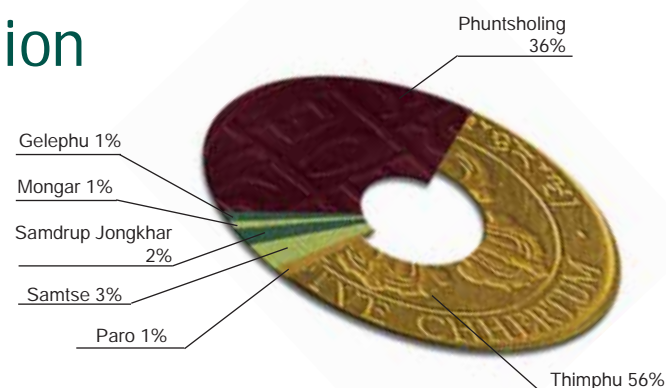
The total collection of Thimphu region has gone up to Nu.6,937.085 million recording a growth of 129% or Nu. 3907.688 million as compared to the previous year's collection. Increased collection is largely from DHI companies like CHPC and PCAL which are accounted with the region from this fiscal year. Interest receipts on loan from THPA amounting to Nu.1,295.863 million forms a sizeable slice of the growth. Collection from corporate income tax, personal income tax, royalty from tourism, and excise duty refund from GOI has also contributed to the growth in this region. The region contributes 55.8% to the total revenue.

5.2 RRCO Phuentsholing

The collection from Phuentsholing region amounted to Nu.4,423.708 million showing a decline of 28.3% or Nu.1745.688 million from the previous year. This decline is due to CHPC dividend now accounted with RRCO Thimphu as one of the companies under DHI. However, there is an increase from other sources like personal income tax, business units, sales tax collection on goods and net profit transfers from department of lottery. The region contributes 35.6% to the total revenue.

5.3 RRCO Paro

Paro region contributed Nu.151.703 million registering an increase of Nu.40.866 million or 36.9% over the previous year's collection. The growth in the region is contributed from personal income tax, motor vehicle tax, sales tax on hotels/restaurants and collections from surcharge on passengers. The region contributes 1.2% to the total revenue.



5.4 RRCO Samtse

Samtse region has contributed Nu. 396.950 million registering substantial increase of Nu.42.476 million or 12%. Increased collections on account of CIT from PCAL, Jigme Industries and business income tax have contributed to the growth under tax revenue. The region contributes 3.2% to the total revenue.

5.5 RRCO Samdrup Jongkhar

The collection by Samdrupjongkhar region for the year is Nu.238.507 million showing a decline of Nu.29.179 million or 10.9% from the previous year. The decline is mainly due to the segregation of regional office as the number of dzongkhags under Samdrupjongkhar region is reduced from six to two. The region contributes 1.9% to the total revenue.

5.6 RRCO Mongar

A new regional office in Mongar was set-up on 1st January 2007. The collection from the region amounted to Nu.96.020 million recording a growth of 65.35% or Nu.37.949 million. Increase in collection is from TDS on business units, personal income tax, and motor vehicle tax under tax revenue. The increase under non-tax revenue has come from administration fees and charges, and registration fees under government departments. The region contributes 0.8% to the total revenue.

5.7 RRCO Gelephu

The collection from Gelephu region amounted to Nu.184.269 million which is an increase of Nu.26.619 million or 16.9% from the previous year's collection. The increase is mainly from BIT, PIT, sales tax and registration fees like identity card fees and work permit fees. The region contributes 1.5% to the total revenue.

⁴ Comparison made on gross collections

Table 10**Nu: In million**

Particulars	P'ling	Thimphu	Paro	Samtse	S'Jongkhar	Mongar	Gelephu	Total
No. of Dzongkhag(s)	1	4	2	1	2	4	6	20
Tax Revenue	2253.069	2218.080	122.444	375.223	158.998	63.334	129.218	5320.366
% of total Regional Revenue	50.9	32.0	80.7	94.5	66.7	66.0	70.1	42.8
Non Tax Revenue	2170.639	4719.005	29.259	21.727	79.509	32.686	55.051	7107.876
% of Total Regional Revenue	49.1	68.0	19.3	5.5	33.3	34.0	29.9	57.2
Total Tax & Non-Tax Revenue	4423.708	6937.085	151.703	396.95	238.507	96.020	184.269	12428.242
% of Total National Revenue*	35.6	55.8	1.2	3.2	1.9	0.8	1.5	100.0

* Figures are based on gross collections.

Table 11**Nu: In million**

Region	Source of Revenue	FY 2007-08		FY 2006-07	Achievement to target (+/-)		Collection compared to FY 2006-07 (+/-)	
		Collection	Target		Nu	%	Nu	%
1	2	3	4	5	6 (3-4)	7 (6 of 4)	8 (3-5)	9 (8 of 5)
Phuentsholing	Tax Revenue	2253.069	2161.211	2181.067	91.858	4.3	72.002	3.3
	Non Tax Rev	2170.639	2155.221	3988.329	15.418	0.7	(1817.690)	(45.6)
	Total Revenue	4423.708	4316.432	6169.396	107.276	2.5	(1745.688)	-28.3
Thimphu	Tax Revenue	2218.080	1957.919	1484.157	260.161	13.3	733.923	49.5
	Non Tax Rev	4719.005	4390.494	1545.240	328.511	7.5	3173.765	205.4
	Total Revenue	6937.085	6348.413	3029.397	588.672	9.3	3907.688	129.0
Paro	Tax Revenue	122.444	107.168	91.530	15.276	14.3	30.914	33.8
	Non Tax Rev	29.259	25.824	19.287	3.435	13.3	9.972	51.7
	Total Revenue	151.703	132.992	110.817	18.711	14.1	40.886	36.9
Samtse	Tax Revenue	375.223	283.241	264.515	91.982	32.5	110.708	41.9
	Non Tax Rev	21.727	18.723	89.959	3.004	16.0	(68.232)	(75.8)
	Total Revenue	396.950	301.964	354.474	94.986	31.5	42.476	12.0
Samdrup Jongkhar	Tax Revenue	158.998	165.343	170.115	(6.345)	(3.8)	(11.117)	(6.5)
	Non Tax Rev	79.509	82.020	97.571	(2.511)	(3.1)	(18.062)	(18.5)
	Total Revenue	238.507	247.363	267.686	(8.856)	(3.6)	(29.179)	(10.9)
Gelephu	Tax Revenue	129.218	111.076	101.462	18.142	16.3	27.756	27.4
	Non Tax Rev	55.051	58.988	56.188	(3.937)	(6.7)	(1.137)	(2.0)
	Total Revenue	184.269	170.064	157.650	14.205	8.4	26.619	16.9
Mongar	Tax Revenue	63.334	60.392	36.904	2.942	4.9	26.430	71.6
	Non Tax Rev	32.686	30.361	21.167	2.325	7.7	11.519	54.4
	Total Revenue	96.020	90.753	58.071	5.267	5.8	37.949	65.3
Overall	Tax Revenue	5320.366	4846.350	4329.750	474.016	9.8	990.616	22.9
	Non Tax Rev	7107.876	6761.631	5817.741	346.245	5.1	1290.135	22.2
	Total Revenue	12428.242	11607.981	10147.491	820.261	7.1	2280.751	22.5

Figures are based on Gross Collection.

6. Dzongkhag Revenue

Revenue performance by dzongkhags for the year is highlighted below in sequence. The top two Dzongkhags alone accounts for 91.1% of the total internal revenue. This year Thimphu dzongkhag with 55.5% share to the total revenue is the major contributor. The hike is largely due to THPA interest on loan receipts and dividend receipt from DHI which is now accounted under Thimphu dzongkhag. Chukha dzongkhag, unlike the previous year comes second as the major contributor generating 35.6% followed by Samtse contributing 3.2% to the total revenue.

Table 12

Nu: In million

Rank 2006-07	FY 2006-07	Dzongkhag	Rank 2007-08	FY 2007-08	(+)or(-) Nu.	(+) or (-) %	N/Revenue %
2	3006.288	Thimphu	1	6900.039	3893.751	129.52	55.5
1	6169.396	Chukha	2	4423.708	(1745.688)	(28.30)	35.6
3	354.474	Samtse	3	396.950	42.476	11.98	3.2
4	264.374	Samdrup Jongkhar	4	233.053	(31.321)	(11.85)	1.9
5	108.151	Paro	5	147.592	39.441	36.47	1.2
6	106.142	Sarpang	6	145.447	39.305	37.03	1.2
7	29.145	Mongar	7	55.379	26.234	90.01	0.4
9	18.876	Wangdi Phodrang	8	33.132	14.256	75.52	0.3
8	20.917	Trashigang	9	26.965	6.048	28.91	0.2
10	18.418	Bumthang	10	14.808	(3.610)	(19.60)	0.1
14	5.096	Trashigang	11	9.053	3.957	77.65	0.1
11	16.750	Tsirang	12	8.745	(8.005)	(47.79)	0.1
13	5.522	Trongsa	13	6.339	0.817	14.80	0.1
12	8.731	Zhemgang	14	5.572	(3.159)	(36.18)	0.0
16	3.311	Pema Gatshel	15	5.454	2.143	64.72	0.0
17	2.914	Lhuentse	16	4.623	1.709	58.65	0.0
18	2.666	Haa	17	4.111	1.445	54.20	0.0
19	2.087	Dagana	18	3.358	1.271	60.90	0.0
15	3.315	Punakha	19	3.145	(0.170)	(5.13)	0.0
20	0.918	Gasa	20	0.769	(0.149)	(16.23)	0.0
	10147.491			12428.242	2280.751	22.48	100.0

7. Private Sector

The revenue from private sector excluding the joint public sector corporations amounted to Nu.627.708 million recording a substantial growth of 32.31% or Nu.153.296 million compared to the previous year. The increase is due to improved performance of the private companies and collections from BIT. Revenue from private sector accounts for 12% of tax revenue and 5.1% of the total revenue.

Private Sector and Tax Revenue



Private Sector and Total Revenue



7.1 Private Sector Revenue

Table 13 **Nu: In million**

Source of Revenue	2006-07 FY	2007-08 FY	% growth (+) or (-)
1 Corporate Income Tax	88.827	140.494	58.166
2 Business Income Tax	367.656	464.943	26.46
3 Health Contribution	17.917	22.167	23.72
4 Export Tax	0.012	0.104	766.67
Total Private Sector Revenue	474.412	627.708	32.31
% of Tax Revenue	11.1	12	
% of Total National Revenue	4.7	5.1	

7.1.1 Corporate Income Tax

The collection from CIT has increased to Nu.140.494 from Nu.88.827 million in the previous year registering a growth of 58.2%. The increase is largely due to better performance of the corporate units from private companies.

7.1.2 Business Income Tax

The collection from BIT amounted to Nu.464.943 million registering a growth of 26.5% or Nu.97.287 million. The increase recorded is due to improved collection and timely assessments.

7.1.3 Health Contribution from Private Sector

The collection on account of health contribution stands at Nu.22.167 million registering an increase of 23.7% or Nu.4.25 million compared to the previous year. The increase may be attributed to the increase in number of salaried employees and increment increase of salary.

8. Top Ten Private Businesses

The revenue from top ten private businesses for the year is Nu.146.923 million, which is an increase of 44% or Nu.45 million from the contribution made by private business listed as top ten contributors in the last fiscal year.

Jigme Industries Pvt. Limited has topped the list of top ten private businesses followed by Jigme mining company and Lhaki Cement. Revenue from the top ten private units constitutes 1.2% of the total revenue. The contributions for the year as per their performances are given below:

Table 14		Nu: In million
Rank	Private Businesses	FY 2007-08
1	Jigme Industries Pvt. Ltd.	26.973
2	Jigme Mining Company	23.972
3	Lhaki Cement	20.182
4	Druk Satair Ltd.	19.262
5	SD Eastern Bhutan Coal Company	17.639
6	Sherja Equipment Hiring Unit	11.512
7	BCCL	9.771
8	Singye Group of Companies	7.700
9	Hotel Druk	5.891
10	Bhutan Oil Distributor	4.021
Total		146.923

9. Overview of domestic revenue performance during 9th plan period

This fiscal year 2007-08 marks the end of the extended 9th five year plan. The total revenue collection for the period is Nu.45,237.606 million, which is an increase of Nu.24,501.478 million from the collection of Nu.20,736.128 million in the 8th plan representing a growth of 118.2%. However, it is to be noted that the 9th FYP collection represents the collection for the period of six years instead of the usual five in other plan periods. The table no.15 shows the comparison of collections during two plan periods.

The steady growth in revenue is attributable to the growth in economy, concerted efforts by our regional offices, strengthened administrative capacities, better compliance from the tax payers and improved collection system adopted by the revenue agencies.

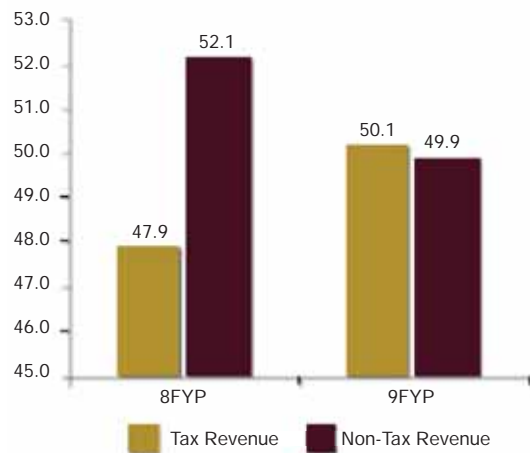
Table 15 Revenue Collections in 8th Plan and 9th Plan

Nu: In million

Source of Revenue	8 th FYP	9 th FYP	(+) or (-) Nu	(+) or (-) (%)
Tax Revenue (I+II)	9,934.505	22,683.542	12,749.037	128.33
Direct Tax	6,503.664	14,326.628	7,822.964	120.29
Corporate Income Tax	3,893.938	7,707.496	3,813.558	97.94
Business Income Tax	820.049	2,366.509	1,546.460	188.58
Personal Income Tax	251.338	851.066	599.728	238.61
Other Tax revenue	1,538.339	3,401.557	1,863.218	121.12
Motor Vehicle Tax	265.191	540.354	275.163	103.76
Business&Professional Licences	69.750	189.536	119.786	171.74
ForeignTravel Tax	0.000	79.693	79.693	0.000
Municipal Tax	0.000	74.577	74.577	0.000
Health Contribution	94.748	245.240	150.492	158.83
Royalties	1,067.350	2,269.275	1,201.925	112.61
Rural Tax	41.300	2.882	0.000	0.000
Indirect Tax	3,430.841	8,356.914	4,926.073	143.58
Sales Tax	1,466.759	3,757.714	2,290.955	156.19
Excise Duty	1,496.365	3,629.389	2,133.024	142.55
Import Duty	305.843	930.600	624.757	204.27
Other Tax Revenue	161.874	39.211	(122.663)	(75.78)
Non -Tax Revenue	10,801.623	22,554.064	11,752.441	108.80
Admns. Fees & charges	350.930	1,096.775	745.845	212.53
Dividends	5,837.140	10,737.119	4,899.979	83.94
Revenue from Govt. Depts.	2,231.016	738.121	(1,492.895)	(66.92)
Capital Revenue	347.138	758.604	411.466	118.53
Transfer of Profits	2,014.747	6,448.210	4,433.463	220.05
Other Non-Tax Revenue	20.652	236.856	216.204	1,046.89
Interest on loan from corp.	0.000	2,538.379	2,538.379	0.000
Total Revenue (A+B)	20,736.128	45,237.606	24,501.478	118.16

Review of Tax and Non-tax collection for the 9th FYP

Total revenue collection for the period is Nu.45,237.606 million, comprising of Nu.22,683.542 million from tax and Nu.22,554.064 million non-tax collection. The ratio of tax to non-tax revenue has improved significantly from 48:52 in the 8th plan to 50:50 in the 9th plan.



Share of Tax and Non-tax revenue for the plan period



The average revenue growth rate in the 9th plan is 17% and revenue to GDP ratio is 20%. The coverage of total domestic revenue to recurrent expenditure is 113% for the entire plan period. The table no16 shows the details of the collections in the 9th FYP.

