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ZILLA ROADS/LOCAL FINANCE PROJECT  
INTERIM REPORT No. 8

A REVIEW OF BANGLADESH ZILLA AND  
UNION PARISHAD FINANCES

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PREFACE

This paper was the eighth in the series of Interim Reports issued from the Zilla Roads/Local Finance Project. Originally released in June 1983, the current version (especially, the final section) has been revised to reflect changes in government structure that have occurred since then, to incorporate comments made on the original paper and to make the recommendations consistent with those contained in the Final Report (Vol. II).

The paper focuses on revenue and expenditure activities of zilla and union parishads. The analysis is based on local financial data collected from a census of zilla parishads and a sample of union parishads covering the period 1976/77 through 1980/81 as well as personal interview data collected during 1982.

The study suggests that neither level of local government mobilizes considerable sums of own-source revenues, especially when viewed in per capita terms. While grants constitute a major source of funding for these local bodies, growth in this revenue source has been lacking and sporadic. Several recommendations are made to improve the fiscal health of these governments in light of the reported findings and the recent efforts to decentralize administration in the country.

The Local Finance Project is one component of the Bangladesh Zilla Roads Maintenance and Improvement Project (Project Number 388-0056) and is intended to assess and increase the capacity of local governments in Bangladesh to mobilize and effectively administer financial resources. The work is supported by the United States Agency for International Development, Washington D.C. under a Cooperative Agreement (AID/DSAN-CA-0198). The views and interpretations in this publication are our own and should not be attributed to the United States Agency for International Development.

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A REVIEW OF BANGLADESH ZILLA AND UNION  
PARISHAD FINANCES

Larry Schroeder

Zilla and union parishads derive revenues from a variety of local and non-local sources and expend them on an assortment of activities. This paper reviews the recent history of these revenue and expenditure flows so that recommendations concerning alterations in the finance system can be made with knowledge of the current state of financial affairs of the local bodies.

Zilla parishad (ZP) finances are studied first. The examination includes a brief review of the revenues available to these governments, the extent of their reliance upon these revenue sources and the growth patterns detected from a census of zilla parishad finances covering the period 1976/77-1980/81.<sup>1</sup> This section is followed by an analogous review of ZP expenditures. Finally, a statistical analysis of factors related to interdistrict differences in ZP finances is made.

The second portion of the paper follows a similar format but with union parishad (UP) finances as the subject of inquiry. Again both revenues and expenditures are analyzed, in this case for a sample, of 42 UPs in the districts of Faridpur, Rangpur and Sylhet.

The paper closes with several recommendations regarding policies which could improve the financial affairs of these local bodies.

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<sup>1</sup>A statistical appendix has been included which documents this census of zilla parishad revenues and expenditures for 20 districts in Bangladesh for the period 1976/77-1980/81.

Potential Revenue Sources of Zilla Parishads

Potential revenues of zilla parishads include both own source and intergovernmental revenues. The former consist of several taxes, fees and charges levied within the district while the latter comprise numerous grant programs designed to transfer funds from the central government to the ZPs.

Own Source Revenues

The taxes, rates, tolls and fees stipulated in the Fourth Schedule of the Local Government Ordinance, 1976<sup>1</sup> as well as rents, profits and proceeds from the sale of ZP property constitute the own source revenues available to ZPs. While the list in the Fourth Schedule contains 28 items, Paragraph 60 of the Local Government Ordinance prohibits both union parishads and zilla parishads from imposing identical levies thereby shortening the effective list considerably. In fact, zilla parishad own source revenues currently consist primarily of the immovable property transfer tax, fees and rates imposed on a few activities and tolls from roads, ferries and bridges.

The immovable property transfer tax (IPTT) is a 1 percent levy imposed on the value of all land and permanent structures sold within the boundaries of the ZP.<sup>2</sup> While it constitutes the primary ZP revenue

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<sup>1</sup>The Fourth Schedule is shown in an Appendix of Larry Schroeder and Maniruzzaman, "Local Government Structure in Bangladesh" Interim Report 1, Local Revenue Administration Project, Metropolitan Studies Program, The Maxwell School (Syracuse, NY: Syracuse University, November 1982).

<sup>2</sup>A comprehensive analysis of the tax is found in James Alm, "The Immovable Property Transfer Tax as a Local Government Revenue Source," Interim Report No. 3, Local Revenue Administration Project, Metropolitan

source, it is collected and administered by the Ministry of Law and Land Reform with 97 percent of the proceeds distributed to the ZP in which the property lies (the remaining 3 percent is retained by the Ministry to help cover administrative costs). Because ZPs lack control over this tax, it is really a shared tax or a form of intergovernmental grant whose size depends upon property transactions within the ZP. Nevertheless, since IPTT revenues depend on local economic activity and since the revenue source is enumerated in the Local Government Ordinance, we consider it here as an own-source revenue.

Tolls on roads, bridges and ferries provide another source of local revenue with nearly all of the revenues derived from ferry franchises.<sup>1</sup> Franchises are issued to operators who collect tolls from ferry users with the toll rates set by the ZP. This arrangement provides the ZP with revenues without great cost since, once the franchises are auctioned, the ZP needs only to police the ghats periodically to ensure that proper tolls are being charged.<sup>2</sup> The franchise holder is responsible for all operating and maintenance costs on the ferry as well as the landing.

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(cont.) Studies Program, The Maxwell School (Syracuse, NY: Syracuse University, March 1983).

<sup>1</sup>Tolls on roads are or have been levied in some zilla parishads. For a discussion of this source of revenue see Larry Schroeder, "Toll Roads as a Zilla Parishad Revenue Source: A Case Study," Interim Report No. 2, Local Revenue Administration Project, Metropolitan Studies Program, The Maxwell School (Syracuse, NY: Syracuse University, November 1982).

<sup>2</sup>The specific regulations that apply to the operation of toll-levying franchises are delineated in Chapter V of the Rules Under the Basic Democracies Order (Those Applicable to District Councils) Dhaka, 1968).

Some minor fees and rates are also levied by ZPs. One common fee is a registration fee charged to contractors who wish to submit bids for construction contracts let by the ZP. Other fees include license fees for vehicles, fees charged to patients receiving antirabies vaccine, and fees paid by schools, charitable dispensaries and veterinary hospitals in the district.

Another zilla parishad revenue source is rent, profit and sale proceeds from ZP property. For example, road rollers and cement mixers are owned by some ZPs which, in turn, rent the equipment to construction contractors. Many zillas also lease roadside land to individuals and operate ZP-owned structures, e.g., dak bungalows. Timber on ZP land (especially roadsides) is sold in some districts to generate additional revenues. Interest income is earned from cash balances deposited in local banks. Most of these sources are, however, quite small when compared with revenues from the property transfer tax.

Until 1976 the local rate attached to the central government's land tax generated zilla parishad revenue. The rate was abolished when the Land Development Tax was instituted; however, since 1976 some ZP revenues have been derived from arrear collections.

#### Intergovernmental Grants

Two kinds of intergovernmental grants are received by zilla parishads.<sup>1</sup> The first, termed "normal grants," consist of several

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<sup>1</sup>For a more comprehensive review of intergovernmental grant programs in Bangladesh and an analysis of their economic and fiscal effects, see Roy Bahl, "Intergovernmental Grants in Bangladesh" Interim Report No. 10, Local Revenue Administration Project, Metropolitan Studies Program, The Maxwell School (Syracuse, NY: Syracuse University, November 1983).

different grant programs. Among these are: (1) augmentation grants designed to aid development activities in the ZP; (2) a grant in lieu of the zamindar's contribution to the zilla parishad to compensate for the revenue loss associated with the abolishment of the zamindari system in effect during the British era; (3) special grants which provide hardship allowances to ZP employees; (4) compensation grants used to increase staff salaries; and (5) grants against specific projects carried out by the ZP but fully funded by the central government.

The second major intergovernmental grant is the Rural Works Programme (RWP). The RWP has been the major rural development program carried out by local government bodies since its inception as an experimental project begun in Kotwali thana, Comilla, in 1961/62. The ZP portion of the program, while smaller than its thana and union counterpart, is a major source of monies for construction and reconstruction of roads and bridges in the district.

#### Actual Revenues of Zilla Parishads

Zilla parishad revenues generated during the period 1976/77 through 1980/81 are analyzed in this section. Total and per capita actual revenues (rather than budgeted amounts) are studied in both nominal and real terms; additionally, annual growth rates in these amounts are examined.

The data used are based on a census of zilla parishad finances conducted between March and September 1982.<sup>1</sup> While attempts were made to

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<sup>1</sup>For a description of the data-collection process and techniques, see Larry Schroeder, with Hasan Murshed and Muin Uddin, "Collecting Local

collect data from all ZPs for the entire five year period, there were some districts for which data were not available (Table 1). Jamalpur was created from a portion of Mymensingh District in 1979 thereby accounting for the three years of missing data. It was not possible to obtain data for Noakhali and Kushtia for the first two or three years of the time period.