Table 16 Actual Revenue collections for the 9th FYP

		2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	9th Plan
		actuals	actuals	actuals	actuals	actuals	actuals	Grand Total
A	Tax Revenue	2,942.646	2,710.006	3,400.942	4,124.680	4,266.911	5,238.357	22,683.542
I	Direct Tax	1,730.395	1,928.129	2,032.203	2,420.087	2,829.030	3,386.784	14,326.628
1	Corporate Tax	922.491	1,015.422	1,022.078	1,363.298	1,566.940	1,817.267	7,707.496
2	Business Income Tax	350.196	404.020	423.156	356.538	367.656	464.943	2,366.509
3	Personal Income Tax	100.463	113.516	84.609	113.354	174.462	264.662	851.066
4	Other Tax Revenue	357.245	395.171	502.360	586.897	719.972	839.912	3,401.557
4.1	Motor Vehicle Tax	76.950	85.812	91.119	85.246	93.273	107.954	540.354
4.2	Business & Prof. licences	18.752	22.433	24.195	25.630	45.628	52.898	189.536
4.3	Foreign Travel Tax	5.768	6.679	9.606	15.854	19.230	22.556	79.693
4.4	Municipal Tax	12.672	4.823	9.200	8.709	13.808	25.365	74.577
4.5	Health Contribution	26.853	30.713	36.001	44.060	49.419	58.194	245.240
4.6	Royalties	214.738	243.341	332.239	407.398	498.614	572.945	2,269.275
4.7	Rural Tax	1.512	1.370	2.882
II	Indirect Tax	1,212.251	781.877	1,368.739	1,704.593	1,437.881	1,851.573	8,356.914
5	Sales Tax	435.015	495.486	567.897	662.785	765.544	830.987	3,757.714
6	Excise Duty	657.831	129.284	565.623	879.543	519.393	877.715	3,629.389
7	Import Duty	115.159	153.320	230.774	157.178	144.690	129.479	930.600
8	Other Tax Revenue	4.246	3.787	4.445	5.087	8.254	13.392	39.211
B	Non Tax Revenue	1,842.614	2,345.189	2,665.159	2,778.226	5,815.249	7,107.627	22,554.064
9	Admin.Fees & Charges	148.406	128.949	168.997	197.131	214.726	238.566	1,096.775
10	Dividend	1,288.091	1,753.088	1,550.524	1,542.429	2,123.164	2,479.823	10,737.119
11	Revenue from Govt. Dept	34.137	40.629	78.688	102.062	225.700	256.905	738.121
12	Capital Revenue	25.012	73.539	232.613	167.826	175.258	84.356	758.604
13	Transfer of Profit	317.186	198.407	384.475	503.268	2,678.750	2,366.124	6,448.210
14	Other Non-Tax Revenue	29.782	150.577	7.539	18.312	8.144	22.502	236.856
15	Interest Receipt from Corporations	-	-	242.323	247.198	389.507	1,659.351	2,538.379
	Total Revenue (A+B)	4,785.260	5,055.195	6,066.101	6,902.906	10,082.160	12,345.984	45,237.606
	Growth rate	-6.2%	5.6%	20.0%	13.8%	46.1%	22.5%	17%**
	GDP*	27,903.89	30,852.72	34,450.57	39,563.42	46,574.77	52,887.85	232,233.22
	% of revenue to GDP	17.1	16.4	17.6	17.4	21.6	23.3	19.5
	Current Expenditure	4,580.910	5,149.230	6,170.610	6,672.383	7,636.225	9718.500	39,927.858
	% Revenue to expenditure	104.5	98.2	98.3	103.5	132.0	127.0	113.3

* Source National Statistical Bureau

** Average of six years growth rate

10. Revenue outlook for FY 2008/09

The onset of the 10th Five-Year-Plan may bring about further policy changes in the tax system to meet the increased budgetary spending.

We are optimistic that the formation of the Druk Holding and Investments Limited (DHI) to manage the government-owned-and-linked companies would lead to improved earning capacity of these companies, consequently, resulting in revenue enhancement for the government in the long run. Further, with the commencement of the works on some of the major hydropower projects that are in the pipeline, we also foresee immediate potential of increased TDS collection under BIT.

On the administrative front, as per the plans outlined in the 9th FYP document, the Department is planning to establish a new regional office at Bumthang, thereby taking our services to the doorsteps of the tax payers of the locality. This would also facilitate increased monitoring and assessment efficiency by the Department.



PART B

Anneures

(Nu. In million)

Sl. No.	Source of Revenue	2006-2007	Refund	2006-2007	2007-2008	Refund	2007-2008	Net (+)	Net (+)	% over
		Actual Gross	2006- 2007	Net Revenue	Actual Gross	2007- 2008	Net Revenue	or (-) Nu.	or (-) %	Total Revenue
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
				[3-4]			[6-7]	[8-5]	[9of 5]	
A	Tax Revenue	4329.750	62.839	4266.911	5320.366	82.009	5238.357	971.446	22.77	42.43
I	Direct Tax	2842.285	13.255	2829.030	3425.560	38.776	3386.784	557.754	19.72	27.43
1	Corporate Income Tax	1566.940	0.000	1566.940	1817.267	0.000	1817.267	250.327	15.98	14.72
1.1	BFAL	17.237		17.237	1.714		1.714	(15.523)	(90.06)	0.01
1.2	PCAL	98.872		98.872	141.950		141.950	43.078	43.57	1.15
1.3	BOBL	84.040		84.040	71.817		71.817	(12.223)	(14.54)	0.58
1.4	RICBL	38.584		38.584	45.865		45.865	7.281	18.87	0.37
1.5	BNBL	86.297		86.297	108.434		108.434	22.137	25.65	0.88
1.6	NRDC	29.530		29.530	43.148		43.148	13.618	46.12	0.35
1.7	BBPL	15.155		15.155	14.206		14.206	(0.949)	(6.26)	0.12
1.8	BFPL	2.721		2.721	2.888		2.888	0.167	6.14	0.02
1.9	CHPCL	841.040		841.040	866.122		866.122	25.082	2.98	7.02
1.10	FCBL	2.847		2.847	0.719		0.719	(2.128)	(74.75)	0.01
1.11	AWPL	19.050		19.050	20.292		20.292	1.242	6.52	0.16
1.12	STCBL	4.921		4.921	2.177		2.177	(2.744)	(55.76)	0.02
1.13	Bhutan Telecom	117.760		117.760	178.618		178.618	60.858	51.68	1.45
1.14	BCCL	5.734		5.734	9.771		9.771	4.037	70.40	0.08
1.15	BTCL	3.267		3.267	2.170		2.170	(1.097)	(33.58)	0.02
1.16	Yangzom Cement	0.329		0.329	0.036		0.036	(0.293)	(89.06)	0.00
1.17	SD Eastern Bhutan Coal Co.	17.323		17.323	17.639		17.639	0.316	1.82	0.14
1.18	Lhaki Cement	7.080		7.080	0.000		0.000	(7.080)	(100.00)	0.00
1.19	Kuensel Corporation	0.700		0.700	3.369		3.369	2.669	381.29	0.03
1.20	Druk Satair Limited	19.807		19.807	19.262		19.262	(0.545)	(2.75)	0.16
1.21	Bhutan Polymers	3.315		3.315	3.237		3.237	(0.078)	(2.35)	0.03
1.22	Basochu Hydro Power Corporation	43.020		43.020	10.014		10.014	(33.006)	(76.72)	0.08
1.23	Bhutan Polythene Company Ltd	0.139		0.139	2.091		2.091	1.952	1404.32	0.02
1.24	KHPC	0.000		0.000	1.412		1.412	1.412	0.00	0.01
1.25	BPC	0.000		0.000	108.852		108.852	108.852	0.00	0.88
1.26	Jigme Polytex	0.590		0.590	0.931		0.931	0.341	57.80	0.01
1.27	Jigme Mining Company	6.091		6.091	23.972		23.972	17.881	293.56	0.19
1.28	Singye Group of Companies	11.000		11.000	7.700		7.700	(3.300)	(30.00)	0.06
1.29	TDS on CIT	72.995		72.995	49.104		49.104	(23.891)	(32.73)	0.40
1.30	Other corporations	17.496		17.496	59.757		59.757	42.261	241.55	0.48
2	Business Income Tax	368.159	0.503	367.656	467.352	2.409	464.943	97.287	26.46	3.77
2.1	Business income tax	138.792	0.395	138.397	175.247		175.247	36.850	26.63	1.42
2.2	TDS on BIT	224.115	0.108	224.007	278.704	2.409	276.295	52.288	23.34	2.24
2.3	Tourism(withholding tax)	5.252		5.252	13.401		13.401	8.149	155.16	0.11
3	Personal Income Tax	187.171	12.709	174.462	300.189	35.527	264.662	90.200	51.70	2.14
3.1	PIT	187.171	12.709	174.462	300.189	35.527	264.662	90.200	51.70	2.14
4	Other Direct Tax Revenue	720.015	0.043	719.972	840.752	0.840	839.912	119.940	16.66	6.80
4.1	Motor vehicle tax	93.273		93.273	107.954		107.954	14.681	15.74	0.87
4.2	Business & professional licence	45.628		45.628	52.898		52.898	7.270	15.93	0.43
4.3	Foreign travel tax	19.230		19.230	22.556		22.556	3.326	17.30	0.18
4.4	Municipal tax	13.826	0.018	13.808	25.437	0.072	25.365	11.557	83.70	0.21
4.5	Health contribution	49.419		49.419	58.194		58.194	8.775	17.76	0.47

ANNEXURE- I

DETAILS OF NATIONAL REVENUE : FY 2007-2008

(Nu. In million)

Sl. No.	Source of Revenue	2006-2007 Actual Gross	Refund 2006- 2007	2006-2007 Net Revenue	2007-2008 Actual Gross	Refund 2007- 2008	2007-2008 Net Revenue	Net (+) or (-) Nu.	Net (+) or (-) %	% over Total Revenue
(1)	(2)	(3)	(4)	(5) [3-4]	(6)	(7)	(8) [6-7]	(9) [8-5]	(10) [9of 5]	(11)
4.6	Royalties	498.639	0.025	498.614	573.713	0.768	572.945	74.331	14.91	4.64
4.6.1	Forestry products	62.446	0.025	62.421	43.624	0.021	43.603	(18.818)	(30.15)	0.35
4.6.2	Mines & minerals	71.362		71.362	95.238	0.747	94.491	23.129	32.41	0.77
4.6.3	Tourism	364.831		364.831	434.851		434.851	70.020	19.19	3.52
II	Indirect Tax	1487.465	49.584	1437.881	1894.806	43.233	1851.573	413.692	28.77	15.00
5	Sales Tax	809.554	44.010	765.544	873.541	42.554	830.987	65.443	8.55	6.73
5.1	Sales tax on goods & commodities	491.931	39.232	452.699	530.924	38.814	492.110	39.411	8.71	3.99
5.2	Sales tax on petroleum products	61.696	4.778	56.918	65.123	3.740	61.383	4.465	7.84	0.50
5.3	Sales tax on hotels & restaurant	57.443		57.443	80.232		80.232	22.789	39.67	0.65
5.4	Sales tax on cable tv & cinema	10.968		10.968	12.963		12.963	1.995	18.19	0.10
5.5	Sales tax on beer, aerated water & alcoholic drinks	187.516		187.516	184.299		184.299	(3.217)	(1.72)	1.49
6	Excise Duty	519.393	0.000	519.393	877.715	0.000	877.715	358.322	68.99	7.11
6.1	Distillery products	139.991		139.991	152.563		152.563	12.572	8.98	1.24
6.2	Excise duty refund from GOI	379.402		379.402	725.152		725.152	345.750	91.13	5.87
7	Import Duty	150.136	5.446	144.690	130.158	0.679	129.479	(15.211)	(10.51)	1.05
7.1	Goods & commodities	138.64	5.446	133.194	113.755	0.679	113.076	(20.118)	(15.10)	0.92
7.2	Customs service charges	11.496		11.496	16.403		16.403	4.907	42.68	0.13
8	Other Indirect Tax Revenue	8.382	0.128	8.254	13.392	0.000	13.392	5.138	62.25	0.11
8.1	Stamp duty	8.370		8.370	13.288		13.288	4.918	58.76	0.11
8.2	Export tax/fines and penalties	0.012		0.012	0.104		0.104	0.092	766.67	0.00
8.3	Other withdrawals (bank charges)		0.128							
B	Non -Tax Revenue	5817.741	2.492	5815.249	7107.876	0.249	7107.627	1292.378	22.22	57.57
9	Admns. Fees & charges	214.749	0.023	214.726	238.752	0.186	238.566	23.840	11.10	1.93
9.1	Judiciary fees & charges	15.894		15.894	13.952		13.952	(1.942)	(12.22)	0.11
9.2	House rent	67.932		67.932	78.297	0.124	78.173	10.241	15.08	0.63
9.3	Hire charges	13.709		13.709	10.185		10.185	(3.524)	(25.71)	0.08
9.4	Rural life insurance	14.713	0.011	14.702	15.354		15.354	0.652	4.43	0.12
9.5	Motor vehicle fees & charges	18.404		18.404	23.541		23.541	5.137	27.91	0.19
9.6	Depot surcharge on petroleum products	44.836		44.836	43.483		43.483	(1.353)	(3.02)	0.35
9.7	Surcharge on Passenger	4.028		4.028	13.508		13.508	9.480	235.35	0.11
9.8	Other admn. charges & fees	35.233	0.012	35.221	40.432	0.062	40.370	5.149	14.62	0.33
10	Dividend	2125.164	2.000	2123.164	2479.823	0.000	2479.823	356.659	16.80	20.09
10.1	DHL companies	0.000		0.000	2478.014		2478.014	2478.014	0.00	20.07
10.1.1	DGPC	0.000		0.000	1749.473		1749.473	1749.473	0.00	14.17
10.1.1.1	Baso Chu Hydro Power Corporation	71.700		71.700	0.000		0.000	(71.700)	(100.00)	0.00
10.1.1.2	Chukha Hydro Power Corporation	1847.810		1847.810	0.000		0.000	(1847.810)	(100.00)	0.00
10.1.2	BPC	0.000		0.000	96.156		96.156	96.156	0.00	0.78
10.1.3	DHL monthly remittances	0.000		0.000	367.521		367.521	367.521	0.00	2.98
10.1.4	BNB	16.198		16.198	6.479		6.479	(9.719)	(60.00)	0.05
10.1.5	Bhutan Telecom	39.832		39.832	93.723		93.723	53.891	135.30	0.76
10.1.6	NRDC	15.000		15.000	28.847		28.847	13.847	92.31	0.23
10.1.7	BOBL	40.000		40.000	40.000		40.000	0.000	0.00	0.32
10.1.8	BBPL	10.025		10.025	3.342		3.342	(6.683)	(66.66)	0.03
10.1.9	RICBL	3.536	2.000	1.536	4.420		4.420	2.884	187.76	0.04

(Nu. In million)

Sl. No.	Source of Revenue	2006-2007 Actual Gross	Refund 2006- 2007	2006-2007 Net Revenue	2007-2008 Actual Gross	Refund 2007- 2008	2007-2008 Net Revenue	Net (+) or (-) Nu.	Net (+) or (-) %	% over Total Revenue
(1)	(2)	(3)	(4)	(5) [3-4]	(6)	(7)	(8) [6-7]	(9) [8-5]	(10) [9of 5]	(11)
10.1.10	BFAL	5.789		5.789	5.789		5.789	0.000	0.00	0.05
10.1.11	STCBL	0.000		0.000	0.000		0.000	0.000	0.00	0.00
10.1.12	PCAL	72.556		72.556	82.264		82.264	9.708	13.38	0.67
10.1.13	BTCL	0.000		0.000	0.000		0.000	0.000	0.00	0.00
10.2	FCBL	1.500		1.500	0.750		0.750	(0.750)	(50.00)	0.01
10.3	Bhutan Fruit Product Limited	0.020		0.020	0.000		0.000	(0.020)	(100.00)	0.00
10.4	Asian Reinsurance Corporataion	1.198		1.198	1.059		1.059	(0.139)	(11.60)	0.01
11	Revenue from Govt. Depts.	225.700	0.000	225.700	256.905	0.000	256.905	31.205	13.83	2.08
11.1	Division of roads	0.021		0.021	0.242		0.242	0.221	1052.38	0.00
11.2	Public works division	2.218		2.218	1.009		1.009	(1.209)	(54.51)	0.01
11.3	Municipal revenue	15.298		15.298	8.243		8.243	(7.055)	(46.12)	0.07
11.4	Radio spectrum management	2.032		2.032	5.211		5.211	3.179	156.45	0.04
11.5	Contractor development board	1.421		1.421	1.321		1.321	(0.100)	(7.04)	0.01
11.6	Department of civil aviation	0.733		0.733	0.764		0.764	0.031	4.23	0.01
11.7	Animal husbandry	9.455		9.455	9.156		9.156	(0.299)	(3.16)	0.07
11.8	Agriculture	0.686		0.686	1.267		1.267	0.581	84.69	0.01
11.9	Forest	10.073		10.073	8.782		8.782	(1.291)	(12.82)	0.07
11.10	Survey	63.476		63.476	61.802		61.802	(1.674)	(2.64)	0.50
11.11	Industrial plot/shed rent	50.372		50.372	57.136		57.136	6.764	13.43	0.46
11.12	Other division of trade & industry	0.356		0.356	0.762		0.762	0.406	114.04	0.01
11.13	Passport & visa fees	32.671		32.671	26.669		26.669	(6.002)	(18.37)	0.22
11.14	Education	2.530		2.530	2.586		2.586	0.056	2.21	0.02
11.15	Health	5.574		5.574	12.337		12.337	6.763	121.33	0.10
11.16	Registration	28.779		28.779	59.521		59.521	30.742	106.82	0.48
11.17	National environment commission	0.005		0.005	0.097		0.097	0.092	1840.00	0.00
12	Capital Revenue	175.527	0.269	175.258	84.356	0.000	84.356	(90.902)	(51.87)	0.68
12.1	Sale of govt. properties/ assets	96.346	0.269	96.077	28.58		28.580	(67.497)	(70.25)	0.23
12.2	Sale proceeds of agricultural products	2.574		2.574	2.898		2.898	0.324	12.59	0.02
12.3	Coal mine bid value	36.47		36.470	14.017		14.017	(22.453)	(61.57)	0.11
12.4	Gypsum mine bid value	31.577		31.577	31.577		31.577	0.000	0.00	0.26
12.5	Tender document sales	8.560		8.560	7.284		7.284	(1.276)	(14.91)	0.06
13	Transfer of Profits	2678.750	0.000	2678.750	2366.124	0.000	2366.124	(312.626)	(11.67)	19.17
13.1	Department of lottery	141.700		141.700	274.698		274.698	132.998	93.86	2.22
13.2	RMA	737.050		737.050	341.426		341.426	(395.624)	(53.68)	2.77
13.3	Special drawing rights	0.000		0.000	0.000		0.000	0.000	0.00	0.00
13.4	Transfers from others	1800.000		1800.000	1750.000		1750.000	(50.000)	(2.78)	14.17
14	Other Non-Tax Revenue	8.344	0.200	8.144	22.565	0.063	22.502	14.358	176.30	0.18
14.1	Security / earnest money	0.405	0.200	0.205	0.118	0.063	0.055	(0.150)	(73.17)	0.00
14.2	Treaty payment 1949	0.500		0.500	0.003		0.003	(0.497)	(99.40)	0.00
14.3	Audit recovery account	1.570		1.570	10.349		10.349	8.779	559.17	0.08
14.4	Other dues and recoveries	5.869		5.869	12.095		12.095	6.226	106.08	0.10
15	Interest on loan from corp.	389.507		389.507	1659.351		1659.351	1269.844	326.01	13.44
	Total Revenue (A+B)	10147.491	65.331	10082.160	12428.242	82.258	12345.984	2263.824	22.45	100.00

ANNEXURE- II

REVENUE PERFORMANCE BY REGION : FY 2007-2008

Regional Revenue & Customs Office: Paro

(Nu. In million)

SI. No.	SOURCE OF REVENUE	FY 2007-08		FY 2006-07 Actual	Achievement to Target		Collection compared to 2006-07	
		Collection	Target		Nu.	%	Nu.	%
A	Tax Revenue	122.444	107.168	91.530	15.276	14.25	30.914	33.77
I	Direct Tax	74.458	66.121	52.012	8.337	12.61	22.446	43.16
2	Business Income Tax	12.758	11.277	11.295	1.481	13.13	1.463	12.95
2.1	Business income tax	5.373	4.487	4.439	0.886	19.75	0.934	21.04
2.2	TDS on BIT	7.385	6.790	6.856	0.595	8.76	0.529	7.72
3	Personal Income Tax	21.705	18.954	11.856	2.751	14.51	9.849	83.07
3.1	TDS on personal income tax	20.121	18.122	11.513	1.999	11.03	8.608	74.77
3.1.1	Salary tax	18.893	16.854	10.604	2.039	12.10	8.289	78.17
3.1.2	Rental income	0.367	0.387	0.376	(0.020)	(5.17)	(0.009)	(2.39)
3.1.3	Dividend	0.000	0.000	0.000	0.000	0.00	0.000	0.00
3.1.4	Interest	0.493	0.654	0.327	(0.161)	(24.62)	0.166	50.76
3.1.5	Other sources	0.368	0.227	0.206	0.141	62.11	0.162	78.64
3.2	Final personal income tax	1.516	0.794	0.305	0.722	90.93	1.211	397.05
3.3	PIT:fines & penalties	0.068	0.038	0.038	0.030	78.95	0.030	78.95
4	Other Direct Tax Revenue	39.995	35.890	28.861	4.105	11.44	11.134	38.58
4.1	Motor vehicle tax	5.540	4.258	0.000	1.282	30.11	5.540	0.00
4.2	Business & professional licence	0.000	0.000	0.000	0.000	0.00	0.000	0.00
4.3	Municipal tax	0.563	0.641	0.635	(0.078)	(12.17)	(0.072)	(11.34)
4.4	Health contribution	4.095	3.509	3.474	0.586	16.70	0.621	17.88
4.5	Foreign Travel Tax	22.556	21.515	19.230	1.041	4.84	3.326	17.30
4.6	Royalties	7.241	5.967	5.522	1.274	21.35	1.719	31.13
4.6.1	Forest products	7.241	5.967	5.522	1.274	21.35	1.719	31.13
4.6.2	Mines & minerals	0.000	0.000	0.000	0.000	0.00	0.000	0.00
II	Indirect Tax	47.986	41.047	39.518	6.939	16.91	8.468	21.43
5	Sales Tax	35.669	30.119	28.975	5.550	18.43	6.694	23.10
5.1	Sales tax on goods & commodities	3.514	2.855	2.745	0.659	23.08	0.769	28.01
5.2	Sales tax on hotels & restaurant	30.610	25.751	24.761	4.859	18.87	5.849	23.62
5.3	Sales tax on cable tv & cinema	1.545	1.513	1.469	0.032	2.12	0.076	5.17
6	Excise Duty	0.003	0.000	0.000	0.003	0.00	0.003	0.00
6.1	Distillery products	0.003	0.000	0.000	0.003	0.00	0.003	0.00
7	Import Duty	12.314	10.928	10.543	1.386	12.68	1.771	16.80
7.1	Drinks & food stuff	2.416	1.756	1.463	0.660	37.59	0.953	65.14
7.2	Fines & penalties	0.001	0.020	0.019	(0.019)	(95.00)	(0.018)	(94.74)
7.3	Goods & commodities	9.897	9.152	9.061	0.745	8.14	0.836	9.23
8	Other Indirect Tax Revenue	0.000	0.000	0.000	0.000	0.00	0.000	0.00
8.1	Sale of revenue stamps	0.000	0.000	0.000	0.000	0.00	0.000	0.00
B	Non Tax Revenue	29.259	25.824	19.287	3.435	13.30	9.972	51.70
9	Adm. Fees & Charges	22.040	19.329	11.302	2.711	14.03	10.738	95.01
9.1	Judiciary fees & charges	1.330	1.508	1.493	(0.178)	(11.80)	(0.163)	(10.92)
9.2	House rent	3.226	3.185	3.154	0.041	1.29	0.072	2.28
9.3	Hire charges	0.031	0.061	0.060	(0.030)	(49.18)	(0.029)	(48.33)
9.4	Motor vehicle fees & charges	1.160	0.745	0.000	0.415	55.70	1.160	0.00
9.5	Rural life insurance	0.927	0.310	0.780	0.617	199.03	0.147	18.85
9.6	Surcharge on passenger	13.508	11.116	4.028	2.392	21.52	9.480	235.35
9.7	Other admn. charges & fees	1.858	2.404	1.787	(0.546)	(22.71)	0.071	3.97

ANNEXURE- II

REVENUE PERFORMANCE BY REGION : FY 2007-2008

(Nu. In million)

SI. No.	SOURCE OF REVENUE	FY 2007-08		FY 2006-07 Actual	Achievement to Target		Collection compared to 2006-07	
		Collection	Target		Nu.	%	Nu.	%
10	Capital Revenue	1.598	1.621	1.558	(0.023)	(1.42)	0.040	2.57
10.1	Sale of govt. properties/ assets	0.000	0.079	0.078	(0.079)	(100.00)	(0.078)	(100.00)
10.2	Sale of agricultural products	1.310	1.248	1.189	0.062	4.97	0.121	10.18
10.3	Tender document sales	0.288	0.294	0.291	(0.006)	(2.04)	(0.003)	(1.03)
11	Revenue From Govt. Dept.	5.208	4.874	6.393	0.334	6.85	(1.185)	(18.54)
11.1	Municipal revenue	0.032	0.075	0.071	(0.043)	(57.33)	(0.039)	(54.93)
11.2	Department of civil aviation	0.764	0.784	0.733	(0.020)	(2.55)	0.031	4.23
11.3	Animal husbandry	0.099	0.104	0.250	(0.005)	(4.81)	(0.151)	(60.40)
11.4	Agriculture	0.055	0.042	0.298	0.013	30.95	(0.243)	(81.54)
11.5	Forest	1.153	0.637	1.962	0.516	81.00	(0.809)	(41.23)
11.6	Survey	0.012	0.007	0.000	0.005	71.43	0.012	0.00
11.7	Passport & visa fees	2.471	2.637	2.511	(0.166)	(6.30)	(0.040)	(1.59)
11.8	Education	0.077	0.113	0.112	(0.036)	(31.86)	(0.035)	(31.25)
11.9	Health	0.130	0.091	0.090	0.039	42.86	0.040	44.44
11.10	Registration	0.415	0.384	0.366	0.031	8.07	0.049	13.39
12	Other Non Tax Revenue	0.413	0.000	0.034	0.413	0.00	0.379	1114.71
12.1	Other dues and recoveries	0.404	0.000	0.000	0.404	0.00	0.404	0.00
12.2	Security/earnest money	0.009	0.000	0.034	0.009	0.00	(0.025)	(73.53)
Total Revenue (A+ B)		151.703	132.992	110.817	18.711	14.07	40.886	36.90

ANNEXURE- II

REVENUE PERFORMANCE BY REGION : FY 2007-2008

Regional Revenue & Customs Office: Phuentsholing

(Nu. In million)

SI. No.	SOURCE OF REVENUE	FY 2007-08		FY 2006-07	Achievement to Target		Collection compared to 2006-07	
		Collection	Target	Actual	Nu.	%	Nu.	%
A	TAX REVENUE	2253.069	2161.211	2181.067	91.858	4.25	72.002	3.30
I	Direct Tax	1409.415	1362.359	1347.177	47.056	3.45	62.238	4.62
1	Corporate Tax	1077.520	1055.278	1082.100	22.242	2.11	(4.580)	(0.42)
1.1	BBPL	14.206	15.000	15.155	(0.794)	(5.29)	(0.949)	(6.26)
1.2	BFAL	1.714	0.558	17.237	1.156	207.17	(15.523)	(90.06)
1.3	BOBL	71.817	75.000	84.040	(3.183)	(4.24)	(12.223)	(14.54)
1.4	RICBL	45.865	42.000	38.584	3.865	9.20	7.281	18.87
1.5	CHPCL	866.122	865.588	841.040	0.534	0.06	25.082	2.98
1.6	FCBL	0.719	0.600	2.847	0.119	19.83	(2.128)	(74.75)
1.7	BCCL	9.771	9.000	5.734	0.771	8.57	4.037	70.40
1.8	AWPL	3.365	1.284	2.742	2.081	162.07	0.623	22.72
1.9	STCBL	2.177	3.080	4.921	(0.903)	(29.32)	(2.744)	(55.76)
1.10	Bhutan Polythene Company Ltd	2.091	0.000	0.000	2.091	0.00	2.091	0.00
1.11	TDS on CIT	31.666	28.168	57.103	3.498	12.42	(25.437)	(44.55)
1.12	Other corporations/fines	28.007	15.000	12.697	13.007	86.71	15.310	120.58
2	Business Income Tax	142.661	137.874	116.047	4.787	3.47	26.614	22.93
2.1	Business income tax	61.992	58.198	53.887	3.794	6.52	8.105	15.04
2.2	TDS on BIT	80.669	79.676	62.160	0.993	1.25	18.509	29.78
3	Personal Income Tax	77.386	62.399	51.349	14.987	24.02	26.037	50.71
3.1	TDS on personal income tax	61.443	60.960	43.632	0.483	0.79	17.811	40.82
3.1.1	Salary tax	43.001	43.247	26.372	(0.246)	(0.57)	16.629	63.06
3.1.2	Rental income	5.248	6.034	5.056	(0.786)	(13.03)	0.192	3.80
3.1.3	Interest	4.467	5.793	4.547	(1.326)	(22.89)	(0.080)	(1.76)
3.1.4	Dividend	7.534	4.800	6.435	2.734	56.96	1.099	17.08
3.1.5	Other sources	1.193	1.086	1.222	0.107	9.85	(0.029)	(2.37)
3.2	Final personal income tax	15.745	1.200	7.542	14.545	1212.08	8.203	108.76
3.3	PIT:fines & penalties	0.198	0.239	0.175	(0.041)	(17.15)	0.023	13.14
4	Other Direct Tax Revenue	111.848	106.808	97.681	5.040	4.72	14.167	14.50
4.1	Motor vehicle tax	27.977	32.916	27.278	(4.939)	(15.00)	0.699	2.56
4.2	Business & professional licence	11.983	12.872	8.077	(0.889)	(6.91)	3.906	48.36
4.3	Municipal tax	1.001	1.357	6.023	(0.356)	(26.23)	(5.022)	(83.38)
4.4	Health contribution	11.068	11.105	10.058	(0.037)	(0.33)	1.010	10.04
4.5	Royalties	59.819	48.558	46.245	11.261	23.19	13.574	29.35
4.5.1	Forest products	1.520	1.758	1.533	(0.238)	(13.54)	(0.013)	(0.85)
4.5.2	Mines & minerals	58.299	46.800	44.712	11.499	24.57	13.587	30.39
II	Indirect Tax	843.654	798.852	833.890	44.802	5.61	9.764	1.17
5	Sales Tax	668.329	662.850	643.987	5.479	0.83	24.342	3.78
5.1	Sales tax on goods & commodities	455.975	452.494	430.947	3.481	0.77	25.028	5.81
5.2	Sales tax on petroleum products	26.602	27.193	24.967	(0.591)	(2.17)	1.635	6.55
5.3	Sales tax on hotels & restaurant	6.150	5.965	5.019	0.185	3.10	1.131	22.53
5.4	Sales tax on beer, aerated water & alcoholic drinks	175.803	174.093	180.234	1.710	0.98	(4.431)	(2.46)
5.5	Sales tax on cable tv & cinema	3.799	3.105	2.820	0.694	22.35	0.979	34.72
6	Excise Duty	59.240	57.486	51.920	1.754	3.05	7.320	14.10
6.1	Distillery products	59.240	57.486	51.920	1.754	3.05	7.320	14.10
7	Import Duty	116.002	78.416	137.971	37.586	47.93	(21.969)	(15.92)
7.1	Goods & commodities	99.461	78.416	126.480	21.045	26.84	(27.019)	(21.36)

ANNEXURE- II

REVENUE PERFORMANCE BY REGION : FY 2007-2008

(Nu. In million)

Sl. No.	SOURCE OF REVENUE	FY 2007-08		FY 2006-07	Achievement to Target		Collection compared to 2006-07	
		Collection	Target	Actual	Nu.	%	Nu.	%
7.2	Fines & penalties	0.138	0.000	0.000	0.138	0.00	0.138	0.00
7.3	Customs service charges	16.403	0.000	11.491	16.403	0.00	4.912	42.75
8	Other Indirect Tax Revenue	0.083	0.100	0.012	0.000	0.00	0.000	0.00
8.1	Export tax/ fines and penalties	0.083	0.100	0.012	(0.017)	(17.00)	0.071	591.67
B	Non-Tax Revenue	2170.639	2155.221	3988.329	15.418	0.72	(1,817.690)	(45.58)
9	Admn. Fees & Charges	65.087	72.126	62.959	(7.039)	(9.76)	2.128	3.38
9.1	Judiciary fees & charges	1.112	0.995	0.961	0.117	11.76	0.151	15.71
9.2	House rent	10.684	10.617	9.072	0.067	0.63	1.612	17.77
9.3	Hire charges	0.159	0.000	0.148	0.159	0.00	0.011	7.43
9.4	Motor vehicle fees & charges	5.777	5.842	6.021	(0.065)	(1.11)	(0.244)	(4.05)
9.5	Deport surcharge on petroleum products	24.384	29.42	25.997	(5.036)	(17.12)	(1.613)	(6.20)
9.6	Rural life insurance	0.884	0.837	0.990	0.047	5.62	(0.106)	(10.71)
9.7	Other admn. charges & fees	22.087	24.415	19.770	(2.328)	(9.54)	2.317	11.72
10	Capital Revenue	1.003	1.462	0.846	(0.459)	(31.40)	0.157	18.56
10.1	Sale of govt. properties/ assets	0.446	1.186	0.091	(0.740)	(62.39)	0.355	390.11
10.2	Tender document sales	0.528	0.276	0.672	0.252	91.30	(0.144)	(21.43)
10.3	Sale of agricultural products	0.029	0.000	0.083	0.029	0.00	(0.054)	(65.06)
11	Revenue from Govt. Depts. Agency	79.030	49.639	73.243	29.391	59.21	5.787	7.90
11.1	Municipal revenue	0.279	0.532	7.925	(0.253)	(47.56)	(7.646)	(96.48)
11.2	Animal husbandry	0.289	0.320	0.054	(0.031)	(9.69)	0.235	435.19
11.3	Agriculture	0.012	0.000	0.035	0.012	0.00	(0.023)	(65.71)
11.4	Forest	3.283	2.693	3.906	0.590	21.91	(0.623)	(15.95)
11.5	Survey	0.000	0.000	0.000	0.000	0.00	0.000	0.00
11.6	Industrial plot/shed rent	53.952	31.044	47.495	22.908	73.79	6.457	13.60
11.7	Other division of trade & industry	0.009	0.000	0.003	0.009	0.00	0.006	200.00
11.8	Visa fees	0.166	0.175	0.219	(0.009)	(5.14)	(0.053)	(24.20)
11.9	Education	0.165	0.044	0.174	0.121	275.00	(0.009)	(5.17)
11.10	Health	5.214	5.138	0.972	0.076	1.48	4.242	436.42
11.11	Registration	15.661	9.693	12.460	5.968	61.57	3.201	25.69
12	Dividends	0.750	1.500	1908.660	(0.750)	(50.00)	(1,907.910)	(99.96)
12.1	FCBL	0.750	1.500	1.500	(0.750)	(50.00)	(0.750)	(50.00)
12.2	CHPCL			1847.810				
12.3	BOBL			40.000				
12.4	BBPL			10.025				
12.5	RICBL			3.536				
12.6	BFAL			5.789				
12.7	STCBL			0.000				
13	Transfer of profits	2024.698	2030.000	1941.700	(5.302)	(0.26)	82.998	4.27
13.1	Department of lottery	274.698	280.000	141.700	(5.302)	(1.89)	132.998	93.86
13.2	Transfer of fund (THPA)	1750.000	1750.000	1800.000	0.000	0.00	(50.000)	(2.78)
14	Other Non Tax Revenue	0.071	0.494	0.921	(0.423)	(85.63)	(0.850)	(92.29)
14.1	Audit recovery account	0.018	0.000	0.000	0.018	0.00	0.018	0.00
14.2	Security / earnest money	0.050	0.479	0.173	(0.429)	(89.56)	(0.123)	(71.10)
14.3	Other dues and recoveries	0.003	0.015	0.748	(0.012)	(80.00)	(0.745)	(99.60)
	Total Revenue (A+ B)	4423.708	4316.432	6169.396	107.276	2.49	(1,745.688)	(28.30)

ANNEXURE- II

REVENUE PERFORMANCE BY REGION : FY 2007-2008

Regional Revenue & Customs Office: Thimphu

(Nu. In million)