#### Total Revenues by Source

Table 2 displays the average total revenues received by zilla parishads for each of the five years when data were available.<sup>1</sup> Zilla parishad accounting practices, revenue structures and the unavailability of data result in mean revenues computed from different numbers of observations. (The first number in the parentheses below each entry indicates the number of ZPs on which the result was based.) Different ZP revenue structures mean that all jurisdictions do not necessarily obtain each type of revenue while alternative accounting techniques mean all ZP do not report revenues similarly in their financial accounts. Rather than including these zero entries in the determination of mean revenues, the table has been constructed by omitting zero entries. The displayed means therefore show the amounts which are, on average,

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(cont.) Government Financial Data in Developing Countries: The Bangladesh Experience," Interim Report No. 5, Local Revenue Administration Project, Metropolitan Studies Program, The Maxwell School (Syracuse, NY: Syracuse University, June 1983).

<sup>1</sup>Even though standard accounting practices in Bangladesh include Opening Balances among the "revenues" of local bodies, they are not included here since we are particularly interested in the flow of income into the governmental accounts and how these flows differ across jurisdictions and change over time.

TABLE 1  
ZILLA PARISHAD FINANCIAL DATA ANALYZED

<u>Zilla Parishad</u>	<u>Fiscal Years For Which Data<sup>a</sup> Are Available</u>
1. Chittagong	1977-81
2. Chittagong Hill Tracts	1977-81
3. Comilla	1977-81
4. Noakhali	1978-81
5. Sylhet	1977-81
6. Dhaka	1977-81
7. Faridpur	1977-81
8. Jamalpur	1980-81
9. Mymensingh	1977-81
10. Tangail	1977-81
11. Barisal	1977-81
12. Jessore	1977-81
13. Khulna	1977-81
14. Kushtia	1979-81
15. Patuakhali	1977-81
16. Bogra	1977-81
17. Dinajpur	1977-81
18. Pubna	1977-81
19. Rajshahi	1977-81
20. Rangpur	1977-81

<sup>a</sup>1977 here refers to the fiscal year 1976/77.

SOURCE: Compiled by author.

TABLE 2

MEAN ZILLA PARISHAD REVENUES BY SOURCE, 1976/77-1980/81  
(in taka)

Revenue Source	Fiscal Year				
	1976/77	1977/78	1978/79	1979/80	1980/81
Property Transfer Tax	2,819,034 (16,1) <sup>a</sup>	3,425,981 (17,1)	4,003,179 (18,1)	5,257,987 (19,1)	4,498,665 (19,1)
Local Rate	334,411 (15,2)	159,470 (12,6)	146,142 (12,7)	93,635 (12,8)	59,133 (10,10)
Rent, Profits and Sale Proceeds	553,968 (17,0)	578,695 (18,0)	561,878 (19,0)	606,447 (20,0)	465,348 (20,0)
Fees and Rates	25,571 (13,4)	27,250 (12,6)	31,164 (14,5)	34,141 (15,5)	34,285 (15,5)
Tolls on Roads Ferries and Bridges	197,115 (14,3)	193,845 (15,3)	221,223 (16,3)	238,606 (18,2)	296,870 (18,2)
Interest	48,399 (11,6)	95,145 (12,6)	117,851 (15,4)	135,419 (17,3)	155,093 (17,3)
Miscellaneous Revenue	118,900 (17,0)	176,930 (18,0)	241,932 (19,0)	363,762 (20,0)	308,505 (20,0)
Voluntary Contributions	42,379 (1,16)	2,191 (1,17)	400,604 (2,17)	545,957 (3,17)	697,656 (3,17)

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TABLE 2 (CONT.)

Revenue Source	Fiscal Year				
	1976/77	1977/78	1978/79	1979/80	1980/81
Normal Grants	403,119 (17,0)	433,613 (18,0)	383,525 (19,0)	408,350 (20,0)	386,677 (20,0)
Works Programme Grants	2,280,598 (14,0)	2,258,580 (14,0)	2,340,444 (16,0)	2,988,697 (17,0)	2,550,005 (17,0)
Special Grants	897,277 (8,9)	3,026,402 (8,10)	2,759,314 (6,13)	2,592,513 (5,15)	4,274,684 (5,15)
Total Revenue	6,540,347 (17,0)	7,876,196 (18,0)	8,258,848 (19,0)	10,055,699 (20,0)	9,229,377 (20,0)

<sup>a</sup>First number in the parenthesis represents the number of observations used to compute means; the second number represents the number of ZPs for which no revenues were reported for this source; there were 19 districts in 1976/77 through 1978/79 and 20 thereafter. The difference between the total possible number of ZPs and the sum of the two numbers shown in parentheses represent missing data.

SOURCE: Computed by author from zilla parishad records.

collected in the ZPs for which the particular revenue source is reported to have been collected.<sup>1</sup>

The zero entry indicators are themselves informative. For example, no immovable property transfer tax is collected in the Chittagong Hill Tracts even though for most ZPs this tax constitutes the largest income source. The demise of the local rate is indicated by the increased number of ZPs reporting no revenues from this source over the five year period. Likewise, the data show that voluntary contributions are not commonly made to zilla parishads although the average size of the contributions, where they were made, were large.<sup>2</sup>

The zero entries also reveal differences in accounting practices across the districts, documented by the fact that three ZPs report no RWP grant income in the current account of the District Fund and most do not report Special Grants. Instead, these monies are held in special accounts maintained by the DC. It is also possible that fees and rates as well as tolls are used more extensively than indicated by the number of zero entries for these sources. Arbitrary inclusion of these revenues in the Rent, Profits and Sale Proceeds or in the Miscellaneous revenue categories would account for the apparent non-utilization of fees, rates

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<sup>1</sup>Since the second entry in parentheses indicates the frequency of zero entries, one can easily recompute the means to indicate average revenues across all districts. The displayed mean multiplied by the first number in parenthesis yields the total amount in all reporting ZPs. This product divided by the sum of the two numbers in parenthesis gives the mean amount of revenue earned in all available ZPs in the sample.

<sup>2</sup>For a discussion of the role of voluntary contributions in lower level local governments in Bangladesh, see Barbara D. Miller and Showkat Hayat Khan, "Local Voluntarism and Local Government Finance in Rural Bangladesh: Overview and Recommendations" Interim Report No. 6, Local Revenue Administration Project, Metropolitan Studies Program, The Maxwell School (Syracuse, NY: Syracuse University, June 1983).

and tolls. These differences in accounting practices complicate analysis of the data and require special handling of the entries.

Table 3 provides information on the relative size of the different sources of revenue. In order to make intertemporal comparisons, the data have been restricted to the fourteen ZPs for which data are available for the entire period and which include the RWP in the district fund. (Special Grants have been omitted in this computation.) The results show that the property transfer tax and the RWP together account for 70-80 percent of overall revenues in these local governments. Still, central government grants (normal and RWP) declined during the five year period. The monotonous decrease in the relative importance of normal grants is due to the fact that they remained nearly stable throughout the period (see Table 2). The property transfer tax grew in relative importance and by 1980/81 accounted for approximately one-half of all revenues in these ZPs. The decline in the local rate as a ZP revenue source is directly attributable to the 1976 imposition of the land development tax. The decline in relative importance of rent, profit and sales proceeds may be attributable to the fact that some sales, e.g., roadside trees, constitute a one-time only revenue source.

#### Per Capita Revenues By Source

In the face of a growing population, per capita revenues provide a better indicator of the locality's ability to finance spending needs than do total revenues. In order to compute ZP income in per capita terms it was necessary to derive population estimates for the time period under examination. Census population data are available only for the years 1974 and 1981; furthermore, it is recognized that both censuses suffered

TABLE 3  
 PERCENTAGE DISTRIBUTION OF ZILLA PARISHAD REVENUES,  
 BY SOURCE, 1976/77-1980/81  
 (in percentages)

Revenue Source	Fiscal Year <sup>a</sup>				
	1976/77	1977/78	1978/79	1979/80	1980/81
Property Transfer Tax	40.7	45.5	48.3	50.7	49.4
Local Rate	4.9	0.1	1.4	0.6	0.5
Rent, Profit and Sales Proceeds	9.4	10.0	7.5	6.7	5.3
Fees and Rates	0.2	0.2	0.2	0.2	0.2
Tolls on Roads, Ferries and Bridges	2.8	2.7	2.8	2.3	3.3
Interest	0.5	1.0	1.4	1.2	1.6
Miscellaneous Revenue	1.8	2.7	2.5	3.9	3.6
Voluntary Contribution	0.0	0.0	0.6	0.1	1.3
Normal Grants	6.2	6.5	5.1	4.2	4.5
Works Programme Grants	33.5	31.3	30.0	29.9	29.6

<sup>a</sup>Only the 14 zilla parishads for which data were available for the entire period and which reported RWP grants in the District Fund were used for this table.

SOURCE: Computed by authors from zilla parishad records.

from undercounts. The Bangladesh Bureau of Statistics prepares district-wise population estimates on an annual basis adjusted for the undercounting. We have used these data but have further adjusted them to include only the rural portion of the district under the assumption that zilla parishad fiscal activities are principally rural in nature.<sup>1</sup>

Table 4 contains mean per capita revenues by revenue source for those ZPs in which the particular source was non-zero during that fiscal year. The appendix contains the individual jurisdiction per capita amounts. Also shown in Table 4 are the ranges of non-zero per capita amounts and the coefficients of variation. This last statistic is the ratio of the variable's standard deviation to its mean (expressed in percentage terms) and indicates the relative variability in the per capita amounts.