SI. No.	SOURCE OF REVENUE	FY 2007-08		FY 2006-07	Achievement to		Collection compared	
		Collection	Target	Actual	Target	%	Nu.	%
A	Tax Revenue	2218.080	1957.919	1484.157	260.161	13.29	733.923	49.45
I	Direct Tax	1399.711	1188.229	1038.880	211.482	17.80	360.831	34.73
1	Corporate Income Tax	468.222	386.546	296.811	81.676	21.13	171.411	57.75
1.1	NRDC	43.148	29.530	29.530	13.618	46.12	13.618	46.12
1.2	AWP	2.096	1.488	0.926	0.608	40.86	1.170	126.35
1.3	BTCL	2.170	5.421	3.267	(3.251)	(59.97)	(1.097)	(33.58)
1.4	Bhutan Telecom	178.618	97.900	117.760	80.718	82.45	60.858	51.68
1.5	Bhutan National Bank	108.434	88.000	86.297	20.434	23.22	22.137	25.65
1.6	Kuensel Corporation	3.369	4.147	0.700	(0.778)	(18.76)	2.669	381.29
1.7	Basochhu HydroPower Corp.	10.014	17.307	43.020	(7.293)	(42.14)	(33.006)	(76.72)
1.8	Singye Group of Companies	7.700	0.000	0.000	7.700	0.00	7.700	0.00
1.9	BPC	108.852	136.945	0.000	(28.093)	(20.51)	108.852	0.00
1.10	TDS on CIT	0.079	0.000	0.000	0.079	0.00	0.079	0.00
1.11	Other Corporations	3.742	5.808	15.311	(2.066)	(35.57)	(11.569)	(75.56)
2	Business Income Tax	213.082	176.055	170.170	37.027	21.03	42.912	25.22
2.1	Business income tax	53.197	51.630	47.013	1.567	3.04	6.184	13.15
2.2	TDS on BIT	146.484	116.063	117.905	30.421	26.21	28.579	24.24
2.3	Withholding tax(Tourism)	13.401	8.362	5.252	5.039	60.26	8.149	155.16
3	Personal Income Tax	137.260	103.634	84.522	33.626	32.45	52.738	62.40
3.1	TDS on PIT	104.894	88.746	67.163	16.148	18.20	37.731	56.18
3.1.1	Salary	90.379	74.940	51.853	15.439	20.60	38.526	74.30
3.1.2	Real Property	6.663	5.490	6.200	1.173	21.37	0.463	7.47
3.1.3	Interest	5.202	8.316	3.984	(3.114)	(37.45)	1.218	30.57
3.1.4	Dividend	1.785	0.000	5.124	1.785	0.00	(3.339)	(65.16)
3.1.5	Other sources	0.865	0.000	0.002	0.865	0.00	0.863	43150.00
3.2	Final personal income tax	31.955	14.738	17.030	17.217	116.82	14.925	87.64
3.3	PIT:fines & penalties	0.411	0.150	0.329	0.261	174.00	0.082	24.92
4	Other Direct Tax Revenue	581.147	521.994	487.377	59.153	11.33	93.770	19.24
4.1	Motor vehicle tax	51.271	52.099	46.916	(0.828)	(1.59)	4.355	9.28
4.2	Business & professional licence	28.971	21.190	29.477	7.781	36.72	(0.506)	(1.72)
4.3	Municipal tax	17.219	0.231	0.328	16.988	7354.11	16.891	5149.70
4.4	Health contribution	25.680	24.047	21.498	1.633	6.79	4.182	19.45
4.5	Royalties	458.006	424.427	389.158	33.579	7.91	68.848	17.69
4.5.1	Forest products	16.070	24.027	22.883	(7.957)	(33.12)	(6.813)	(29.77)
4.5.2	Mines & minerals	7.085	0.000	1.444	7.085	0.00	5.641	390.65
4.5.3	Tourism	434.851	400.400	364.831	34.451	8.60	70.020	19.19
II	Indirect Tax	818.369	769.690	445.277	48.679	6.32	373.092	83.79
5	Sales Tax	46.919	34.076	32.453	12.843	37.69	14.466	44.58
5.1	Sales tax on goods & commodities	1.613	2.708	2.579	(1.095)	(40.44)	(0.966)	(37.46)
5.2	Sales tax on beer, aerated water & alcoholic drinks	2.353	2.189	3.217	0.164	7.49	(0.864)	(26.86)
5.3	Sales tax on hotels & restaurant	39.499	25.801	2.085	13.698	53.09	37.414	1794.44
5.4	Sales tax on cable tv & cinema	3.454	3.378	24.572	0.076	2.25	(21.118)	(85.94)
6	Excise Duty	756.578	726.000	402.966	30.578	4.21	353.612	87.75
6.1	Distillery products	31.426	13.500	23.564	17.926	132.79	7.862	33.36
6.2	Excise Duty Refund (GOI)	725.152	712.500	379.402	12.652	1.78	345.750	91.13

(Nu. In million)

Sl. No.	SOURCE OF REVENUE	FY 2007-08		FY 2006-07	Achievement to		Collection compared	
		Collection	Target	Actual	Target		to 2006-07	
					Nu.	%	Nu.	%
7	Import Duty	1.584	0.860	1.488	0.724	84.19	0.096	6.45
7.1	Goods & commodities	1.584	0.860	0.992	0.724	84.19	0.592	59.68
7.2	Drinks & food stuff	0.000	0.000	0.491	0.000	0.00	(0.491)	(100.00)
7.3	Customs service charges	0.000	0.000	0.005	0.000	0.00	(0.005)	(100.00)
8	Other Indirect Tax Revenue	13.288	8.754	8.370	4.534	51.79	4.918	58.76
8.1	Sale of revenue stamps	13.288	8.754	8.370	4.534	51.79	4.918	58.76
B	Non Tax Revenue	4719.005	4390.494	1545.240	328.511	7.48	3,173.765	205.39
9	Adm. Fees & Charges	75.395	80.615	72.055	(5.220)	(6.48)	3.340	4.64
9.1	Judiciary fees & charges	7.022	12.877	11.126	(5.855)	(45.47)	(4.104)	(36.89)
9.2	House rent	39.922	42.160	38.360	(2.238)	(5.31)	1.562	4.07
9.3	Hire charges	4.623	7.718	4.455	(3.095)	(40.10)	0.168	3.77
9.4	Motor vehicle fees & charges	10.518	8.533	9.471	1.985	23.26	1.047	11.05
9.5	Rural life insurance	2.308	2.095	1.443	0.213	10.17	0.865	59.94
9.6	Deport surcharge on petroleum products	0.949	0.000	0.000	0.949	0.00	0.949	0.00
9.7	Other admn. charges & fees	10.053	7.232	7.200	2.821	39.01	2.853	39.63
10	Capital Revenue	29.467	27.377	99.124	2.090	7.63	(69.657)	(70.27)
10.1	Sale of govt. properties/ assets	25.813	25.500	94.866	0.313	1.23	(69.053)	(72.79)
10.2	Sale of agricultural products	0.000	0.051	0.047	(0.051)	(100.00)	(0.047)	(100.00)
10.3	Tender document sales	3.654	1.826	4.211	1.828	100.11	(0.557)	(13.23)
10.4	Coal mine sale proceeds	0.000	0.000	0.000	0.000	0.00	0.000	0.00
10.5	Dolomite mine sale proceeds	0.000	0.000	0.000	0.000	0.00	0.000	0.00
11	Revenue From Govt. Dept.	114.215	60.948	100.048	53.267	87.40	14.167	14.16
11.1	Division of roads	0.242	0.243	0.021	(0.001)	(0.41)	0.221	1052.38
11.2	PWD mechanical cell	1.009	0.832	2.218	0.177	21.27	(1.209)	(54.51)
11.3	Municipal revenue	0.496	0.092	0.363	0.404	439.13	0.133	36.64
11.4	Radio spectrum management	5.211	2.391	2.032	2.820	117.94	3.179	156.45
11.5	Contractor development board	1.321	2.333	1.421	(1.012)	(43.38)	(0.100)	(7.04)
11.6	Animal husbandry	2.546	2.402	2.997	0.144	6.00	(0.451)	(15.05)
11.7	Agriculture	0.563	0.774	0.328	(0.211)	(27.26)	0.235	71.65
11.8	Forest	1.366	0.832	0.708	0.534	64.18	0.658	92.94
11.9	Survey	52.343	14.807	47.887	37.536	253.50	4.456	9.31
11.10	Industrial plot/shed rent	1.619	4.330	1.984	(2.711)	(62.61)	(0.365)	(18.40)
11.11	Other division of trade & industry	0.263	3.569	0.353	(3.306)	(92.63)	(0.090)	(25.50)
11.12	Passport & visa fees	24.032	20.119	29.941	3.913	19.45	(5.909)	(19.74)
11.13	Education	1.135	0.889	0.846	0.246	27.67	0.289	34.16
11.14	Health	4.079	3.477	2.207	0.602	17.31	1.872	84.82
11.15	Registration	17.893	3.396	6.737	14.497	426.88	11.156	165.59
11.16	Fines on violation of NEC	0.097	0.462	0.005	(0.365)	(79.00)	0.092	1840.00
12	Dividends	2479.073	2113.247	143.928	365.826	17.31	2,335.145	1622.44
12.1	DHL companies	2478.014	2111.946	142.730	366.068	17.33	2,335.284	1636.15
12.1.1	DGPC	1749.473	1819.971	0.000	(70.498)	(3.87)	1,749.473	0.00
12.1.1.1	BHPCL	0.000	0.000	71.700	0.000	0.00	(71.700)	(100.00)
12.1.1.2	CHPCL	0.000	0.000	0.000	0.000	0.00	0.000	0.00
12.1.2	BPC	96.156	80.940	0.000	15.216	18.80	96.156	0.00
12.1.3	DHL monthly remittances	367.521	0.000	0.000	367.521	0.00	367.521	0.00

ANNEXURE- II

REVENUE PERFORMANCE BY REGION : FY 2007-2008

(Nu. In million)

SI. No.	SOURCE OF REVENUE	FY 2007-08		FY 2006-07	Achievement to Target		Collection compared to 2006-07	
		Collection	Target	Actual	Nu.	%	Nu.	%
12.1.4	BNB	6.479	16.198	16.198	(9.719)	(60.00)	(9.719)	(60.00)
12.1.5	Bhutan Telecom	93.723	41.824	39.832	51.899	124.09	53.891	135.30
12.1.6	NRDC	28.847	15.750	15.000	13.097	83.16	13.847	92.31
12.1.7	BOBL	40.000	42.200	0.000	(2.200)	(5.21)	40.000	0.00
12.1.8	BBPL	3.342	10.025	0.000	(6.683)	(66.66)	3.342	0.00
12.1.9	RICBL	4.420	1.613	0.000	2.807	174.02	4.420	0.00
12.1.10	BFAL	5.789	5.789	0.000	0.000	0.00	5.789	0.00
12.1.11	STCBL	0.000	1.452	0.000	(1.452)	(100.00)	0.000	0.00
12.1.12	PCAL	82.264	76.184	0.000	6.080	7.98	82.264	0.00
12.1.13	BTCL	0.000	0.000	0.000	0.000	0.00	0.000	0.00
12.2	Asian Reinsurance Corporation	1.059	1.301	1.198	(0.242)	(18.60)	(0.139)	(11.60)
13	Transfer Of Profit	341.426	433.190	737.050	(91.764)	(21.18)	(395.624)	(53.68)
13.1	RMA	341.426	432.740	737.050	(91.314)	(21.10)	(395.624)	(53.68)
13.2	Special drawing rights	0.000	0.450	0.000	(0.450)	(100.00)	0.000	0.00
13.3	Transfer from Others	0.000	0.000	0.000	0.000	0.00	0.000	0.00
14	Other Non Tax Revenue	20.078	3.745	3.528	16.333	436.13	16.550	469.10
14.1	Other dues and recoveries	9.744	3.245	1.300	6.499	200.28	8.444	649.54
14.2	Security / earnest money	0.000	0.000	0.158	0.000	0.00	(0.158)	(100.00)
14.3	Audit recovery account	10.331	0.000	1.570	10.331	0.00	8.761	558.03
14.4	Treaty payment 1949.	0.003	0.500	0.500	(0.497)	(99.40)	(0.497)	(99.40)
15	Interest on loan from corp.	1659.351	1671.372	389.507	(12.021)	(0.72)	1,269.844	326.01
15.1	GOI Loan	1500.863	1500.853	207.176	0.010	0.00	1,293.687	624.44
15.1.1	CHPC	3.306	3.268	5.481	0.038	1.16	(2.175)	(39.68)
15.1.2	KHPC	201.694	201.722	201.695	(0.028)	(0.01)	(0.001)	(0.00)
15.1.3	THPA	1295.863	1295.863	0.000	0.000	0.00	1,295.863	0.00
15.2	On-lending Loan	158.488	170.519	182.331	(12.031)	(7.06)	(23.843)	(13.08)
Total Revenue (A+ B)		6937.085	6348.413	3029.397	588.672	9.27	3,907.688	128.99

ANNEXURE- II

REVENUE PERFORMANCE BY REGION : FY 2007-2008

Regional Revenue & Customs Office: Samtse

(Nu. In million)

Sl. No.	SOURCE OF REVENUE	FY 2007-08		FY 2006-07	Achievement to		Collection compared	
		Collection	Target	Actual	Target	Nu.	%	Nu.
A	TAX REVENUE	375.223	283.241	264.515	91.982	32.47	110.708	41.85
I	DIRECT TAX	283.259	204.088	180.507	79.171	38.79	102.752	56.92
1	Corporate Income Tax	224.184	159.897	144.062	64.287	40.21	80.122	55.62
1.1	Penden Cement Authority Ltd.	141.950	110.000	98.872	31.950	29.05	43.078	43.57
1.2	Bhutan Fruits Products Ltd.	2.888	3.000	2.721	(0.112)	(3.73)	0.167	6.14
1.3	Army Welfare Project	5.868	5.000	8.545	0.868	17.36	(2.677)	(31.33)
1.4	Yangzom Cement Industry	0.036	0.349	0.329	(0.313)	(89.68)	(0.293)	(89.06)
1.5	Lhaki Cement Pvt. Ltd.	0.000	0.000	7.080	0.000	0.00	(7.080)	(100.00)
1.6	Bhutan Polymer Co. Ltd.	3.237	4.000	3.315	(0.763)	(19.08)	(0.078)	(2.35)
1.7	Jigme Polytex	0.931	0.000	0.000	0.931	0.00	0.931	0.00
1.8	Jigme Mining Company	23.972	0.000	0.000	23.972	0.00	23.972	0.00
1.9	TDS on CIT	17.329	11.048	15.892	6.281	56.85	1.437	9.04
1.10	Other Corporations/Fines	27.973	26.500	7.308	1.473	5.56	20.665	282.77
2	Business Income Tax	30.640	23.258	12.220	7.382	31.74	18.420	150.74
2.1	Business income tax	25.355	16.258	7.248	9.097	55.95	18.107	249.82
2.2	TDS on BIT	5.285	7.000	4.972	(1.715)	(24.50)	0.313	6.30
3	Personal Income Tax	20.583	12.948	13.062	7.635	58.97	7.521	57.58
3.1	TDS on personal income tax	19.554	12.266	12.380	7.288	59.42	7.174	57.95
3.1.1	Salary tax	11.205	6.007	6.007	5.198	86.53	5.198	86.53
3.1.2	Rental income	0.246	0.209	0.210	0.037	17.70	0.036	17.14
3.1.3	Interest	0.638	1.000	1.223	(0.362)	(36.20)	(0.585)	(47.83)
3.1.4	Dividend	7.406	0.050	4.940	7.356	14712.00	2.466	49.92
3.1.5	Other sources of income	0.059	5.000	0.000	(4.941)	(98.82)	0.059	0.00
3.2	Final personal income tax	1.019	0.525	0.525	0.494	94.10	0.494	94.10
3.3	PIT:fines & penalties	0.010	0.157	0.157	(0.147)	(93.63)	(0.147)	(93.63)
4	Other Direct Tax Revenue	7.852	7.985	11.163	(0.133)	(1.67)	(3.311)	(29.66)
4.1	Municipal tax	1.014	1.354	1.354	(0.340)	(25.11)	(0.340)	(25.11)
4.2	Heath contribution	2.536	2.476	2.476	0.060	2.42	0.060	2.42
4.3	Motor vehicle tax	1.144	0.250	0.000	0.894	357.60	1.144	0.00
4.4	Royalties	3.158	3.905	7.333	(0.747)	(19.13)	(4.175)	(56.93)
4.4.1	Forest products	3.154	3.905	7.333	(0.751)	(19.23)	(4.179)	(56.99)
4.4.2	Mines & minerals	0.004	0.000	0.000	0.004	0.00	0.004	0.00
II	INDIRECT TAX	91.964	79.153	84.008	12.811	16.19	7.956	9.47
5	Sales Tax	58.715	48.522	49.964	10.193	21.01	8.751	17.51
5.1	Sales tax on goods & commodities	40.853	37.614	36.630	3.239	8.61	4.223	11.53
5.2	Sales tax on petroleum products	11.137	7.148	7.984	3.989	55.81	3.153	39.49
5.3	Sales tax on beer, aerated water & alcoholic drinks	5.919	3.000	4.591	2.919	97.30	1.328	28.93
5.4	Sales tax on hotels & restaurant	0.022	0.000	0.000	0.022	0.00	0.022	0.00
5.5	Sales tax on cable tv & cinema	0.784	0.760	0.759	0.024	3.16	0.025	3.29
6	Excise Duty	32.970	30.531	33.910	2.439	7.99	(0.940)	(2.77)
6.1	Distillery products	32.970	30.531	33.910	2.439	7.99	(0.940)	(2.77)

ANNEXURE- II

REVENUE PERFORMANCE BY REGION : FY 2007-2008

(Nu. In million)

SI. No.	SOURCE OF REVENUE	FY 2007-08		FY 2006-07	Achievement to		Collection compared	
		Collection	Target	Actual	Target		to 2006-07	
					Nu.	%	Nu.	%
7	Import Duty	0.258	0.100	0.134	0.158	158.00	0.124	92.54
7.1	Goods & commodities	0.258	0.100	0.134	0.158	158.00	0.124	92.54
8	Other Indirect Tax Revenue	0.021	0.000	0.000	0.021	0.00	0.021	0.00
8.1	Export tax/finances and penalties	0.021	0.000	0.000	0.021	0.00	0.021	0.00
B	NON- TAX REVENUE	21.727	18.723	89.959	3.004	16.04	(68.232)	(75.85)
9	Adm. Fees & Charges	12.015	11.540	11.118	0.475	4.12	0.897	8.07
9.1	Judiciary fees & charges	0.468	0.301	0.301	0.167	55.48	0.167	55.48
9.2	House rent	3.246	2.766	2.765	0.480	17.35	0.481	17.40
9.3	Hire charges	0.027	0.001	0.001	0.026	2600.00	0.026	2600.00
9.4	Motor vehicle fees & charges	0.747	0.420	0.000	0.327	77.86	0.747	0.00
9.5	Deport surcharge on petroleum products	5.170	5.654	5.654	(0.484)	(8.56)	(0.484)	(8.56)
9.6	Rural life insurance	1.358	1.362	1.362	(0.004)	(0.29)	(0.004)	(0.29)
9.7	Other admn. charges & fees	0.999	1.036	1.035	(0.037)	(3.57)	(0.036)	(3.48)
10	Capital Revenue	1.122	1.294	0.391	(0.172)	(13.29)	0.731	186.96
10.1	Sale of govt. properties/ assets	0.919	0.904	0.051	0.015	1.66	0.868	1701.96
10.2	Tender document sales	0.199	0.340	0.340	(0.141)	(41.47)	(0.141)	(41.47)
10.3	Sale of agricultural products	0.004	0.050	0.000	(0.046)	(92.00)	0.004	0.00
11	Rev. from Govt. Deptts	8.519	5.842	5.841	2.677	45.82	2.678	45.85
11.1	Municipal revenue	0.187	0.342	0.342	(0.155)	(45.32)	(0.155)	(45.32)
11.2	Animal husbandry	2.141	2.349	2.349	(0.208)	(8.85)	(0.208)	(8.85)
11.3	Agriculture	0.002	0.000	0.000	0.002	0.00	0.002	0.00
11.4	Forest	0.975	1.091	1.092	(0.116)	(10.63)	(0.117)	(10.71)
11.5	Education	0.173	0.381	0.381	(0.208)	(54.59)	(0.208)	(54.59)
11.6	Health	0.122	0.046	0.046	0.076	165.22	0.076	165.22
11.7	Registration	4.915	1.631	1.631	3.284	201.35	3.284	201.35
11.8	Survey	0.004	0.002	0.000	0.002	100.00	0.004	0.00
12	Dividend	0.000	0.000	72.576	0.000	0.00	(72.576)	(100.00)
12.1	Bhutan Fruits Products Ltd.	0.000	0.000	0.020	0.000	0.00	(0.020)	(100.00)
12.2	PCAL			72.556				
13	Other Non- Tax Revenue	0.071	0.047	0.033	0.024	51.06	0.038	115.15
13.1	Security / earnest money	0.035	0.022	0.022	0.013	59.09	0.013	59.09
13.2	Other dues and recoveries	0.036	0.025	0.011	0.011	44.00	0.025	227.27
	Total Revenue (A+ B)	396.950	301.964	354.474	94.986	31.46	42.476	11.98

ANNEXURE- II

REVENUE PERFORMANCE BY REGION : FY 2007-2008

Regional Revenue & Customs Office: Samdrup Jongkhar

(Nu. In million)

Sl. No.	SOURCE OF REVENUE	FY 2007-08		FY 2006-07	Achievement to		Collection compared	
		Collection	Target	Actual	Target	%	Nu.	%
A	TAX REVENUE	158.998	165.343	170.115	(6.345)	(3.84)	(11.117)	(6.53)
I	Direct Tax	116.051	115.165	122.760	0.886	0.77	(6.709)	(5.47)
1	Corporat IncomeTax	38.059	34.712	37.470	3.347	9.64	0.589	1.57
1.1	AWP	1.093	0.177	0.340	0.916	517.51	0.753	221.47
1.2	DSCL	19.262	16.500	19.807	2.762	16.74	(0.545)	(2.75)
1.3	SD EBCCL	17.639	18.000	17.323	(0.361)	(2.01)	0.316	1.82
1.4	TDS on CIT	0.030	0.000	0.000	0.030	0.00	0.030	0.00
1.5	Other Corp./fines/penalties	0.035	0.035	0.000	0.000	0.00	0.035	0.00
2	Business IncomeTax	21.271	18.189	25.238	3.082	16.94	(3.967)	(15.72)
2.1	Business income tax	14.122	13.536	12.305	0.586	4.33	1.817	14.77
2.2	TDS on BIT	7.149	4.653	12.933	2.496	53.64	(5.784)	(44.72)
3	Personal Income Tax	11.805	11.453	10.411	0.352	3.07	1.394	13.39
3.1	TDS on PIT	9.163	9.866	8.969	(0.703)	(7.13)	0.194	2.16
3.1.1	Salary	6.811	6.443	5.857	0.368	5.71	0.954	16.29
3.1.2	Real Property	0.641	0.743	0.675	(0.102)	(13.73)	(0.034)	(5.04)
3.1.3	Interest	0.224	0.807	0.734	(0.583)	(72.24)	(0.510)	(69.48)
3.1.4	Dividend	1.487	1.792	1.629	(0.305)	(17.02)	(0.142)	(8.72)
3.1.5	Other sources	0.000	0.081	0.074	(0.081)	(100.00)	(0.074)	(100.00)
3.2	Final personal income tax	2.545	1.313	1.193	1.232	93.83	1.352	113.33
3.3	PIT:fines & penalties	0.097	0.274	0.249	(0.177)	(64.60)	(0.152)	(61.04)
4	Other Direct Tax Revenue	44.916	50.811	49.641	(5.895)	(11.60)	(4.725)	(9.52)
4.1	Motor vehicle tax	6.613	11.107	10.889	(4.494)	(40.46)	(4.276)	(39.27)
4.2	Business & professional licence	2.446	2.445	2.223	0.001	0.04	0.223	10.03
4.3	Municipal tax	1.263	2.141	2.098	(0.878)	(41.01)	(0.835)	(39.80)
4.4	Health contribution	3.207	4.048	3.969	(0.841)	(20.78)	(0.762)	(19.20)
4.5	Royalties	31.387	31.070	30.462	0.317	1.02	0.925	3.04
4.5.1	Forest products	2.138	5.569	5.460	(3.431)	(61.61)	(3.322)	(60.84)
4.5.2	Mines & minerals	29.249	25.501	25.002	3.748	14.70	4.247	16.99
II	Indirect Tax	42.947	50.178	47.355	(7.231)	(14.41)	(4.408)	(9.31)
5	Sales Tax	31.247	34.039	33.357	(2.792)	(8.20)	(2.110)	(6.33)
5.1	Sales tax on goods & commodities	11.466	13.997	13.723	(2.531)	(18.08)	(2.257)	(16.45)
5.2	Sales tax on petroleum products	18.458	18.111	17.756	0.347	1.92	0.702	3.95
5.3	Sales tax on hotels & restaurant	0.622	0.657	0.644	(0.035)	(5.33)	(0.022)	(3.42)
5.4	Sales tax on cable tv & cinema	0.477	0.656	0.628	(0.179)	(27.29)	(0.151)	(24.04)
5.5	Sales tax on beer, aerated water & alcoholic drinks	0.224	0.618	0.606	(0.394)	(63.75)	(0.382)	(63.04)
6	Excise Duty	11.700	16.139	13.998	(4.439)	(27.50)	(2.298)	(16.42)
6.1	Distillery products	11.700	16.139	13.998	(4.439)	(27.50)	(2.298)	(16.42)
7	Other Indirect Tax Revenue	0.000	0.000	0.000	0.000	0.00	0.000	0.00
7.1	Export tax/fines and penalties	0.000	0.000	0.000	0.000	0.00	0.000	0.00

ANNEXURE- II

REVENUE PERFORMANCE BY REGION : FY 2007-2008

(Nu. In million)

Sl. No.	SOURCE OF REVENUE	FY 2007-08		FY 2006-07	Achievement to		Collection compared	
		Collection	Target	Actual	Target	%	to 2006-07	%
					Nu.		Nu.	
B	NON-TAX REVENUE	79.509	82.020	97.571	(2.511)	(3.06)	(18.062)	(18.51)
8	Adm. Fees & Charges	18.549	19.842	19.163	(1.293)	(6.52)	(0.614)	(3.20)
8.1	Judiciary fees & charges	0.452	0.383	0.374	0.069	18.02	0.078	20.86
8.2	House rent	2.440	3.756	3.713	(1.316)	(35.04)	(1.273)	(34.28)
8.3	Hire charges	1.235	0.700	0.438	0.535	76.43	0.797	181.96
8.4	Motor vehicle fees & charges	1.179	1.467	1.397	(0.288)	(19.63)	(0.218)	(15.60)
8.5	Deport surcharge on petroleum products	7.528	8.171	8.011	(0.643)	(7.87)	(0.483)	(6.03)
8.6	Rural life insurance	1.570	1.837	1.802	(0.267)	(14.53)	(0.232)	(12.87)
8.7	Other admn. charges & fees	4.145	3.528	3.428	0.617	17.49	0.717	20.92
9	Capital Revenue	46.511	50.880	69.153	(4.369)	(8.59)	(22.642)	(32.74)
9.1	Sale of govt. properties/ assets	0.002	0.992	0.244	(0.990)	(99.80)	(0.242)	(99.18)
9.2	Tender document sales	0.596	0.000	0.728	0.596	0.00	(0.132)	(18.13)
9.3	Sale of agricultural products	0.319	0.312	0.134	0.007	2.24	0.185	138.06
9.4	Coal Mine bid value	14.017	18.000	36.470	(3.983)	(22.13)	(22.453)	(61.57)
9.5	Gypsum Mine bid value	31.577	31.576	31.577	0.001	0.00	0.000	0.00
10	Rev. from Govt. Deptts.	14.432	11.281	9.249	3.151	27.93	5.183	56.04
10.1	Municipal revenue	2.676	3.369	3.272	(0.693)	(20.57)	(0.596)	(18.22)
10.2	Agriculture	0.585	1.363	0.455	(0.778)	(57.08)	0.130	28.57
10.3	Animal husbandry	0.000	0.000	0.000	0.000	0.00	0.000	0.00
10.4	Forest	0.000	0.000	0.869	0.000	0.00	(0.869)	(100.00)
10.5	Survey	3.963	1.527	0.218	2.436	159.53	3.745	1717.89
10.6	Industrial plot/shed rent	1.067	0.926	0.566	0.141	15.23	0.501	88.52
10.7	Education	0.147	0.181	0.177	(0.034)	(18.78)	(0.030)	(16.95)
10.8	Health	0.857	0.846	0.820	0.011	1.30	0.037	4.51
10.9	Registration	5.137	3.069	2.872	2.068	67.38	2.265	78.86
11	Other Non-Tax Revenue	0.017	0.017	0.006	0.000	0.00	0.011	183.33
11.1	Security / earnest money	0.017	0.017	0.006	0.000	0.00	0.011	183.33
11.2	Other dues and recoveries	0.000	0.000	0.000	0.000	0.00	0.000	0.00
	Total Revenue (A+ B)	238.507	247.363	267.686	(8.856)	(3.58)	(29.179)	(10.90)

ANNEXURE- II

REVENUE PERFORMANCE BY REGION : FY 2007-2008

Regional Revenue & Customs Office: Gelephu

(Nu. In million)

SI. No.	SOURCE OF REVENUE	FY 2007-08		FY 2006-07 Actual	Achievement to Target		Collection compared to 2006-07	
		Collection	Target		Nu.	%	Nu.	%
A	TAX REVENUE	129.218	111.076	101.462	18.142	16.33	27.756	27.36
I	DIRECT TAXES	84.137	76.671	68.615	7.466	9.74	15.522	22.62
1	CORPORATE INCOME TAX	7.870	6.822	6.497	1.048	15.36	1.373	21.13
1.1	Army Welfare Project	7.870	6.822	6.497	1.048	15.36	1.373	21.13
1.2	TDS on CIT	0.000	0.000	0.000	0.000	0.00	0.000	0.00
1.3	Other CIT from Financial sector Institutions	0.000	0.000	0.000	0.000	0.00	0.000	0.00
2	BUSINESS INCOME TAX	28.962	23.901	23.102	5.061	21.18	5.860	25.37
2.1	Business income tax	11.754	11.195	10.662	0.559	4.99	1.092	10.24
2.2	TDS on BIT	17.208	12.706	12.440	4.502	35.43	4.768	38.33
3	PERSONAL INCOME TAX	15.529	12.996	8.249	2.533	19.49	7.280	88.25
3.1	TDS on PIT	14.771	12.707	7.974	2.064	16.24	6.797	85.24
3.1.1	Salary Tax	13.458	11.936	7.273	1.522	12.75	6.185	85.04
3.1.2	Real Property	0.575	0.524	0.475	0.051	9.82	0.100	21.05
3.1.3	Interest	0.246	0.227	0.206	0.019	8.56	0.040	19.42
3.1.4	Other sources	0.492	0.021	0.020	0.471	2242.86	0.472	2360.00
3.2	Final personal income tax	0.688	0.254	0.242	0.434	170.76	0.446	184.30
3.3	PIT: fines & penalties	0.070	0.035	0.033	0.035	102.02	0.037	112.12
4	Other Direct Tax Revenue	31.776	32.952	30.767	(1.176)	(3.57)	1.009	3.28
4.1	Motor vehicle tax	9.619	9.009	8.190	0.610	6.77	1.429	17.45
4.2	Business & professional licence	5.626	3.763	3.588	1.863	49.50	2.038	56.80
4.3	Municipal tax	1.419	0.919	0.875	0.500	54.45	0.544	62.17
4.4	Health contribution	6.054	4.815	4.573	1.239	25.72	1.481	32.39
4.5	Royalties	9.058	14.446	13.541	(5.388)	(37.30)	(4.483)	(33.11)
4.5.1	Forest products	8.645	14.232	13.337	(5.587)	(39.25)	(4.692)	(35.18)
4.5.2	Mines & minerals	0.413	0.214	0.204	0.199	92.81	0.209	102.45
II	INDIRECT TAXES	45.081	34.405	32.847	10.676	31.03	12.234	37.25
5	SALES TAX	31.095	20.080	20.222	11.015	54.86	10.873	53.77
5.1	Sales tax on goods & commodities	17.465	5.334	5.307	12.131	227.43	12.158	229.09
5.2	Sales tax on petroleum products	8.926	10.806	10.979	(1.880)	(17.40)	(2.053)	(18.70)
5.3	Sales tax on cable tv & cinema	1.668	1.517	1.515	0.151	9.95	0.153	10.10
5.4	Sales tax on hotels & restaurant	3.036	2.423	2.421	0.613	25.30	0.615	25.40
6	EXCISE DUTY	13.986	14.325	12.625	(0.339)	(2.37)	1.361	10.78
6.1	Distillery products	13.986	14.325	12.625	(0.339)	(2.37)	1.361	10.78
7	Other Indirect Tax Revenue	0.000	0.000	0.000	0.000	0.00	0.000	0.00
7.1	Export tax/fines and penalties	0.000	0.000	0.000	0.000	0.00	0.000	0.00
B	NON TAX REVENUE	55.051	58.988	56.188	(3.937)	(6.67)	(1.137)	(2.02)
8	ADMINISTRATIVE FEES AND CHARGES	27.637	28.555	27.198	(0.918)	(3.22)	0.439	1.61
8.1	Judiciary Fees & Charges	1.730	0.572	0.561	1.158	202.33	1.169	208.38
8.2	House Rent	9.235	6.056	5.803	3.179	52.50	3.432	59.14
8.3	Hire Charges	3.188	8.921	8.496	(5.733)	(64.26)	(5.308)	(62.48)
8.4	Rural Life Insurance	4.033	4.384	4.175	(0.351)	(8.00)	(0.142)	(3.40)
8.5	Motor vehicle fees & charges	3.046	1.593	1.515	1.453	91.24	1.531	101.06
8.6	Deport surcharge on petroleum products	5.452	5.432	5.174	0.020	0.37	0.278	5.37
8.7	Other admn. charges & fees	0.953	1.598	1.474	(0.645)	(40.37)	(0.521)	(35.35)
9	CAPITAL REVENUE	2.947	2.674	2.551	0.273	10.21	0.396	15.52
9.1	Sale of govt. properties/assets	0.956	1.449	0.270	(0.493)	(34.02)	0.686	254.07

ANNEXURE- II

REVENUE PERFORMANCE BY REGION : FY 2007-2008

(Nu. In million)

SI. No.	SOURCE OF REVENUE	FY 2007-08		FY 2006-07 Actual	Achievement to Target		Collection compared to 2006-07	
		Collection	Target		Nu.	%	Nu.	%
9.2	Sale of agricultural products	1.132	0.000	1.110	1.132	0.00	0.022	1.98
9.3	Tender document sales	0.859	1.225	1.171	(0.366)	(29.88)	(0.312)	(26.64)
10	REVENUE FROM GOVT.DEPT.	24.453	27.739	26.419	(3.286)	(11.85)	(1.966)	(7.44)
10.1	Municipal revenue	3.891	2.407	2.292	1.484	61.65	1.599	69.76
10.2	Agriculture	0.027	18.433	2.047	(18.406)	(99.85)	(2.020)	(98.68)
10.3	Animal husbandry	2.582	0.000	0.002	2.582	0.00	2.580	129000.00
10.4	Forest	1.400	0.000	1.053	1.400	0.00	0.347	32.95
10.5	Survey	3.068	0.000	14.440	3.068	0.00	(11.372)	(78.75)
10.6	Industrial plot/shed rent	0.498	0.000	0.000	0.498	0.00	0.498	0.00
10.7	Other division of trade & industry	0.490	4.834	0.327	(4.344)	(89.86)	0.163	49.85
10.8	Education	0.365	0.358	0.339	0.007	1.96	0.026	7.67
10.9	Health	1.858	0.357	1.315	1.501	420.45	0.543	41.29
10.10	Registration	10.274	1.350	4.604	8.924	661.04	5.670	123.15
11	OTHER NON TAX REVENUE	0.014	0.020	0.020	(0.006)	(30.00)	(0.006)	(30.00)
11.1	Security/earnest money	0.007	0.000	0.012	0.007	0.00	(0.005)	(41.67)
11.2	Other dues and recoveries	0.007	0.020	0.008	(0.013)	(65.00)	(0.001)	(12.50)
Total Revenue (A+ B)		184.269	170.064	157.650	14.205	8.35	26.619	16.88