On a per capita basis total own source revenues of the ZPs continued to grow, at least through 1979/80. This was the case both when the Chittagong Hill Tracts are included and excluded from the analysis. On the other hand, total per capita resources available to the ZPs did not grow steadily throughout the period. This is due to the fluctuations in Works Programme grants which declined significantly between 1976/77 and 1977/78 and subsequently rose to their former levels during the last two years of the period.

The growth in per capita own source revenues can be attributed primarily to the increase in per capita property transfer tax collections

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<sup>1</sup>Most importantly, the immovable property transfer tax is derived only from property transactions occurring outside paurashavas and municipal corporations.

TABLE 4

MEANS, COEFFICIENTS OF VARIATION AND RANGES IN ZILLA PARISHAD  
PER CAPITA REVENUES BY SOURCE, 1976/77-1980/81

Revenue Source	Fiscal Year <sup>a</sup>				
	1976/77	1977/78	1978/79	1979/80	1980/81
<b>Property Transfer Tax:</b>					
Mean	Tk. 0.67	Tk. 0.82	Tk. 0.96	Tk. 1.24	Tk. 1.04
C.V. <sup>b</sup>	23.6	31.3	25.5	33.6	46.0
Range	Tk. 0.43-1.04	Tk. 0.24-1.35	Tk. 0.58-1.56	Tk. 0.78-2.68	Tk. 0.14-2.57
<b>Local Rate:</b>					
Mean	Tk. 0.10	Tk. 0.04	Tk. 0.03	Tk. 0.02	Tk. 0.04
C.V.	110.3	110.0	150.0	138.0	190.0
Range	Tk. 0.00-0.44	Tk. 0.01-0.16	Tk. 0.00-0.16	Tk. 0.00-0.09	Tk. 0.00-0.19
<b>Rent, Profit and Sales Proceeds:</b>					
Mean	Tk. 0.11	Tk. 0.11	Tk. 0.13	Tk. 0.14	Tk. 0.11
C.V.	114.1	113.4	91.6	122.1	65.8
Range	Tk. 0.01-0.43	Tk. 0.01-0.37	Tk. 0.03-0.45	Tk. 0.02-0.70	Tk. 0.02-0.25
<b>Fees and Rates:</b>					
Mean	Tk. 0.01	Tk. 0.01	Tk. 0.01	Tk. 0.01	Tk. 0.01
C.V.	138.0	118.0	119.6	131.0	102.4
Range	Tk. 0.00-0.03	Tk. 0.00-0.02	Tk. 0.00-0.02	Tk. 0.00-0.04	Tk. 0.00-0.03
<b>Tolls on Roads, Ferries and Bridges:</b>					
Mean	Tk. 0.03	Tk. 0.04	Tk. 0.05	Tk. 0.06	Tk. 0.07
C.V.	102.1	93.4	64.8	74.6	80.7
Range	Tk. 0.01-0.17	Tk. 0.01-0.13	Tk. 0.00-0.11	Tk. 0.00-0.13	Tk. 0.00-0.18

TABLE 4 (CONT.)

Revenue Source	Fiscal Year <sup>a</sup>				
	1976/77	1977/78	1978/79	1979/80	1980/81
<b>Interest:</b>					
Mean	Tk. 0.01	Tk. 0.02	Tk. 0.02	Tk. 0.03	Tk. 0.04
C.V.	81.8	116.5	108.6	82.9	90.9
Range	Tk. 0.00-0.03	Tk. 0.00-0.09	Tk. 0.00-0.09	Tk. 0.01-0.09	Tk. 0.01-0.11
<b>Miscellaneous Revenue:</b>					
Mean	Tk. 0.04	Tk. 0.05	Tk. 0.06	Tk. 0.09	Tk. 0.09
C.V.	93.0	82.5	136.3	93.2	136.6
Range	Tk. 0.00-0.12	Tk. 0.01-0.18	Tk. 0.00-0.38	Tk. 0.00-0.32	Tk. 0.00-0.54
<b>Voluntary Contribution:</b>					
Mean	Tk. 0.02	Tk. 0.001	Tk. 0.10	Tk. 0.10	Tk. 0.15
C.V.	--- <sub>c</sub>	--- <sub>c</sub>	140.8	102.7	33.6
Range	Tk. 0.02-0.02	Tk. 0.00-0.00	Tk. 0.00-0.20	Tk. 0.00-0.20	Tk. 0.01-0.19
<b>Total Own Source Revenue:</b>					
Mean	Tk. 0.91	Tk. 1.02	Tk. 1.20	Tk. 1.51	Tk. 1.34
C.V.	33.9	30.2	30.1	43.0	44.0
Range	Tk. 0.14-1.49	Tk. 0.23-1.44	Tk. 0.23-1.89	Tk. 0.29-3.48	Tk. 0.43-3.36
<b>Total Own Source Revenues (Excluding Chittagong Hill Tracts):</b>					
Mean	Tk. 0.96	Tk. 1.07	Tk. 1.25	Tk. 1.58	Tk. 1.37
C.V.	25.4	22.9	22.6	38.0	43.7
Range	Tk. 0.62-1.49	Tk. 0.66-1.44	Tk. 0.80-1.89	Tk. 0.99-3.48	Tk. 0.43-3.36

TABLE 4 (CONT.)

Revenue Source	Fiscal Year <sup>a</sup>				
	1976/77	1977/78	1978/79	1979/80	1980/81
<b>Normal Grants:</b>					
Mean	Tk. 0.11	Tk. 0.11	Tk. 0.10	Tk. 0.11	Tk. 0.10
C.V.	23.2	25.0	22.8	25.2	23.0
Range	Tk. 0.07-0.18	Tk. 0.08-0.17	Tk. 0.07-0.17	Tk. 0.08-0.17	Tk. 0.08-0.17
<b>Works Programme Grants:</b>					
Mean	Tk. 0.93	Tk. 0.70	Tk. 0.70	Tk. 0.95	Tk. 0.99
C.V.	174.0	89.6	94.3	90.6	140.3
Range	Tk. 0.38-6.53	Tk. 0.38-2.66	Tk. 0.04-2.21	Tk. 0.38-3.22	Tk. 0.11-5.26
<b>Total Revenue:<sup>d</sup></b>					
Mean	Tk. 1.78	Tk. 1.68	Tk. 1.89	Tk. 2.43	Tk. 2.128
C.V.	74.3	31.9	31.0	36.2	60.5
Range	Tk. 0.85-6.75	Tk. 0.99-2.97	Tk. 0.91-3.29	Tk. 1.43-4.57	Tk. 0.64-6.21

\* Means and ranges in taka, coefficients of variation in percents.

<sup>a</sup> Number of observations as shown in Table 1 (zero entries excluded). Where a minimum of zero is indicated, it is due to rounding.

<sup>b</sup> C.V. refers to coefficient of variation.

<sup>c</sup> Only one non-zero observation.

<sup>d</sup> Total revenue excludes special grants.

SOURCE: Computed by authors from zilla parishad records.

between 1976/77 and 1979/80. The minor revenues remained quite stable in per capita terms throughout the period.

The per capita revenue data for the minor revenue sources display considerable variability as indicated both by the large ranges in values and by coefficients of variation that often exceed 100 percent, but this should be expected given their small means. On the other hand, the coefficients of variation for the property transfer tax and total own source revenues are not extremely large. What is surprising is the large variation in per capita grants, indicating that factors other than population play crucial roles in determining grant allocations.

#### Real Revenues Per Capita

While per capita data are more informative than totals, the fact that one taka revenue earned in 1980/81 could not purchase as much as could one taka in 1976/77 should also be recognized. It is, therefore, desirable to deflate the nominal revenues by some price index so as to obtain some indication of the growth (or lack thereof) in local government purchasing power.

Unlike many developing countries there is a wealth of price level information published by the Bangladesh Bureau of Statistics. Still, none of the published indexes directly measure the purchasing power of public sector funds.<sup>1</sup> We have used the consumer price index (CPI) for Dhaka Government Employees/Middle Income Class to deflate the nominal per

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<sup>1</sup>This is certainly not uncommon. For example, in the U.S. there is an implicit price deflator constructed for the state and local government sector; however, there are no price indexes constructed which directly measure the changing cost of purchasing a representative mix of public sector inputs.

capita amounts. This index is available on a consistent basis for the longest time span and, given the labor intensity of most governmental activities, seems to be a reasonable indicator of public sector purchasing power.<sup>1</sup>

Real per capita revenues did, on average, keep pace with inflationary pressures, although a rather dramatic revenue decline occurred in 1980/81 (Table 5). That decline was due to the absolute decrease in total nominal immovable property transfer tax revenues. Many of the minor revenues have not kept pace with the twin forces of population growth and increasing prices. Likewise, per capita normal grants have not increased as rapidly as has the price level and RWP monies have remained almost constant in real per capita terms since the large decline between 1976/77 and 1977/78.

#### Annual Growth Rates in Real Per Capita Revenues

The previous analyses do not address the question of annual growth in revenues per capita. While revenue growth is desirable, budgetary planning is aided when revenues continue to grow on a fairly stable basis rather than fluctuating wildly from year to year. The data in Table 6 address this issue. The table shows mean annual growth rates in real per capita revenues in ZPs for which data are available in any two consecutive years.

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<sup>1</sup>Use of alternative price indexes would yield nearly identical results since, when 16 other price indexes were correlated with the Dhaka Government Employees CPI, none of the correlation coefficients were less than .967. Thus, the choice of the index does not play a crucial role in the determination of real variables.

TABLE 5  
 MEAN ZILLA PARISHAD REAL PER CAPITA REVENUES, BY SOURCE,  
 1976/77-1980/81  
 (1976/77 taka)<sup>a</sup>

Revenue Source	Fiscal Year <sup>b</sup>				
	1976/77	1977/78	1978/79	1979/80	1980/81
Property Transfer Tax	0.67	0.71	0.76	0.85	0.63
Local Rate	0.10	0.03	0.02	0.01	0.02
Rent, Profit and Sale Proceeds	0.11	0.10	0.10	0.10	0.07
Fees and Rates	0.01	0.009	0.008	0.007	0.006
Tolls on Roads, Ferries and Bridges	0.03	0.03	0.04	0.04	0.04
Interest	0.01	0.02	0.02	0.02	0.02
Miscellaneous Revenue	0.04	0.04	0.05	0.06	0.05
voluntary Contribution	0.02	0.001	0.08	0.07	0.09
(Total Own Source Revenue)	(0.91)	(0.87)	(0.94)	(1.03)	(0.82)
Normal Grants	0.11	0.10	0.08	0.07	0.06
Works Programme Grants	0.93	0.61	0.55	0.65	0.60
Total Revenue <sup>c</sup>	1.78	1.46	1.49	1.66	1.39

<sup>a</sup>Real taka amounts based on the CPI for Dhaka government employees (1976/77 = 100).

<sup>b</sup>Number of observations as shown in Table 2 (zero entries excluded).

<sup>c</sup>Total Revenue excludes Special Grants.

SOURCE: Computed by author from zilla parishad records.

TABLE 6  
 MEAN ANNUAL GROWTH RATES IN ZILLA PARISHAD REAL PER  
 CAPITA REVENUES, BY SOURCE  
 (in percents)

Revenue Source	Fiscal Year			
	1976/77 to 1977/78	1977/78 to 1978/79	1978/79 to 1979/80	1979/80 to 1980/81
Property Transfer Tax	5.9 (16) <sup>a</sup>	20.8 (17)	14.3 (18)	-24.1 (19)
Rent, Profit and Sales Proceeds	25.8 (17)	67.7 (18)	10.8 (19)	59.8 (20)
Fees and Rates	-11.2 (12)	23.5 (12)	11.7 (14)	8.9 (15)
Tolls on Roads, Ferries and Bridges	- 2.8 (14)	17.2 (15)	-11.7 (16)	25.9 (18)
Miscellaneous Revenue	163.9 (17)	27.5 (18)	177.9 (19)	48.2 (20)
Own Source Revenue	2.3 (17)	7.9 (18)	9.1 (19)	-11.6 (20)
Normal Grants	- 9.4 (17)	-16.5 (18)	- 6.5 (19)	-15.2 (20)
Works Programme Grants	- 8.2 (14)	3.5 (14)	80.1 (16)	-24.1 (17)
Total Revenue Excluding Special Grants	- 1.4 (17)	5.5 (18)	12.5 (19)	-18.7 (20)
Total Revenue Including Special Grants	3.3 (17)	2.0 (18)	9.9 (19)	-14.3 (20)

<sup>a</sup>Numbers in parantheses are the number of Zilla Parishads used to compute mean annual growth rates.

SOURCE: Computed by author from zilla parishad records.

The years 1977/78 through 1979/80 showed most revenue sources (other than normal grants) increasing while declines in the largest revenue sources--the property transfer tax and the RWP--were experienced between 1979/80 and 1980/81. The entries within a single row highlight the problem of uncertainty in budgetary planning. For example, over this five-year period the mean annual property transfer tax growth rate varied from -20 to +25 percent. The differences in growth rates over time for the minor revenues and for the major intergovernmental grant program, the RWP, were even greater. While there were sufficient compensating variations in the growth rates of the several revenues to provide a more stable growth in the total, the range from -18.7 to +12.5 percent (when Special Grants are excluded) suggest considerable revenue instability. Reforms to the revenue structure should consider stable revenue growth as nearly as important as growth itself.

One of the criticisms of the current revenue structure, often mentioned ZP officials, is the uncertainty associated with RWP grants. Although allocations are announced early in the fiscal year, but after budgets are formulated, local bodies seldom receive the entire allocated amount.

#### Zilla Parishad Expenditures

The range of activities which the Local Government Ordinance, 1976 requires of zilla parishads extends from the promotion of public games and sports to the provision of roads, bridges and culverts.<sup>1</sup> Given the

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<sup>1</sup>These activities are discussed in some detail in Schroeder and Maniruzzaman, "Local Government Structure in Bangladesh."

small amount of per capita revenues available to ZPs, it is not surprising that the level and breadth of activity is less than that implied in the full compulsory and optional lists. The purpose of this section is to document the level and composition of spending activities in ZPs during the period 1976/77 through 1980/81 in order to observe if and how expenditure initiatives changed and grew. The measures used are similar to those above and include totals and per capita amounts in nominal and real terms.

#### Total Expenditures

Table 7 documents the mean levels of expenditures in several major functional areas of ZP activity as well as average total expenditures. While the totals here are comparable to the mean total revenues shown in Table 2, there is no necessity that average revenues exceed average total spending since local bodies in Bangladesh use cash accounting systems which record revenues and expenditures as the funds are obtained or spent. Since the data in both Table 2 and 7 exclude the opening and closing balances (if these balances were not excluded, the totals in the two tables would necessarily be equal), revenues may or may not necessarily be spent during the same fiscal year. In fact, in three of the five years analyzed (fiscal years 1976/77, 1978/79 and 1980/81) expenditures exceeded revenues while the interim years show a surplus. This suggests budgeting practices which respond to the current fiscal situation by cutting back on spending in the year following a "deficit."<sup>1</sup>

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<sup>1</sup>Note that the term "deficit" does not mean that ZPs were required to borrow funds to balance its budget since opening and closing balances are not included in the table. Instead, when current revenues are

TABLE 7

MEAN ZILLA PARISHAD EXPENDITURES BY TYPE, 1976/77-1980/81  
(in taka)

Expenditure Type	Fiscal Year				
	1976/77	1977/78	1978/79	1979/80	1980/81
Establishment	587,760 (17) <sup>a</sup>	617,151 (18)	934,468 (19)	942,140 (20)	1,076,995 (20)
Agriculture	30,983 (16)	26,163 (17)	16,933 (18)	26,153 (15)	41,358 (15)
Public Health	36,409 (16)	38,121 (16)	16,626 (15)	19,537 (13)	24,375 (15)
Education	572,553 (16)	426,996 (17)	351,274 (18)	393,846 (19)	345,094 (19)
Social Welfare and Culture	151,174 (8)	181,427 (8)	105,359 (11)	117,986 (11)	148,482 (11)
Public Works	3,117,814 (17)	3,851,235 (18)	4,490,141 (18)	4,479,295 (20)	5,149,511 (20)
Miscellaneous Expenditures	127,587 (17)	166,897 (18)	358,088 (19)	316,796 (20)	358,586 (20)
Works Programme	2,884,455 (13)	2,181,782 (13)	2,313,986 (15)	2,854,038 (16)	2,779,026 (16)

TABLE 7 (CONT.)

<u>Expenditure Type</u>	<u>Fiscal Year</u>				
	<u>1976/77</u>	<u>1977/78</u>	<u>1978/79</u>	<u>1979/80</u>	<u>1980/81</u>
Special Grants	462,416 (3)	2,174,099 (3)	3,405,911 (3)	2,079,257 (2)	3,372,584 (3)
Total Expenditures excluding Special Grants	6,712,363 (17)	6,735,517 (18)	7,796,155 (19)	8,492,822 (20)	9,267,117 (20)
Total Expenditures including Special Grants	6,793,966 (17)	7,115,867 (18)	8,333,931 (19)	8,700,747 (20)	9,773,005 (20)

<sup>a</sup>Number in parenthesis is number of Zilla Parishads used to compute means.

SOURCE: Computed by author from zilla parishad records.

While this is not uncommon behavior, it indicates that ZPs are operating at the edge of their fiscal capacity and that steps to improve revenue-raising abilities are called for.

Activities which dominate ZP spending are those on public works since both the category "Public Works" and the entry "Works Programme" refer to spending on functional areas which, in a broader sense, represent works-related activities such as reconstruction and maintenance of roads, bridges. The relative importance of these types of expenditures is shown in Table 8. The aggregate proportion of ZP spending allocated to public works from the combined activities of the RWP and normal works are consistently about 80 percent of the total. Indeed, the overall percentage is amazingly constant throughout the five years. The large drop in RWP between 1976/77 and 1977/78 was fully compensated for by increased spending on normal works.

The other categories of spending are quite minor; however, there have been some changes of note. Education spending declined in relative importance throughout the period while establishment expenditures rose and subsequently fell such that, in 1980/81, they accounted for about 10 percent of expenditures.