ANNEXURE- II

REVENUE PERFORMANCE BY REGION : FY 2007-2008

Regional Revenue & Customs Office: Monger

(Nu. In million)

Sl. No.	SOURCE OF REVENUE	FY 2007-08		FY 2006-07 Actual	Achievement to Target		Collection compared to 2006-07	
		Collection	Target		Nu.	%	Nu.	%
A	Tax Revenue	63.334	60.392	36.904	2.942	4.87	26.430	71.62
I	Direct Tax	58.529	53.227	32.334	5.302	9.96	26.195	81.01
1	Corporate Income Tax	1.412	0.000	0.000	1.412	0.00	1.412	0.00
1.1	KHPC	1.412	0.000	0.000	1.412	0.00	1.412	0.00
1.2	Other Corporations/Fines	0.000	0.000	0.000	0.000	0.00	0.000	0.00
2	Business Income Tax	17.978	17.903	10.087	0.075	0.42	7.891	78.23
2.1	Business income tax	3.454	3.490	3.238	(0.036)	(1.03)	0.216	6.67
2.2	TDS on BIT	14.524	14.413	6.849	0.111	0.77	7.675	112.06
3	Personal Income Tax	15.921	15.156	7.722	0.765	5.05	8.199	106.18
3.1	TDS on PIT	15.109	14.828	7.520	0.281	1.90	7.589	100.92
3.1.1	Salary Tax	13.653	13.289	6.486	0.364	2.74	7.167	110.50
3.1.2	Real Property	0.476	0.375	0.206	0.101	26.93	0.270	131.07
3.1.3	Dividend	0.000	0.000	0.000	0.000	0.00	0.000	0.00
3.1.4	Interest	0.980	1.164	0.828	(0.184)	(15.81)	0.152	18.36
3.1.5	Other sources	0.000	0.000	0.000	0.000	0.00	0.000	0.00
3.2	Final personal income tax	0.744	0.287	0.192	0.457	159.23	0.552	287.50
3.3	PIT:fines & penalties	0.068	0.041	0.01	0.027	65.85	0.058	580.00
4	Other Direct Tax Revenue	23.218	20.168	14.525	3.050	15.12	8.693	59.85
4.1	Motor vehicle tax	5.790	1.895	0.000	3.895	205.54	5.790	0.00
4.2	Business & professional licence	3.872	2.361	2.263	1.511	64.00	1.609	71.10
4.3	Municipal tax	2.958	4.329	2.513	(1.371)	(31.67)	0.445	17.71
4.4	Health contribution	5.554	5.276	3.371	0.278	5.27	2.183	64.76
4.5	Royalties	5.044	6.307	6.378	(1.263)	(20.03)	(1.334)	(20.92)
4.5.1	Forest products	4.856	6.251	6.378	(1.395)	(22.32)	(1.522)	(23.86)
4.5.2	Mines & minerals	0.188	0.056	0.000	0.132	235.71	0.188	0.00
II	Indirect Tax	4.805	7.165	4.570	(2.360)	(32.94)	0.235	5.14
5	Sales Tax	1.567	1.053	0.596	0.514	48.81	0.971	162.92
5.1	Sales tax on goods & commodities	0.038	0.020	0.000	0.018	90.00	0.038	0.00
5.2	Sales tax on petroleum products	0.000	0.010	0.010	(0.010)	(100.00)	(0.010)	(100.00)
5.3	Sales tax on hotels & restaurant	0.293	0.120	0.026	0.173	144.17	0.267	1026.92
5.4	Sales tax on cable tv & cinema	1.236	0.903	0.560	0.333	36.88	0.676	120.71
5.5	Sales tax on beer, aerated water & alcoholic drinks	0.000	0.000	0.000	0.000	0.00	0.000	0.00
6	Excise duty	3.238	6.112	3.974	(2.874)	(47.02)	(0.736)	(18.52)
6.1	Distillery products	3.238	6.112	3.974	(2.874)	(47.02)	(0.736)	(18.52)
7	Other Indirect Tax Revenue	0.000	0.000	0.000	0.000	0.00	0.000	0.00
7.1	Export tax/fines and penalties	0.000	0.000	0.000	0.000	0.00	0.000	0.00
B	Non Tax Revenue	32.686	30.361	21.167	2.325	7.66	11.519	54.42
8	Adm. Fees & Charges	18.029	15.396	10.954	2.633	17.10	7.075	64.59
8.1	Judiciary fees & charges	1.838	1.921	1.078	(0.083)	(4.32)	0.760	70.50
8.2	House rent	9.544	8.075	5.065	1.469	18.19	4.479	88.43
8.3	Hire charges	0.922	0.218	0.111	0.704	322.94	0.811	730.63
8.4	Motor vehicle fees & charges	1.114	0.448	0.000	0.666	148.66	1.114	0.00
8.5	Rural life insurance	4.274	4.179	4.161	0.095	2.27	0.113	2.72
8.6	Other admn. charges & fees	0.337	0.555	0.539	(0.218)	(39.28)	(0.202)	(37.48)

ANNEXURE- II

REVENUE PERFORMANCE BY REGION : FY 2007-2008

(Nu. In million)

Sl. No.	SOURCE OF REVENUE	FY 2007-08		FY 2006-07	Achievement to Target		Collection compared to 2006-07	
		Collection	Target	Actual	Nu.	%	Nu.	%
9	Capital Revenue	1.708	2.084	1.904	(0.376)	(18.04)	(0.196)	(10.29)
9.1	Sale of govt. properties/ assets	0.444	2.079	0.746	(1.635)	(78.64)	(0.302)	(40.48)
9.2	Sale of agricultural products	0.104	0.005	0.011	0.099	1980.00	0.093	845.45
9.3	Tender document sales	1.160	0.000	1.147	1.160	0.00	0.013	1.13
10	Revenue From Govt. Dept.	11.048	9.079	4.507	1.969	21.69	6.541	145.13
10.1	Municipal revenue	0.682	0.977	1.033	(0.295)	(30.19)	(0.351)	(33.98)
10.2	Animal husbandry	1.499	0.000	0.023	1.499	0.00	1.476	6417.39
10.3	Agriculture	0.023	2.203	1.303	(2.180)	(98.96)	(1.280)	(98.23)
10.4	Forest	0.605	0.000	0.483	0.605	0.00	0.122	25.26
10.5	Survey	2.412	1.163	0.931	1.249	107.39	1.481	159.08
10.6	Education	0.524	0.533	0.501	(0.009)	(1.69)	0.023	4.59
10.7	Health	0.077	0.093	0.124	(0.016)	(17.20)	(0.047)	(37.90)
10.8	Registration	5.226	4.110	0.109	1.116	27.15	5.117	4694.50
11	Other Non Tax Revenue	1.901	3.802	3.802	(1.901)	(50.00)	(1.901)	(50.00)
11.1	Other dues and recoveries	1.901	3.802	3.802	(1.901)	(50.00)	(1.901)	(50.00)
Total Revenue (A+ B)		96.020	90.753	58.071	5.267	5.80	37.949	65.35

ANNEXURE- III

DETAILS OF DZONGKHAG REVENUE BY REGION: FY 2007-2008

I THIMPHU REGION		(Nu. In million)				
Source of Revenue	Thimphu	Punakha	Wangdue Phodrang	Gasa	Total	
(A) TAX REVENUE (I+II)	2188.277	1.462	27.816	0.525	2218.080	
I Direct Tax	1369.908	1.462	27.816	0.525	1399.711	
1 Corporate Income Tax	468.222	0.000	0.000	0.000	468.222	
2 Business Income Tax	211.731	0.000	1.344	0.007	213.082	
3 Personal Income Tax	135.010	0.322	1.917	0.011	137.260	
4 Other direct tax revenue	554.945	1.140	24.555	0.507	581.147	
4.1 Motor vehicle tax	46.930	0.000	4.341	0.000	51.271	
4.2 Business & professional licence	28.971	0.000	0.000	0.000	28.971	
4.3 Municipal tax	0.042	0.399	16.695	0.082	17.218	
4.4 Foreign travel tax	0.000	0.000	0.000	0.000	0.000	
4.5 Health contribution	24.753	0.000	0.913	0.014	25.680	
4.6 Royalties	454.249	0.741	2.606	0.411	458.007	
II Indirect Tax	818.369	0.000	0.000	0.000	818.369	
5 Sales tax	46.919	0.000	0.000	0.000	46.919	
6 Excise duty	756.578	0.000	0.000	0.000	756.578	
6.1 Excise duty collection	31.426	0.000	0.000	0.000	31.426	
6.2 Duty refund from GOI	725.152	0.000	0.000	0.000	725.152	
7 Import duty	1.584	0.000	0.000	0.000	1.584	
8 Other indirect tax revenue	13.288	0.000	0.000	0.000	13.288	
(B) NON-TAX REVENUE	4711.762	1.683	5.316	0.244	4719.005	
9 Adm.Fees & charges	70.710	0.881	3.670	0.134	75.395	
10 Capital Revenue	28.845	0.179	0.436	0.008	29.468	
11 Revenue from Govt.Deptts	112.279	0.623	1.210	0.102	114.214	
12 Dividends	2479.073	0.000	0.000	0.000	2479.073	
13 Transfer of profit	341.426	0.000	0.000	0.000	341.426	
14 Other Non-Tax Revenue	20.078	0.000	0.000	0.000	20.078	
15 Interest receipts from corporation	1659.351	0.000	0.000	0.000	1659.351	
Total Tax & Non-Tax Revenue (A+B)	6900.039	3.145	33.132	0.769	6937.085	
% of Dzongkhag Revenue to Total National Revenue	55.52	0.03	0.27	0.01	55.82	

II SAMDRUP JONGKHAR REGION		(Nu.Inmillion)		
Source of Revenue	Samdrup Jongkha	Pema Gatshel	Total	
(A) TAX REVENUE (I+II)	157.733	1.265	158.998	
I Direct Tax	114.786	1.265	116.051	
1 Corporate income tax	38.059	0.000	38.059	
2 Business Income Tax	21.271	0.000	21.271	
3 Personal income tax	11.735	0.070	11.805	
4 Other tax revenue	43.721	1.195	44.916	
4.1 Motor vehicle tax	6.613	0.000	6.613	
4.2 Business & professional licence	2.446	0.000	2.446	
4.3 Municipal tax	1.255	0.008	1.263	
4.4 Health contribution	2.278	0.928	3.206	
4.5 Royalties	31.129	0.259	31.388	
II Indirect Tax	42.947	0.000	42.947	
5 Sales tax	31.247	0.000	31.247	
6 Excise duty	11.700	0.000	11.700	
7 Import duty	0.000	0.000	0.000	
8 Other indirect tax revenue	0.000	0.000	0.000	
(B) NON-TAX REVENUE	75.320	4.189	79.509	
9 Adm.fees & charges	17.461	1.088	18.549	
10 Capital revenue	46.251	0.260	46.511	
11 Revenue from government departments	11.608	2.824	14.432	
12 Dividends	0.000	0.000	0.000	
13 Transfer of profit	0.000	0.000	0.000	
14 Other non-tax revenue	0.000	0.017	0.017	
Total Tax & Non-Tax Revenue (A+B)	233.053	5.454	238.507	
% of Dzongkhag Revenue to Total National Rvenue	1.88	0.04	1.92	

ANNEXURE- III

DETAILS OF DZONGKHAG REVENUE BY REGION: FY 2007-2008

III GELEPHU REGION		(Nu. In million)					
Source of Revenue	Sarpang	Bumthang	Tsirang	Trongsa	Dagana	Zhemgang	Total
(A) TAX REVENUE (I+II)	112.065	7.629	1.673	4.294	0.472	3.085	129.218
I Direct Tax	66.984	7.629	1.673	4.294	0.472	3.085	84.137
1 Corporate income tax	7.870	0.000	0.000	0.000	0.000	0.000	7.870
2 Business Income Tax	27.668	0.493	0.191	0.209	0.004	0.397	28.962
3 Personal income tax	15.012	0.198	0.095	0.070	0.048	0.106	15.529
4 Other tax revenue	16.434	6.938	1.387	4.015	0.420	2.582	31.776
4.1 Motor vehicle tax	5.103	1.958	0.935	0.9600	0.000	0.663	9.619
4.2 Business & professional licence	3.376	0.000	0.000	2.250	0.000	0.000	5.626
4.3 Municipal tax	0.875	0.151	0.129	0.108	0.016	0.141	1.420
4.4 Health contribution	5.810	0.142	0.019	0.018	0.020	0.046	6.055
4.5 Royalties	1.270	4.687	0.304	0.679	0.384	1.732	9.056
II Indirect Tax	45.081	0.000	0.000	0.000	0.000	0.000	45.081
5 Sales tax	31.095	0.000	0.000	0.000	0.000	0.000	31.095
6 Excise duty	13.986	0.000	0.000	0.000	0.000	0.000	13.986
7 Import duty	0.000	0.000	0.000	0.000	0.000	0.000	0.000
8 Other indirect tax revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000
(B) NON-TAX REVENUE	33.382	7.179	7.072	2.045	2.886	2.487	55.051
9 Adm.fees & charges	17.112	4.930	1.992	1.109	0.889	1.605	27.637
10 Capital revenue	1.634	0.145	0.682	0.292	0.068	0.126	2.947
11 Revenue from government departments	14.622	2.104	4.398	0.644	1.929	0.756	24.453
12 Other non-tax revenue	0.014	0.000	0.000	0.000	0.000	0.000	0.014
Total Tax & Non-Tax Revenue (A+B)	145.447	14.808	8.745	6.339	3.358	5.572	184.269
% of Dzongkhag Revenue to							
Total National Rvevenue	1.17	0.12	0.07	0.05	0.03	0.04	1.48

ANNEXURE- III

DETAILS OF DZONGKHAG REVENUE BY REGION: FY 2007-2008

IV. PHUENTSHOLING REGION			(Nu. In million)		V. SAMTSE REGION			(Nu. In million)	
Source of Revenue		Chukha	Total	Samtse		Total			
(A)	TAX REVENUE (I+II)	2,253.07	2,253.07	375.223	375.223	375.223	375.223	375.223	
I	Direct Tax	1,409.415	1,409.415	283.259	283.259	283.259	283.259	283.259	
1	Corporate Income Tax	1,077.520	1,077.520	224.184	224.184	224.184	224.184	224.184	
2	Business Income Tax	142.661	142.661	30.640	30.640	30.640	30.640	30.640	
3	PIT	77.386	77.386	20.583	20.583	20.583	20.583	20.583	
4	Other Tax Revenue	111.848	111.848	7.852	7.852	7.852	7.852	7.852	
4.1	Motor Vehicle Tax	27.977	27.977	1.144	1.144	1.144	1.144	1.144	
4.2	Business & professional licence	11.983	11.983	0.000	0.000	0.000	0.000	0.000	
4.3	Municipal Taxes	1.001	1.001	1.014	1.014	1.014	1.014	1.014	
4.4	Health contribution	11.068	11.068	2.536	2.536	2.536	2.536	2.536	
4.5	Royalties	59.819	59.819	3.158	3.158	3.158	3.158	3.158	
II	Indirect Tax	843.654	843.654	91.964	91.964	91.964	91.964	91.964	
5	Sales Tax	668.329	668.329	58.715	58.715	58.715	58.715	58.715	
6	Excise Duty	59.240	59.240	32.970	32.970	32.970	32.970	32.970	
7	Import Duty	116.002	116.002	0.258	0.258	0.258	0.258	0.258	
8	Other indirect tax revenue	0.083	0.083	0.021	0.021	0.021	0.021	0.021	
B	NON-TAX REVENUE	2,170.639	2,170.639	21.727	21.727	21.727	21.727	21.727	
9	Adm.Fees & charges	65.087	65.087	12.015	12.015	12.015	12.015	12.015	
10	Capital Revenue	1.003	1.003	1.122	1.122	1.122	1.122	1.122	
11	Revenue from Govt.Deptts	79.030	79.030	8.519	8.519	8.519	8.519	8.519	
12	Dividends	0.750	0.750	0.000	0.000	0.000	0.000	0.000	
13	Transfer of profit	2,024.698	2,024.698	0.000	0.000	0.000	0.000	0.000	
14	Other Non-Tax Revenue	0.071	0.071	0.071	0.071	0.071	0.071	0.071	
Total Tax & Non-Tax Revenue (A+B)		4,423.708	4,423.708	396.950	396.950	396.950	396.950	396.950	
% of Dzongkhag Revenue to Total National Rvevenue		35.59	35.59	3.19	3.19	3.19	3.19	3.19	

ANNEXURE- III

DETAILS OF DZONGKHAG REVENUE BY REGION: FY 2007-2008

V PARO REGION

(Nu. In million)