#### Per Capita Expenditures

After adjusting for inflation and population growth, one observes that spending (excluding Special Grants) remained fairly stable during the last half decade (Table 9). The data indicate a decline in some ZP

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(cont.) exceeded by spending, balances are drawn down. In the following year a cutback in spending would allow the jurisdiction to build balances back to their previous levels.

TABLE 8  
 PERCENTAGE DISTRIBUTION OF ZILLA PARISHAD EXPENDITURES,  
 BY TYPE, 1976/77-1980/81  
 (in percents)

Expenditure Type	Fiscal Year <sup>a</sup>				
	1976/77	1977/78	1978/79	1979/80	1980/81
Establishment	7.8	7.9	12.1	9.7	10.2
Agriculture	0.4	0.4	0.2	0.2	0.2
Public Health	0.6	0.6	0.2	0.2	0.2
Education	8.7	5.6	4.3	4.1	3.3
Social Welfare and Culture	1.2	1.3	0.8	0.8	1.0
Public Works	39.3	53.1	49.9	50.3	53.7
Miscellaneous Expenditures	1.8	2.6	3.6	3.7	3.8
Works Programme	40.2	28.6	28.8	31.1	27.6

<sup>a</sup>Total expenditures exclude special grants expenditures. The data are based on a common set of 13 zilla parishads which include the RWP expenditures in the District Fund and for which data are available for the entire 5 year period.

SOURCE: Computed by author from zilla parishad records.

TABLE 9  
 MEAN ZILLA PARISHAD REAL PER CAPITA EXPENDITURES,  
 BY TYPE, 1976/77-1980/81  
 (in taka)

<u>Expenditure Type</u>	<u>Fiscal Year<sup>a</sup></u>				
	<u>1976/77</u>	<u>1977/78</u>	<u>1978-79</u>	<u>1979/80</u>	<u>1980/81</u>
Establishment	0.080	0.080	0.160	0.100	0.110
Agriculture	.003	.003	.002	.003	.004
Public Health	.005	.004	.002	.002	.002
Education	.070	.050	.040	.036	.030
Social Welfare and Culture	.017	.020	.013	.012	.011
Public Works	.420	.480	.470	.420	.440
Miscellaneous Expenditures	.017	.020	.032	.032	.034
Works Program	.640	.360	.340	.410	.420
Special Grant	.080	.320	.520	.270	.480
Total Expenditures excluding Special Grants	1.100	.900	.980	.920	.970
Total Expenditures including Special Grants	1.110	.960	1.060	.950	1.040

<sup>a</sup>Number of observations as shown in Table 7.

SOURCE: Computed by author from zilla parishad records.

spending activities while others were nearly constant in real per capita terms. The most important component of ZP activity, public works spending, fell during the period. Interestingly, while real per capita own source revenues were nearly constant during this period (Table 5), the decline in real per capita grants account for the spending decrease.

Even in nominal terms the totals reflected in the table are extremely small. For example, by 1980-81 mean nominal spending (excluding special grants) was only Tk. 2.56 per person. If one makes the liberal assumption that average annual incomes in these rural areas are approximately Tk. 2,400 (assuming US \$120 per person and an exchange rate of Tk. 20 = US\$1), Tk. 2.56 expenditures amount to an expenditure-income ratio of less than one-tenth (0.08) percent. This is a very small ratio for a governmental body responsible for such a wide range of activities.

#### Zilla Parishad Revenue Differentials

Documentation of ZP finances does not indicate why some zillas outperform others in mobilizing resources. To address this issue we review some hypothetical reasons for revenue differentials across governmental bodies and then statistically analyze the differentials found in the data described previously.

#### Revenue Effort

Given similar revenue structures (which is the case for all ZPs other than the Chittagong Hill Tracts), there are two general reasons for differences in collections--ability and willingness. Resource mobilization ability is related to the economic base of an area. In

general, the stronger the underlying economy, the greater the amounts of revenues that can be collected from a set of revenue instruments. That is, most revenue sources, e.g., the property transfer tax, are somehow related to some aspect of economic activity, e.g., the market value of transacted property.

Revenue potential is, however, not equivalent to revenue realization. There must also be a willingness to impose revenue instruments on local economic activity. Political decisions are necessary to impose revenue-raising devices; furthermore, the revenue instruments must be administered to the full extent of the law.

It is difficult to measure directly the political and/or administrative factors responsible for differential revenue effort. The demand for public services, e.g., better roads, can influence political/administrative decisions to mobilize additional resources to fill these needs. The causal linkage is, of course, weakened considerably when decisionmakers are placed in office by the central government rather than through popular elections. Nevertheless, "good" local administrators may react to local pressures even in the absence of direct elections.

Another potential impediment to realization of revenue potential is intergovernmental aid. Intergovernmental grants can have two offsetting effects.<sup>1</sup> On the one hand, an increased flow of funds to local governments can stimulate resource mobilization efforts. This would occur if the grant augments local economic activity which, in turn,

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<sup>1</sup>The effects of government grants in Bangladesh are analyzed in considerably more detail in Bahl, "Intergovernmental Grants in Bangladesh."

generates additional local revenues. Likewise, if the grant is spent on new capital which the locality is forced to operate and maintain, additional resource mobilization pressures will be placed on the locality.

On the other hand, localities may substitute the central government aid for its own revenue. This is especially likely when the grant system includes no matching nor maintenance of revenue effort requirements as conditions for receiving the money.

#### Measurement of Revenue Effort

Ideally, revenue effort would relate local own-source revenues to some measure of the residents' abilities to pay, e.g., the ratio of revenues to local income. Income data are not available for districts in Bangladesh and it is not feasible to attempt to factor the district GDP estimates into their rural and urban components. Thus, we have used a simpler technique here which analyzes differences in ZP per capita own-source revenues. Per capita amounts are used to correct for variations in total revenues attributable solely to population differences.

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<sup>1</sup>This approach is taken in the several studies of tax effort differentials across developing countries. See Joergen Lotz and Elliott Morss, "Measuring Tax Effort in Developing Countries," IMF Staff Papers 14 (1967): 478-99; Roy Bahl, "A Regression Approach to Tax Effort and Tax Ratio Analysis," IMF Staff Papers 18, No. 3 (November 1971): 570-612; Harley Hinrichs, A General Theory of Tax Structure Change During Economic Development (Cambridge, Mass.: Harvard Law School, 1966); Alan Tait, Wilfred Gratz, and Barry Eichengreen, "International Comparisons of Taxation for Selected Developing Countries, 1972-1976," IMF Staff Papers 26, No. 1 (March 1979): 123-56; Roy Bahl, "A Representative Tax System Approach to Measuring Tax Effort in Developing Countries," IMF Staff Papers 19, No. 1 (March 1972): 87-124; Raja Chelliah, Hessel Baas, and Margaret Kelly, "Tax Ratios and Tax Effort in Developing Countries, 1969-1971," IMF Staff Papers 22, No. 1 (March 1975): 187-205.

The choice of independent variables for the analysis is greatly restricted by data availability. Since no up-to-date personal income data are available by district, proxy variables must be used. Two variables are employed for this purpose. The BBS has estimated district-wise gross domestic product (GDP) the period 1976/77 through 1980/81, and value added in agriculture for the same areas and time period. The former measure probably comes closer to an estimate of income within the area; however, it includes economic activity occurring within the urban areas of the district hence overestimates the size of the revenue base of the zilla parishad. Agricultural value added, on the other hand, should reflect rural economic activity but is limited to agriculture. Both proxies are used in the analysis with each measured in per capita terms.

While district GDP per capita may capture the effects of a flourishing trade sector associated with urban areas, the same is not true for value added in agriculture although we recognize that a healthy urban economy will probably affect land prices in the nearby rural areas. We have, therefore, included the proportion of the district's population residing in urban areas as a companion variable whenever value added in agriculture is used in the statistical relationship.

The effect of intergovernmental grants on resource mobilization is tested through the inclusion of per capita ZP normal and RWP grants in the estimating equations. If the level of per capita grants is negatively (positively) associated with per capita own source revenues, one would conclude that the grant system discourages (encourages) tax effort and, hence, the grant system is substitutive (stimulative).

To approximate, at least crudely, administrative/political factors involved in resource mobilization we include per capita current account opening balances in the analysis. It may be that fiscal decision-makers approach mobilization efforts with a short-term perspective. If the fiscal situation appears healthy, they relax their efforts and increase these efforts only when the situation appears bleak. Per capita opening balances are used to reflect the current fiscal situation.

Linear regression is used to estimate the cross-sectional relationship between per capita own source revenues and the independent variables mentioned. The agricultural value added, GDP and urbanization data come from BBS sources while the financial data are those described above.

### Statistical Results

Table 10 shows the regression results for each year 1976/77 through 1980/81. The results are informative, but generally in a negative sense because little systematic relationship emerged between the explanatory variables and own-source revenue effort.

Four different specifications were used here. In only one instance (1978/79) was per capita GDP found to be statistically related to own source revenues and this may be a statistical artifact since the equation as a whole is not statistically significant at the 0.10 level. The general lack of a relationship between GDP and revenues could be due to the fact that GDP is measured for the district as a whole rather than only for the rural areas. Or, possibly, GDP does not directly affect land prices which serve as the primary economic determinant of the property transfer tax.

TABLE 10  
 PER CAPITA OWN SOURCE REVENUE REGRESSION RESULTS<sup>a</sup>  
 (absolute t-ratios in parentheses)

Year	Independent Variables					F	R <sup>2</sup>
	Per Capita GDP <sup>b</sup>	Value Added in Ag <sup>c</sup>	Grants Per Capita <sup>d</sup>	Urban Population <sup>e</sup>	Open Balance <sup>f</sup>		
1976-77	300.93 (0.83)		0.14 (0.22)			0.46	.08
	298.19 (0.77)		0.11 (0.13)		-0.005 (0.07)	0.28	.08
		0.57 (0.76)	0.009 (0.01)	0.003 (0.32)		0.29	.08
		0.57 (0.71)	0.001 (0.001)	0.003 (0.26)	-0.002 (0.02)	0.19	.09
1977-78	237.75 (0.76)		0.15 (0.66)			0.56	.10
	61.36 (0.18)		0.25 (1.04)		0.20 (1.12)	0.80	.21
		-0.35 (0.80)	0.21 (1.00)	0.01 (1.89)*		1.52	.34
		-0.68 (2.90)**	0.36 (1.80)	0.01 (1.94)*	0.27 (1.92)*	2.40	.54
1978-79	549.91 (1.84)*		-0.10 (0.75)			1.91	.24
	543.30 (1.67)		-0.10 (0.69)		0.01 (0.07)	1.17	.24
		0.19 (0.41)	-0.08 (0.69)	0.02 (2.80)**		3.14	.46
		0.13 (0.26)	-0.07 (0.57)	0.02 (2.68)**	0.06 (0.31)	2.19	.47

TABLE 10 (CONT.)

Year	Independent Variables						F	R <sup>2</sup>
	Per Capita GDP <sup>b</sup>	Value Added in Ag <sup>c</sup>	Grants Per Capita <sup>d</sup>	Urban Population <sup>e</sup>	Open Balance <sup>f</sup>			
1979-80	66.35 (0.10)		-0.16 (0.68)				0.24	.04
	3.69 (0.01)		-0.18 (0.73)		0.22 (1.04)		0.52	.12
		-1.14 (1.54)	-0.10 (0.54)	0.04 (2.80)**			3.26*	.45
		-1.21 (1.66)	-0.12 (0.61)	0.04 (2.72)**	0.20 (1.19)		2.88*	.51
1980-81	487.94 (0.85)		-0.004 (0.02)				0.37	.05
	179.10 (0.31)		0.09 (0.48)		0.57 (1.56)		1.07	.21
		-0.96 (1.92)	0.05 (0.46)	0.06 (5.37)**			10.27**	.72
		-0.98 (1.94)*	0.08 (0.67)	0.05 (4.39)**	0.19 (0.82)		7.66**	.74

\* Denotes significant at .10 level (2-tail).

\*\* Denotes significant at .05 level (2-tail).

<sup>a</sup>In each regression the dependent variable is own source revenue per capita.

<sup>b</sup>Per capita Gross Domestic Product (at current prices) of the district.

<sup>c</sup>Per capita value added in agriculture within its district.

<sup>d</sup>Normal and RWP grants per capita.

<sup>e</sup>Percent of the district population residing in urban areas.

<sup>f</sup>Opening balances per capita.

SOURCE: Computed by author.

Only in 1980/81 was value added in agriculture statistically related to own source revenues per capita; and, in that instance, the relationship was negative rather than positive as hypothesized. There are several possible reasons for the general lack of relationship between agricultural productivity and revenue effort: (1) If more, but lower-valued, transactions take place in districts with lower agricultural productivity, one would not detect the expected relationship. (2) The administration of the immovable property transfer tax may be so weak that the tax collections are essentially random. (3) Possibly, due to market imperfections, land sales prices do not fully reflect differential productivity levels. (4) Finally, the value added data may be not sufficiently accurate to discern a relationship between agricultural productivity and revenues. Without additional productivity or income data, these possibilities must all remain open.

The results suggest no relationship between the flow of intergovernmental grants and revenues per capita. Given the structure of grant programs and the degree of fiscal autonomy available to zilla parishads, this is not surprising.

The urbanization variable is the single consistent indicator of greater revenues per capita. Other than in 1976/77, a significant positive relationship exists between the urbanized percent of a district's population and own source revenues. Interestingly, the absolute size of that relationship increased over the period under study. The findings suggest that greater economic activity in more urbanized areas drives up land prices which is then reflected in immovable property transfer tax revenues.

Opening balances appear to have little effect on revenue effort. In the one year for which this variable was found to be statistically significant (1977/78), the result indicates a positive relationship between revenue effort and opening balances. But, again, that equation is not statistically significant.

The associated F and  $R^2$  statistics suggest the dominant effect of the urbanization variable in these results. Only when urbanization is included do any of the equations explain more than about 25 percent of the interdistrict variability in per capita revenues. It must be recognized, however, that all of these results are based on relatively few observations, thus, a small number of zilla parishads which also happen to be more urbanized, e.g., Dhaka and Chittagong, can play a major role in producing these statistical outcomes. In general, there is a great deal of variability in revenue effort across the zilla parishads that simply cannot be explained by the statistical models employed here.

The lack of strong statistical relationships between own source revenue effort and the several explanatory variables is not, on the whole, surprising. One overriding attribute of zilla parishad finances is a lack of autonomy in raising revenues. Local administrators have relatively little power to mobilize additional resources, even if they would desire to do so. In addition, the fact that the decisionmakers at the ZP level are administrators rather than politicians could also affect the results. With a maximum of three years tenure in a position, there may be little incentive for the DC and ADRD acting as ZP chairman and secretary, respectively, to attempt to increase revenues if the

additional spending available from those resources will benefit their replacements.

Another important factor that accounts for the poor statistical relationships is a general instability in revenues, even within a ZP. This instability is reflected in Table 11 which gives summary statistics--means, standard deviations and coefficients of variation--of ZP total own source revenues measured in real per capita terms for each ZP. Larger coefficients of variation mean that revenues are characterized by larger year-to-year fluctuations. This instability helps explain the poor quality of the cross sectional statistical results; but, more important is its implication for financial planning. If a ZP's revenues experience wide annual fluctuations, it is nearly impossible to plan spending initiatives effectively.

#### Potential Revenues of Union Parishads

The list of potential taxes, rates and fees which a union parishad (UP) can levy is identical to that of the ZPs but, as noted above, ZPs and UPs are not allowed to impose identical revenue instruments.<sup>1</sup> The resulting revenue structure relies most heavily upon property-based taxes with a few fees and minor taxes constituting the remainder of own-source revenues. Union parishads also participate in several grant programs.

#### Own Source Revenues

There are five major types of own source revenues collected by union parishads--property-based taxes, other taxes, property income, fees and

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<sup>1</sup>The discussion here pertains to the revenue situation in union parishads prior to the creation of upazila parishads and the transfer of some revenue sources to these new local governments.

TABLE 11

SUMMARY MEASURES OF ZILLA PARISHAD TOTAL REAL OWN SOURCE  
REVENUES PER CAPITA FOR THE PERIOD 1976/77-1980/81  
(in 1976/77 taka)

<u>Zilla Parishad</u>	<u>Mean<sup>a</sup></u>	<u>Standard Deviation</u>	<u>Coefficients of Variation</u>
Chittagong	Tk. 1.16 (5)	Tk. 0.09	7.6%
Chittagong Hill Tracts	Tk. 0.25 (5)	Tk. 0.16	64.0
Comilla	Tk. 0.88 (5)	Tk. 0.08	9.3
Noakhali	Tk. 1.14 (4)	Tk. 0.08	7.5
Sylhet	Tk. 0.92 (5)	Tk. 0.38	41.3
Dhaka	Tk. 1.61 (5)	Tk. 0.59	36.5
Faridpur	Tk. 0.80 (5)	Tk. 0.07	8.9
Jamalpur	Tk. 0.69 (2)	Tk. 0.09	13.5
Mymensingh	Tk. 1.03 (5)	Tk. 0.16	15.9
Tangail	Tk. 0.83 (5)	Tk. 0.12	14.5
Barisal	Tk. 0.62 (5)	Tk. 0.08	12.4
Jessore	Tk. 0.70 (5)	Tk. 0.06	9.0

TABLE 11 (CONT.)

<u>Zilla Parishad</u>	<u>Mean<sup>a</sup></u>	<u>Standard Deviation</u>	<u>Coefficients of Variation</u>
Khulna	Tk. 1.00 (5)	Tk. 0.06	5.8
Kushtia	Tk. 1.07 (3)	Tk. 0.14	13.0
Patuakhali	Tk. 0.95 (5)	Tk. 0.24	24.8
Bogra	Tk. 0.94 (5)	Tk. 0.09	9.3
Dinajpur	Tk. 1.03 (5)	Tk. 0.21	20.7
Pabna	Tk. 0.84 (5)	Tk. 0.18	21.1
Rajshahi	Tk. 1.23 (5)	Tk. 0.44	35.4
Rangpur	Tk. 0.65 (5)	Tk. 0.08	12.4

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<sup>a</sup>Numbers in the parentheses represent number of observations used to compute the entries.