Source of Revenue		Paro	Haa	Total
(A)	TAX REVENUE (I+II)	120.279	2.165	122.444
I	Direct Tax	72.293	2.165	74.458
1	Business Income Tax	12.462	0.296	12.758
2	Personal income tax	21.630	0.075	21.705
3	Other tax revenue	38.201	1.794	39.995
3.1	Municipal tax	0.494	0.069	0.563
3.2	Foreign travel tax (Airport tax)	22.556	0.000	22.556
3.3	Health contribution	3.652	0.443	4.095
3.4	Motor vehicle tax	4.589	0.951	5.540
3.5	Royalties	6.910	0.331	7.241
II	Indirect Tax	47.986	0.000	47.986
4	Sales tax	35.669	0.000	35.669
5	Excise duty products	0.003	0.000	0.003
6	Import duty	12.314	0.000	12.314
7	Other tax revenue	0.000	0.000	0.000
(B)	NON-TAX REVENUE	27.313	1.946	29.259
8	Adm.fees & charges	20.647	1.393	22.040
9	Capital revenue	1.516	0.083	1.599
10	Revenue from government departments	4.837	0.370	5.207
11	Other non-tax revenue	0.313	0.100	0.413
Total Tax & Non-Tax Revenue (A+B)		147.592	4.111	151.703
% of Dzongkhag Revenue to Total National Rvenue		1.19	0.03	1.22

ANNEXURE- III

DETAILS OF DZONGKHAG REVENUE BY REGION: FY 2007-2008

VI MONGAR REGION

(Nu. In million)

Source of Revenue	Mongar	T/gang	Lhuntse	Tashi Yangtse	Total
(A) TAX REVENUE (I+II)	42.462	15.641	1.101	4.130	63.334
I Direct Tax	41.292	12.006	1.101	4.130	58.529
1 Corporate income tax	1.412	0.000	0.000	0.000	1.412
2 Business Income Tax	16.822	0.664	0.479	0.013	17.978
3 Personal income tax	9.531	4.915	0.105	1.370	15.921
4 Other tax revenue	13.527	6.427	0.517	2.747	23.218
4.1 Motor vehicle tax	2.824	2.279	0.000	0.687	5.790
4.2 Business & professional licence	3.872	0.000	0.000	0.000	3.872
4.3 Municipal tax	1.611	0.397	0.062	0.888	2.958
4.4 Health contribution	2.991	1.901	0.036	0.626	5.554
4.5 Royalties	2.229	1.850	0.419	0.546	5.044
II Indirect Tax	1.170	3.635	0.000	0.000	4.805
5 Sales tax	1.167	0.400	0.000	0.000	1.567
6 Excise duty	0.003	3.235	0.000	0.000	3.238
7 Import duty	0.000	0.000	0.000	0.000	0.000
(B) NON-TAX REVENUE	12.917	11.324	3.522	4.923	32.686
8 Adm.fees & charges	6.657	7.672	0.967	2.733	18.029
9 Capital revenue	0.630	0.191	0.614	0.273	1.708
10 Revenue from government departments	5.630	1.560	1.941	1.917	11.048
11 Dividends	0.000	0.000	0.000	0.000	0.000
12 Transfer of profit	0.000	0.000	0.000	0.000	0.000
13 Other non-tax revenue	0.000	1.901	0.000	0.000	1.901
Total Tax & Non-Tax Revenue (A+B)	55.379	26.965	4.623	9.053	96.020
% of Dzongkhag Revenue to Total National Rvenue	0.45	0.22	0.04	0.07	0.77

ANNEXURE IV

SECTORAL REVENUE PERFORMANCE: FY 2007-08

Sector	FY 2006-07	%of Total Revenue	FY 2007-08	%of Total Revenue	(Nu) (+) or (-)	% (+) or (-)
1 Electricity	4603.570	45.37	4949.550	39.83	345.980	7.52
DGPC	0.000	0.00	2627.021	21.14	2627.021	0.00
CHPC	2688.850	26.50	0.000	0.00	(2688.850)	(100.00)
Basochu Power Corporation	114.720	1.13	0.000	0.00	(114.720)	(100.00)
THPA	1800.000	17.74	1750.000	14.08	(50.000)	(2.78)
BPC	0.000	0.00	205.008	1.65	205.008	0.00
DHI monthly remittances	0.000	0.00	367.521	2.96	367.521	0.00
2 Trade	2032.607	20.03	2515.536	20.24	482.929	23.76
FCB	4.347	0.04	1.469	0.01	(2.878)	(66.21)
Sales tax & Depot surcharge	854.390	8.42	917.024	7.38	62.634	7.33
Excise duty	519.393	5.12	877.715	7.06	358.322	68.99
STCB	4.921	0.05	2.177	0.02	(2.744)	(55.76)
CIT & BIT(Trading)	453.792	4.47	534.095	4.30	80.303	17.70
Business licences	45.628	0.45	52.898	0.43	7.270	15.93
Import duty	150.136	1.48	130.158	1.05	(19.978)	(13.31)
3 Service (3.1 to 3.9)	1419.182	13.99	1780.370	14.33	361.188	25.45
3.1 Transportation	111.677	1.10	131.495	1.06	19.818	17.75
Motor vehicle tax/ fees and charges	111.677	1.10	131.495	1.06	19.818	17.75
3.2 Communications	167.994	1.66	290.840	2.34	122.846	73.13
Revenue stamps	8.370	0.08	13.288	0.11	4.918	58.76
Radio spectrum management unit	2.032	0.02	5.211	0.04	3.179	156.45
Bhutan Telecom	157.592	1.55	272.341	2.19	114.749	72.81
3.3 TCB (Royalties/with holding tax)	364.831	3.60	448.252	3.61	83.421	22.87
3.4 Municipals (City corporations)	13.826	0.14	25.437	0.20	11.611	83.98
3.5 Education	2.530	0.02	2.586	0.02	0.056	2.21
3.6 Health	5.574	0.05	12.337	0.10	6.763	121.33
3.7 Department of lottery	141.700	1.40	274.698	2.21	132.998	93.86
3.8 BIT & CIT(service)	14.233	0.14	17.653	0.14	3.420	24.03
3.9 Others	596.817	5.88	577.072	4.64	(19.745)	(3.31)
4 Primary	201.126	1.98	230.062	1.85	28.936	14.39
Agriculture (agriculture & animal husbandary)	12.715	0.13	10.423	0.08	(2.292)	(18.03)
Mining (Royalties)	71.362	0.70	95.238	0.77	23.876	33.46
Forestry (Royalties , NRDC & other receipts)	117.049	1.15	124.401	1.00	7.352	6.28
5 Finance	1006.903	9.92	619.500	4.98	(387.403)	(38.47)
RICB	42.120	0.42	50.285	0.40	8.165	19.39
BOB	124.040	1.22	111.817	0.90	(12.223)	(9.85)
RMA	737.050	7.26	341.426	2.75	(395.624)	(53.68)
BNB	102.495	1.01	114.913	0.92	12.418	12.12
Others	1.198	0.01	1.059	0.01	(0.139)	(11.60)
6 Manufacturing	307.425	3.03	373.684	3.01	66.259	21.55
AWP	19.050	0.19	20.292	0.16	1.242	6.52
BBPL	25.180	0.25	17.548	0.14	(7.632)	(30.31)
PCAL	171.428	1.69	224.214	1.80	52.786	30.79
BCCL	5.734	0.06	9.771	0.08	4.037	70.40
Lhaki Cement	7.080	0.07	20.182	0.16	13.102	185.06
BFPL	2.741	0.03	2.888	0.02	0.147	5.36
Yangzom Cement	0.329	0.00	0.036	0.00	(0.293)	(89.06)
BFAL	23.026	0.23	7.503	0.06	(15.523)	(67.42)
Bhutan Polymer Co.ltd	3.315	0.03	3.237	0.03	(0.078)	(2.35)
Others	49.542	0.49	68.013	0.55	18.471	37.28
Total Revenue *	9570.813	94.32	10468.702	84.23	897.889	9.38

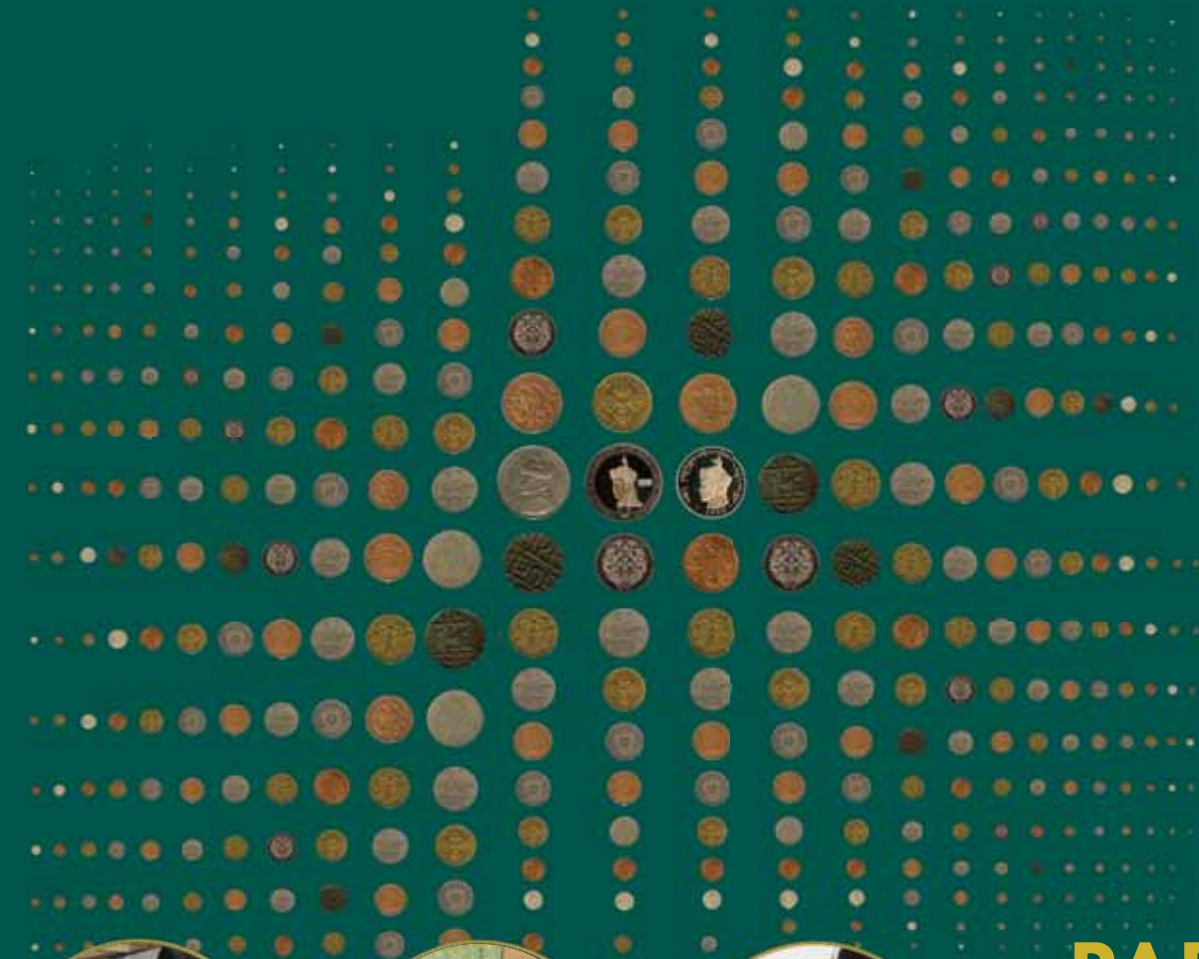
* Figures are based on Gross Collections

ANNEXURE V

STATEMENT OF ACTUAL COLLECTION AND REVENUE TARGET FOR FY 2007-08

Source of Revenue		Target	Actual	(+ or -)Nu.	(+ or -) %
(A)	TAX REVENUE (I+II)	4846.350	5238.357	392.007	8.09
I	Direct Tax	3065.860	3386.784	320.924	10.47
1	Corporate Income Tax	1643.255	1817.267	174.012	10.59
2	Business Income Tax	408.457	464.943	56.486	13.83
3	Personal Income Tax	237.540	264.662	27.122	11.42
4	Other Tax Revenue	776.608	839.912	63.304	8.15
4.1	Motor Vehicle Tax	111.534	107.954	(3.580)	(3.21)
4.2	Business & Prof.Licences	42.631	52.898	10.267	24.08
4.3	Foreign Travel Tax(Airport)	21.515	22.556	1.041	4.84
4.4	Municipal Tax	10.972	25.365	14.393	131.18
4.5	Health contribution	55.276	58.194	2.918	5.28
4.6	Royalties	534.680	572.945	38.265	7.16
II	Indirect Tax	1780.490	1851.573	71.083	3.99
5	Sales Tax	830.739	830.987	0.248	0.03
6	Excise Duty	850.593	877.715	27.122	3.19
6.1	Excise Duty collection	138.093	152.563	14.470	10.48
6.2	Excise Duty Refund from GOI	712.500	725.152	12.652	1.78
7	Import Duty	90.304	129.479	39.175	43.38
8	Other indirect tax revenue	8.854	13.392	4.538	51.25
(B)	NON-TAX REVENUE	6761.631	7107.627	345.996	5.12
9	Adm.Fees & charges	247.403	238.566	(8.837)	(3.57)
10	Dividends	2114.747	2479.823	365.076	17.26
11	Revenue from Govt.Deptts	169.402	256.905	87.503	51.65
12	Capital Revenue	87.392	84.356	(3.036)	(3.47)
13	Transfer of profit	2463.190	2366.124	(97.066)	(3.94)
14	Other non tax revenue	8.125	22.502	14.377	176.95
15	Interest on loan from corp.	1671.372	1659.351	(12.021)	(0.72)
Total (A+B)		11607.981	12345.984	738.003	6.36

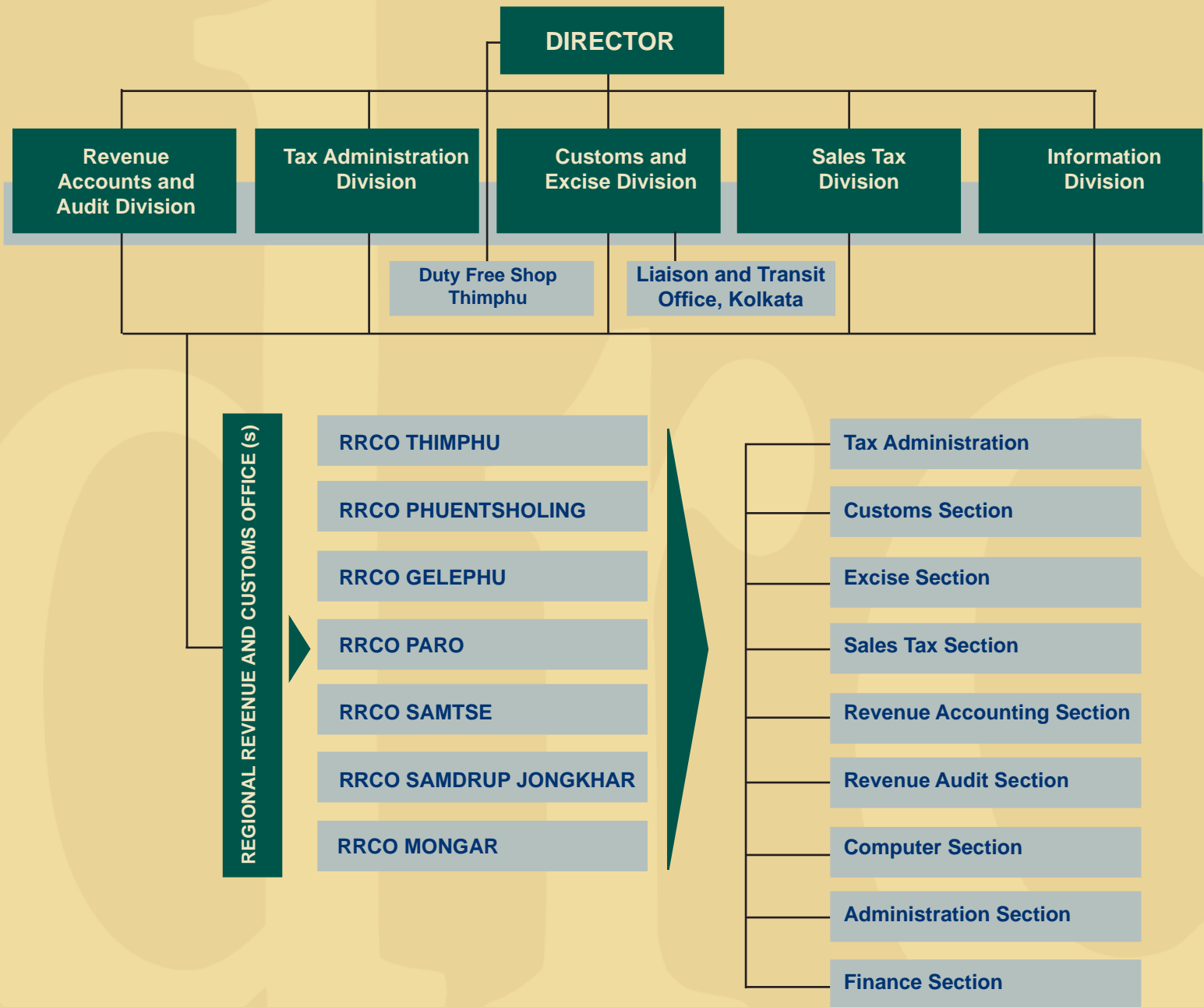




PART C

Performance Indicators

ORGANISATION CHART



STAFF STRENGTH

The staff strength of the department as of 1st July 2008 stands at 542 comprising of 248 officers and 394 inspectors including support staff.

Performance Indicators

1. Revenue vis-à-vis Recurrent Expenditure

The fiscal policy of RGoB requires that domestic revenue should cover the recurrent expenditure of the royal government. On this front, despite the rapid growth in recurrent expenditure due to increasing development activities and policy reforms, revenue has been able to keep pace with the growth in recurrent expenditure. During the year, domestic revenue has not just met the recurrent expenditure but has exceeded the revenue expenditure by Nu.2627.48 million. The recurrent expenditure recorded for the year is Nu.9,718.500⁵ million and the domestic revenue is Nu.12, 345.98 million.