SOURCE: Computed by author from zilla parishad records.

miscellaneous income. In addition, the local rate has produced some small revenues during the past several years. Table 12 shows the components of these major revenue categories.

Both the holding tax and the chowkidari tax are levies against the value of buildings and land on which the building is situated. Each is subject to the same set of rules and regulations as specified in the Rules Under the Basic Democracies Order (Those Applicable to Union Councils).<sup>1</sup> Since the taxes are so similar, it is not surprising to find that many UPs do not attempt to differentiate between them in their accounts but, instead, show their aggregate as a single entry.

Statutorily, the two taxes are to be levied against the annual value of the property. For let-out properties the annual value is the gross annual rent less two months' rent allowed for maintenance expenses. Furthermore, if there is a mortgage on the property, the annual mortgage interest costs are to be deducted from the annual value. The annual value of owner-occupied property is to be determined either in terms of values on comparable let property in the area or as 7.5 percent of the estimated capital value of the property, whichever is less. Owner-occupiers are also granted deductions of one-sixth of the value as a maintenance allowance plus one-fourth of the net value after the maintenance allowance is deducted plus any mortgage interest costs. The second of these deductions quite obviously provides a strong incentive for owner-occupancy status.

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<sup>1</sup>Government of East Pakistan, Rules Under the Basic Democracies Order (Those Applicable to Union Councils) (Dacca: E. Pakistan Government Press, 1969), pp. 17-22.

TABLE 12

OBSERVED SOURCES OF UNION PARISHAD REVENUES,  
1976/77-1980/81

## Own Source Revenues:

Local Rate

Property Tax

Holding tax

Chowkidari (Village Police) tax

Arrears in holding tax

## Other Taxes

Tax on professions, trades and callings

Tax on vehicles

Tax on animals

## Income From Properties

Pounds and ferry

Lease of UP lands

Rent and profit

Interest on investment

Sale of UP trees

## Fees

Court (Gram Adalat) fee

Market fee

License and permit fee

Fee from trucks

Marriage fee

Cinema fee

Nationality and birth certificate fee

Building fee, slaughter fee, certification  
fee for ownership of animals

Boat registration fee

## Miscellaneous

Forfeit money from election candidates

Contributions to defense party, libraries  
and eye-clinic

Income from fines

Sale proceeds of reclaimed cattle in pounds

Octroi (extremely rare)

TABLE 12 (CONT.)

**Intergovernmental Grants:****Normal Grants**

Compensatory  
Deficit budget  
Increased development  
Salary (subvention)  
Honorarium

**Miscellaneous:**

- a. voluntary mass participation grant
- b. election grant
- c. seed grant
- d. test relief and family planning
- e. house building grant due to tornado,  
flood, etc.

**Works Programme Grant**

Contingency  
Project

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SOURCE: Union parishad records.

According to the statutes, assessments are to be updated every five years. After new assessments are prepared, the list is to be published and any taxpayer dissatisfied with his assessment can apply for a review of the valuation. Subcommittees formed from the union parishad are to act upon these appeals. Subsequent appeals to the circle officer (development) and controlling authority are also possible.

Taxes can be paid on a quarterly installment basis. Additionally, the statutes provide a 5 percent rebate when the tax bill is paid prior to the payment deadline.

Finally, the statutes are clear on the methods whereby arrear taxes are to be collected. Fifteen days after publication of the list of arrears a UP may proceed to recover the amount due by distress and sale of movable property owned by the delinquent taxpayer.

This review of the statute suggests that a highly efficient property tax system is in place within the unions of Bangladesh. As is made clear below, this does not appear to be the case, at least in the sample of UPs included in the current study. Nevertheless, it is instructive to realize that the statutory arrangements necessary for a well-designed property tax system already exist implying that, if property taxes were to be emphasized in longer term local revenue reforms, it would not be necessary to construct a new statutory structure.

Administrative procedures pertaining to the other taxes--on professions and trades, on vehicles and on animals--are also well defined in the statutes.<sup>1</sup> Model tax schedules are shown in the Rules but are

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<sup>1</sup>Ibid., pp. 25-29.

written in terms of maximum annual taxes rather than specific uniform rates. Furthermore, these Rules and the flat rates are more than 20 years old.

The tax on trades and professions is essentially a business license tax and includes professionals, e.g., bankers and lawyers, specific trades, e.g., paddy huskers and owners of scooters (for hire), as well as firms doing business within the union. Vehicle taxes can be levied against rickshaws, carriages and carts (whether for hire or privately owned) while the animal tax is statutorily limited to horses, donkeys, dogs and elephants.

Property income of UPs are relatively minor and parallel closely the property income sources of ZPs. Fees, on the other hand, are reasonably productive in generating local revenues.<sup>1</sup> From the standpoint of revenues one of the most important of these is the market fee. Since this fee is the primary potential revenue source of the upazila parishad and was a productive UP revenue source, it therefore deserves special mention here.

In September 1982 the administration of haats and bazaars was placed under the control of the Ministry of Local Government (previously markets were administered by the Ministry of Law and Land Reform). New rules governing the administration of these markets were promulgated which permitted local governments to lease haats and bazaars to private parties.

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<sup>1</sup>Some of the "fees" listed in Table 12 could also be considered taxes, e.g., fees from trucks, marriages, cinemas and boat registration. It is indicative of the accounting practices of the UPs that there was no uniformity in titling these sources as fees or taxes in the jurisdictions visited during this project.

These new market regulations replace a scheme whereby the haat or bazaar management committee essentially ran the market. Rather than employ collectors, the Youth Complex (an organization of youth within the locality) had the responsibility to collect the market fees and retained 10 percent for their efforts. Under that scheme, UPs derived 35 percent of the total revenues earned by the haat or bazaar (less the 1 percent of the gross which was retained by the ML&LR). There were, however, considerable difficulties associated with that administrative arrangement.<sup>1</sup> Under the new procedures public bodies will only administer auctions and insure that private leaseholders do not overcharge market users and that sanitary conditions are maintained.

Under the leaseholder arrangement, one year leases were signed (other than the initial lease which ran for approximately six months, from October 1982 - April 1983) and coincided with the Bengali year (which begins on or about April 15). The auction rules provided that 50 percent of the lease proceeds were to be paid immediately with the balance due within one week of the auction. The revenues collected were to be divided as follows: 1 percent of the total was given to the Ministry of Law and Land Reform which is deemed owner of the public lands on which the markets are located while the remaining 99 percent was divided among the union parishad (45 percent); the haat or bazaar

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<sup>1</sup> Mohammed Humayun Kabir, "An Analysis of the Management Crisis of Bashurhat Bazar," prepared for the Fourth Workshop Program on Problems of Rural Development Administration, January 21-28, 1982 (Dhaka) notes such problems as non-updating and non-display of toll rates, possible misappropriation of funds, discrepancies in the accounts, overcharging of tolls and non-issuance of receipts.

management committee (16 percent for purposes of developing the market and 4 percent for administering it); and the zilla bazaar committee (35 percent). If a market served more than a single UP (as indicated by the residence of members of the management committee), the revenues were to be distributed among the participating UPs on the basis of population. The zilla bazaar committee was chaired by the DC and was to use its revenue for two purposes: 5 percent for inspections and audits of the markets with the remainder distributed on the basis of population among union parishads within the district which have no market or have one which generated less than Tk. 1,000 annually. Market revenues earned by a UP could be used for any purpose.

All of this has been changed by the creation of upazila parishads and the revenue arrangements pertaining to this new level of local government. Union parishads are no longer direct beneficiaries of market revenues. Instead, all lease monies are to be retained by the upazila parishad. Likewise, the taxes on professions, trades and callings as well as the vehicle license fees have been reverted to the upazila. Thus, the primary local source of revenue in the future for union parishads will be the holdings tax.

#### Intergovernmental Revenues

The UP derives both normal and Rural Works Programme grants. (This discussion excludes the Food-For-Work-Programme which is also a grant program; however, the proceeds of this in-kind grant do not appear in the Union Fund.) Table 12 lists the major normal grants received by nearly all UPs.

Prior to the creation of upazila parishads RWP grants were to flow through the overlying thana parishad and were not guaranteed to accrue to every union during each fiscal year. Instead, the allocation decision process occurred at the thana parishad level which could allocate most of the funds to a few UPs or could spread the money across all or nearly all UPs in the thana. For the 1983/84 fiscal year, upazila parishads were to distribute one-third of the portion of the Development Fund Grant earmarked for RWP purposes to union parishads.

#### Actual Revenues of Union Parishads

As with ZP revenues, we review UP revenues from several perspectives, including mean total revenues by revenue source, per capita amounts in both nominal and real terms and the annual growth in these amounts. Again, the data used have been collected directly from the financial accounts of the jurisdictions and are actual rather than budgeted amounts. In the case of the UPs the data constitute a sample rather than a census. The sample consists of 41 UPs in the districts of Faridpur, Rangpur and Sylhet.<sup>1</sup> It was more difficult to obtain a full five-year set of accounts in the unions than at the ZP level, thus, missing data problems are more severe. Likewise, at the UP level there is considerably more variability in the financial detail provided in the accounts. For example, while some UPs report the holding tax, chowkidari tax and arrears on each as separate account entries, these sources are

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<sup>1</sup>See Schroeder, et al., "Collecting Local Government Financial Data in Developing Countries: The Case of Bangladesh," for a full discussion of the data collection techniques used and the jurisdictions included in the sample.

aggregated in other jurisdictions. Since the bases of these taxes are identical, we have aggregated them in the analysis below. Even more complex is the case of the several fees levied in many unions (Table 12). Again, since inconsistencies in reporting these fees were so great, we focus on aggregate fees.