2. Revenue, Recurrent Expenditure and Tax Ratio

Table 1: (in Million Ngultrum)

Source of Revenue	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Tax Revenue	2,675.56	2,928.30	2,689.90	3,382.37	4,124.68	4,266.91	5,238.36
Non-tax Revenue	2,424.47	1,776.06	2,365.30	2,683.73	2,778.23	5,815.25	7,107.63
Total Revenue	5,100.03	4,704.36	5,055.20	6,066.10	6,902.91	10,082.16	12,345.98
Current Expenditure	4,467.89	4,580.91	5,149.23	6,170.61	6,672.38	7,636.23	9,718.500
GDP	24,658.58	27,903.89	30,852.72	34,450.57	39,563.42	46,574.77	52,887.85
Revenue as % of current expenditure	114.2	102.7	98.2	98.3	103.5	132.0	127.0
Tax as % of GDP	10.9	10.5	8.7	9.8	10.4	9.2	9.9
Non-tax as % of GDP	9.8	6.4	7.7	7.8	7.0	12.5	13.4
Total Revenue as % GDP	20.7	16.9	16.4	17.6	17.5	21.7	23.3

3. Cost of Collection

Ideally, a tax system is considered efficient if the cost of collection is less, compliance cost is negligible and the excess burden is relatively smaller. The cost of collection, amongst many other factors, is used as the indicator or yardstick to measure the efficiency and effectiveness of the tax administration efforts. Taking into account all the resources⁶ allocated in collecting revenue, the costs incurred by the government for collecting 1 Ngultrum was about 1 Chetrum for direct tax revenue, 4 Chetrums for indirect tax revenue, and less than a Chetrum for non tax revenue.

4. Revenue Audit and Investigation

Revenue Audit of 29 agencies has been conducted in the year 2007-08 and a total recovery of Nu.0.13 million has been made.

5. Revenue Forecasting

Revenue forecasting is carried out for the whole five year plan period before the launching of the plan and the annual revenue target is revised based on the actual collections made in the preceding years.

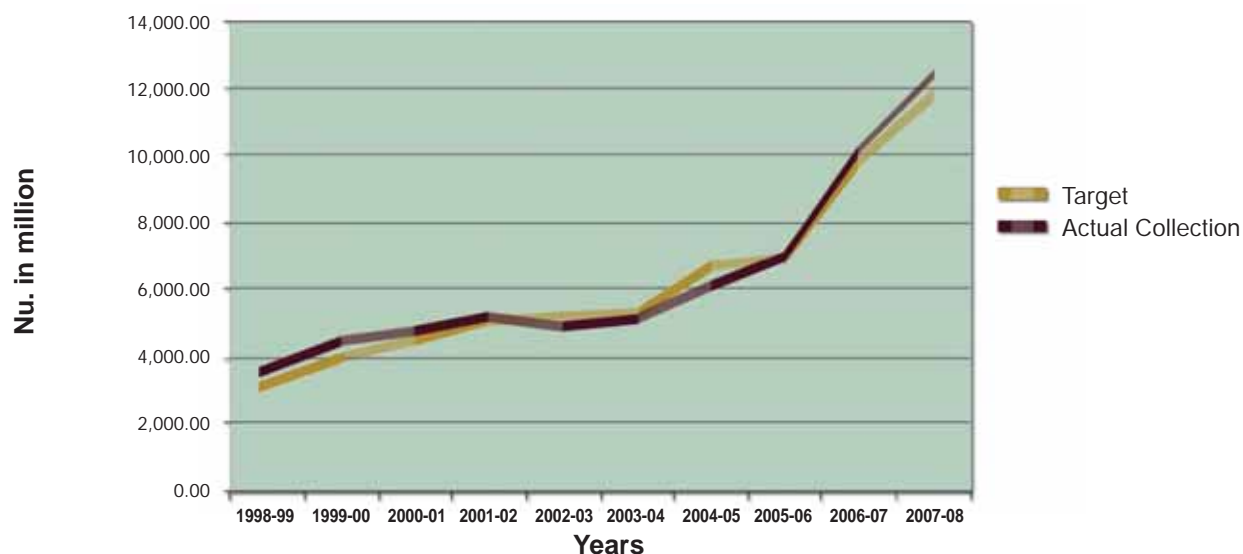
The department is making every effort to carry out revenue analysis and forecasting in most desirable and realistic manner and the capacity has improved over the years. However, the accuracy of the forecasting is largely dependent on the information provided by the revenue agencies and it is affected by the unpredictable nature of certain sources of revenue, unforeseen policy reforms, inadequate information and other external factors. Fig. 1 below depicts the comparison between the target set and the actual collections for last 10 years.

6. Tax Assessment

⁵ Source Department of Public Accounts

⁶ Includes both recurrent and capital costs., and the ratio is calculated by dividing the total administrative costs incurred by the total revenue collections during the period

Fig. 1 Target versus Actual Collection – Trends



The Income Tax Act mandates every return to go through a desk assessment (DA) within 90 days of the filing of return and a field assessment (FA) once every two income years. The performance of RRCOs vis-à-vis targets and achievements in DA and FA is given below:

Table: 3

PARTICULARS	THIMPHU	PHUENTSHOLING	SAMTSE	GELEPHU	SAMDRUP JONGKHAR	PARO	MONGAR	OVERALL
DA Finalized	96%	100%	98%	98%	100%	100%	100%	98%
DA Pending	336	2	34	70	4	0	0	446
FA Finalized	76%	99%	100%	68%	87%	90%	55%	89%
FA Pending	28	2	0	23	14	4	10	81
Tax Officer to Taxpayer ratio	497	244	240	475	241	204	532	343

The overall coverage under DA for all three types of taxes (BIT, PIT and CIT) at the national level remained the same at 98% like the previous year. However, the overall coverage under FA for all the three types of taxes at national level increased by 5% compared to the previous year's coverage of 84% indicating a good assessment effort from the regional offices.

In terms of manpower availability, the ratio of assessing officials to taxpayers for the year recorded 1:343, that is, one assessing officer for every 343 taxpayers posting an increase of 8% compared to the previous year's ratio.

7. Assessment Efforts

Any additional revenue, be it additional tax raised or additional tax collected through the assessment efforts of the RRCOs is taken as a benchmark to determine the effectiveness and efficiency of the division as well as the individual RRCO concerned. RRCO Phuntsholing posted an additional tax collection of Nu.44.3 million followed by RRCO Thimphu with an additional collection of Nu.26.9 million. The overall assessment effort was recorded at 5% which is at par with the previous year's assessment effort indicating that only 5% of the total revenue of 1,896.85 million is collected through administrative and concerted assessment efforts of the division. The balance 95% was collected through voluntary declaration by taxpayers and in the form of TDS by various withholding agencies. The additional tax collected from BIT registered 59% growth compared to previous year while PIT and CIT has decreased by 6% and 67% respectively.

8. Seizure trend analysis for the period 2003-07

The administration's primary goal as enshrined in the Indirect Tax Manual 2006 is to 'promote honest and transparent environment, ensure efficient assessment and collection of duties and taxes and facilitate legitimate trade and commerce'. In doing so, the Division has adopted risk management tools and intercepted and made significant seizures over the years.

Table 7:

Seizure Details		(Amount in Million Nu.)
Year	No. of Cases	Value
2003	369	1.7
2004	276	1.0
2005	461	1.6
2006	249	6.6
2007	439	21.1

The number of seizure case for the year stands at 439 showing an increase of 190 cases over the previous year. The total value of seizure amounted to Nu. 21.1 million as compared to Nu. 6.6 million in the previous year indicating an increase of Nu. 14.5 million. The increase in the number of seizure is due to application of risk management and profiling system. It was also due to better awareness (training and awareness workshop) amongst the customs officials on the prohibited and restricted goods. The officials were also well informed on the ways and means used by the traders for commercial frauds.

Figure 2 Assessment Efforts

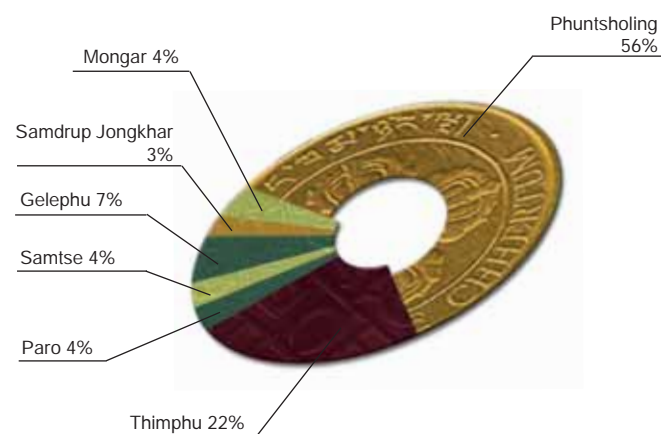
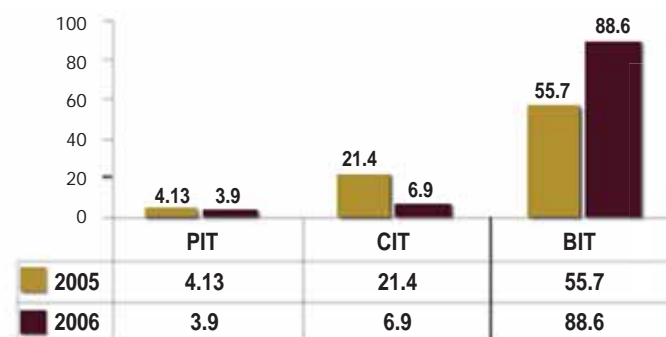


Figure 3 Assessment Effort by Tax Category (Nu. In million)



SEIZURE TREND 2007

The total seizure for the year was segregated into seizure on imports from India and seizure on imports from third country to simplify the data and to ensure proper analysis of the seizure data.

Table 8:

Seizures for 2007	
Seizure Type	No. of cases recorded
Import India	399
Third Country	40
Export	Nil
TOTAL	439

In 2007, there were 399 seizure cases for the import from India and 40 cases of seizures from import from third countries. The total number of cases reported for the period was 439 amounting to total value of Nu. 21.14 million and total fines collected was Nu. 0.82 million⁷.

9. Overall Volume of Trade

The overall trade volume indicates the nature and the health of country's economy, and the engagement of customs in trading activities and its role in trade facilitation during the period. The year recorded an overall increase in both import and export.

Table 9:

Year	Overall Trade (Amount in million Nu.)		
	Import	Export	Balance
2003	11,566.92	3,586.63	(7,980.29)
2004	18,639.49	8,271.15	(10,368.34)
2005	17,035.07	11,386.17	(5,648.90)
2006	19,011.00	18,771.00	(240.00)
2007	21,742.77	27,859.00	6,116.23

The overall imports⁸ recorded for the year was Nu. 21,742.77 million which increased by 14% from Nu. 19,011.00 million in the previous year. The overall exports⁹ recorded for the year was Nu. 27,859.00 million which increased by 48% from Nu. 18,771.00 million in the previous year. The year recorded trade surplus of Nu. 6,116.23 million.

⁷ The collection of fines was less than what was supposed to be collected because the confiscated goods like tobacco products were destroyed and there was no collection of fines.

⁸ Overall imports include imports from India and imports from third countries including import of electricity from India during the period.

⁹ Over all exports includes exports to India and third countries including export of electricity to India during the period.

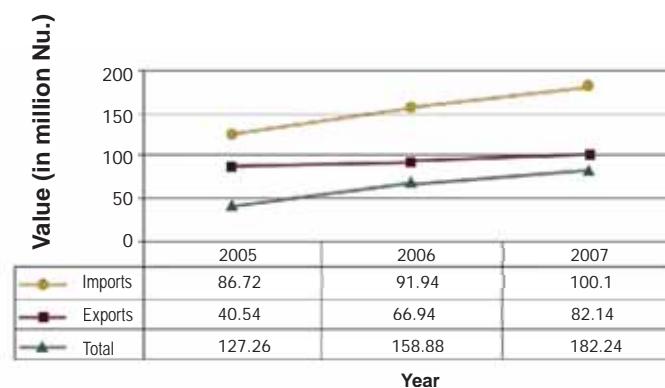
¹⁰ The overall volume of trade for the computation of trade volume per staff excludes trade in electricity.

10. Trade Volume per Staff

The volume of trade per number of staff reflects how vigorously the staffs are engaged in trading activities during the period. It is computed by dividing the overall volume of trade¹⁰ by the total number of staff at the operational level. This can be shown as three values: the value of exports per number of staff, the value of imports per number of staff, and the combined value of both imports and exports per number of staff. A high level of trade volume per number of staff indicates that there was vigorous engagement of staff in the trading activities during the period.

The trade volume per staff increased by about 15% from Nu. 158.88 million in 2006 to Nu. 182.24 million in 2007. The increase in the trade volume per staff indicates that the increase in the workload is more than the increase in the staff strength. Such scenario demands the customs to be more dynamic and requires adopting modern customs techniques.

Figure 4 Volume of Trade per Staff



11. Customs Declaration per Staff

Customs declarations per number of staff indicate an efficiency comparison across all regions and the overall performance of the Division in general. The number of Customs declarations per staff for the period varied from region to region depending on the volume of trade in the region. RRCO Phuentsholing recorded highest number of declaration per staff as the maximum trade flow- both from India and third country was from the region. However, number of declaration per staff in RRCO Paro and RRCO Gelephu decreased from 123 in 2006 to 82 in 2007 and from 393 to 333 in 2007 respectively. The reason attributed for the decline was the number of staff in these RRCOs increased during the year but the increase in trade was not very significant. The declaration per staff in RRCO Samtse was recorded at 2,556 during the year as compared to 1,724 in 2006. The increase was mainly due to increase in the transit declarations from Gomtu checkpoint.

Table 10

Comparative Customs Declaration per Staff			
RRCOs	Year		% +/-
	2006	2007	
Gelephu	393	333	-15%
Paro	123	82	-33%
Phuentsholing	2,371	2,855	20%
Samdrup Jongkhar	1,115	1,251	12%
Samtse	1,724	2,556	48%
Thimphu	411	425	3%

12. Sales Tax Division

The Sales Tax Division was created in January 2006. The division has a total staff strength of 37 who monitor, assess and collect Sales Tax at the point of sale from 40 beer dealers, 40 cable TV operators, 9 cinema operators (excluding the –Bhutanese film producers), 4 cement agents, 3 aerated water companies and –190 hotels/ restaurants during the year. The division issued 1120 sales tax exemption certificates amounting to Nu.1,463 million, and sales tax refund amounting to Nu.42.554 million.

The units under the sales tax at the point of sale base increased by 32% as compared to the year 2006.

YEAR	Beer Dealers	Cable TV Operators	Cinema Operators	Cement Agent	Aerated Water Manufacturers	Restaurant/ Hotels	OVER ALL
2006	30	35	6	9	2	135	217
2007	40	40	9	4	3	190	286
INCREASE/DECREASE (IN UNITS)	10	5	3	-5	1	55	69
INCREASE/DECREASE (IN %)	33%	14%	50%	-56%	50%	41%	32%

As compared to the previous Fiscal Year 2006-2007, sales tax collected at the point of sale grew by 8.32%.

	ST COLLECTED AT POS 2006-2007 (In Nu. million)	ST COLLECTED AT POS 2007-2008 (In Nu. million)	GROWTH (In Nu. million)	GROWTH (In %)
ST COLLECTION at the POINT OF SALE	338.877	312.845	26.032	8.32%

13. Sales Tax Collection at the Point of Sale Volume per Staff

Sales tax collection at the point of sale volume per staff reflects the vigorous engagement of the division's staff in monitoring, assessing and collection. It is computed by dividing the overall sales tax collection at the point of sale by the total number of staff at the operational level. The sales tax collection per staff is 10.59 million indicating that the workload is increasing every year thereby demanding more dynamism and adequate manpower.

14. Sales Tax Assessment

Sales tax assessment for the year 2007 has increased by 35% as compared to the year 2006.

YEAR	Beer Dealers	Cable TV Operators	Cinema Operators	Cement Agent	Aerated Water Manufacturers	Restaurant/ Hotels	OVERALL
2006	30	25	3	3	1	100	162
2007	39	35	6	4	2	133	219
INCREASE/DECREASE (IN UNITS)	9	10	3	1	1	33	57
INCREASE/DECREASE (IN %)	30%	40%	100%	33%	100%	33%	35%



Abbreviations

AWPL	Army Welfare Project Limited
BoBL	Bank of Bhutan Limited
BHPCL	Basochu Hydro Power Corporation Limited
BFAL	Bhutan Ferro Alloys Limited
BIT	Business Income Tax
BNBL	Bhutan National Bank Limited
BCCL	Bhutan Carbide and Chemicals Limited
BPC	Bhutan Power Corporation
CIT	Corporate Income Tax
CHPCL	Chhukha Hydro Power Corporation Limited
DRC	Department of Revenue and Customs
DSCL	Druk Satair Company Limited
DoL	Department of Lottery
DoT	Department of Tourism
DoFS	Department of Forestry Service
DA	Desk Assessment
DGPC	Druk Green Power Corporation
DHI	Druk Holding and Investment
EBCCL	Eastern Bhutan Coal Company Limited
FY	Fiscal Year
FCBL	Food Corporation of Bhutan Limited
FA	Field Assessment
NRDCL	Natural Resource Development Corporation Limited
Nu.	Ngultrum
PIT	Personal Income Tax
PCAL	Penden Cement Authority Limited
RGoB	Royal Government of Bhutan
RICBL	Royal Insurance Corporation of Bhutan Limited
RSTA	Road Safety and Transport Authority
RMA	Royal Monetary Authority
STCBL	State Trading Corporation of Bhutan Limited
TDS	Tax Deducted at Source
THPA	Tala Hydro Power Authority
TCB	Tourism Council of Bhutan

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