#### Total Revenues by Source

Table 13 displays average total revenues by source for the sample UPs together with the number of observations on which the results are based and the number of UPs reporting no revenues for each specific source. The means are based only on non-zero entries.

The declining importance of the local rate is indicated by the increased number of UPs reporting zero revenues over the time period. All unions sampled show some form of the property tax as a revenue source; it is also the largest of all own source revenues. Other taxes, including taxes on professions and trades, vehicles and animals, are much less uniformly levied. In 1980/81 only about 70 percent of the sample jurisdictions were deriving revenues from these taxes. Similar non-uniformity occurred in the case of property income, fees and miscellaneous revenues. It must be recognized, however, that this apparent non-uniformity in revenue sources may be due purely to differences in bookkeeping procedures rather than to differences in interjurisdictional imposing of taxes and fees.

All UPs reported receiving normal grants; indeed, this was an especially important revenue source. Only a small number of these local bodies either received no RWP monies or kept them in a separate account.

TABLE 13  
 MEAN UNION PARISHAD REVENUES BY SOURCE,  
 1976/77-1980/81  
 (in taka)

Revenue Source	Fiscal Year				
	1976/77	1977/78	1978/79	1979/80	1980/81
Local Rate	1647 (26, 8) <sup>a</sup>	815 (18,19)	1228 (10,28)	1610 ( 6,34)	2495 ( 6,35)
Property Tax	10131 (34, 0)	13322 (37, 0)	17920 (38, 0)	16299 (40, 0)	21319 (41, 0)
Other Taxes	1025 (20,14)	1356 (25,12)	1422 (26,12)	1595 (24,16)	1832 (29,12)
Income From Properties	855 (26, 7)	1036 (31, 5)	1570 (29, 8)	2934 (32, 8)	2192 (30,10)
Fees	505 (22,12)	1022 (27,10)	12127 (31, 7)	14573 (30,10)	10516 (32, 9)
Miscellaneous Revenue	2557 (23,11)	2423 (24,13)	1880 (21,17)	1438 (16,24)	1292 (19,21)
Normal Grants	6294 (34, 0)	18625 (37, 0)	17208 (38, 0)	18118 (39, 0)	21390 (40, 0)
Works Programme Grants	2045 ( 9, 3)	3565 (30, 1)	5692 (29, 1)	5967 (32, 1)	5356 (28, 3)
Total Own Source Revenues	14703 (34, 0)	17820 (37, 0)	31347 (38, 0)	31349 (40, 0)	33391 (41, 0)
Total Revenue	21538 (34, 0)	39337 (37, 0)	52898 (38, 0)	53787 (40, 0)	57917 (41, 0)

<sup>a</sup>The first number in parentheses represents the number of observations used to compute means; the second number represents the number of UP for which no revenues were collected for this source. The difference between 41 (i.e., total number of UPs considered) and the sum of the two numbers shown in parentheses represent missing data.

SOURCE: Computed by the author from union parishad records.

Table 14 shows the relative reliance upon each revenue source for the 31 UPs in the sample throughout the five years. The relative decline in the local rate was expected whereas the decreased importance of the property tax was unexpected. The increased reliance on fee revenues is particularly pronounced. Normal grants consistently provided about a third or more of UP finances but unlike the ZPs, the UPs did not rely heavily upon the RWP.

Table 15 focuses exclusively on own-source revenues. The extreme importance of the property tax and, in the later years, on fees stand out. When solely own source revenues are considered, the property tax has not declined as greatly as might be implied from Table 14. Its relative decline in the revenue structure was due to the increased relative importance of grants.

The massive increase in fees between 1977/78 and 1978/79 was due to an unexpected increase in haats and bazaars income in only nine UPs, eight in Sylhet and one in Rangpur District. Table 16 shows the relative amounts of fee revenues earned within these nine UPs during the five year period. Market revenues constituted nearly all fee income from 1978/79 onward. Field work revealed that in each jurisdiction the market was a new and apparently the UP was the recipient of the market income. If these jurisdictions are removed from the sample, average fee income falls to Tk. 2083, Tk. 2595 and Tk. 2129 in the years 1978/79 through 1980/81 respectively--amounts much more in line with the means for the first two years of the sample period. Nevertheless, the findings do show that

TABLE 14  
 PERCENTAGE DISTRIBUTION OF UNION PARISHAD REVENUES  
 1976/77-1980/81  
 (in percents)

Revenue Source	Fiscal Year <sup>a</sup>				
	1976/77	1977/78	1978/79	1979/80	1980/81
Local Rate	6.16	1.12	0.53	0.05	0.54
Property Tax	48.30	34.30	33.89	29.21	35.48
Other Tax	2.92	2.18	1.83	1.66	2.00
Income From Properties	3.29	2.14	2.22	4.81	2.99
Fees	1.44	1.56	20.22	24.69	16.44
Miscellaneous Revenue	7.30	4.03	1.79	0.93	0.72
Normal Grants	27.81	47.04	31.49	30.14	35.75
Works Programme Grants	2.80	7.64	8.01	8.51	6.09

<sup>a</sup>Based on the 31 union parishads for which data were available for the entire period.

SOURCE: Computed by the author from union parishad records.

TABLE 15  
 PERCENTAGE DISTRIBUTION OF UNION PARISHAD OWN SOURCE  
 REVENUE, BY SOURCE, 1976/76-1980/81  
 (in percents)

Revenue Source	Fiscal Year <sup>a</sup>				
	1976/77	1977/78	1978/79	1979/80	1980/81
Local Rate	8.87	2.47	0.87	0.08	0.92
Property Tax	69.60	75.67	56.03	47.61	60.99
Other Tax	4.20	4.81	3.03	2.71	3.44
Income From Properties	4.74	4.73	3.67	7.85	5.14
Fees	2.07	3.44	33.43	40.24	28.26
Miscellaneous Revenue	10.52	8.89	2.96	1.52	1.24

<sup>a</sup>Same 31 observations as used in Table 14.

SOURCE: Computed by the author from union parishad records.

TABLE 16  
 PERCENTAGE DISTRIBUTION OF FEES IN NINE SELECTED UNION  
 PARISHADS, 1976/77-1980/81  
 (in percents)

<u>Sub-Component Fees</u>	<u>Fiscal Years<sup>a</sup></u>				
	<u>1976/77</u>	<u>1977/78</u>	<u>1978/79</u>	<u>1979/80</u>	<u>1980/81</u>
Licenses, Permits, Registrations and Animal Owner Certification Fee	61.2	68.1	0.3	2.0	4.1
Gram Adalat Fee	21.2	7.3	0.3	0.5	0.8
Market Fee	0.0	0.0	96.7	97.5	95.1
Other Fees	17.6	24.6	2.7	0.0	0.0
Total	100.0	100.0	100.0	100.0	100.0

<sup>a</sup>Includes only those Union Parishads which have market fees. There are 9 such union parishads, 8 in Sylhet District and 1 in Rangpur District.

SOURCE: Computed by the author from union parishad records.

markets can be a productive revenue source for this level of local government in Bangladesh.<sup>1</sup>

#### Per Capita Revenues

Again, per capita amounts are more meaningful than aggregates; however, union population estimates are not available for the years encompassed in this analysis. Furthermore, union population counts from the 1981 census are not available, hence it is necessary to estimate union population indirectly. We have assumed that a union's population grew at the same rate during the 1974-1981 period as did its overlying thana. We applied this linear growth rate to 1974 union census data to derive the population estimates used here.

The data in Table 17 show that the sample UPs were collecting less than Tk. 2 per person from their own sources plus about Tk. 1.50 from intergovernmental grants. Property taxes consistently yielded around Tk 1 per person within these localities.

Even though the sample includes jurisdictions from only three districts, they exhibit great variability in per capita revenues collected. For many of the revenue sources coefficients of variation exceeding 100 percent were found. The variability was particularly pronounced for fee revenues, again due to the inclusion of significant amounts of hats and bazars income in the nine UPs noted above. Large

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<sup>1</sup>Local government public enterprises, especially markets, were also found to be a productive revenue source for local governments in the Philippines. See David Greytak and Ben Diokno, "Local Government Public Enterprises," in Local Government Finance in the Third World, edited by Roy Bahl and Barbara D. Miller (New York: Praeger Publishers, 1982).

TABLE 17

MEANS, COEFFICIENTS OF VARIATION AND RANGES IN UNION PARISHAD  
PER CAPITA REVENUES BY SOURCE, 1976/77-1980/81

Revenue Source	Fiscal Year <sup>a</sup>				
	1976/77	1977/78	1978/79	1979/80	1980/81
<b>Property Transfer Tax:</b>					
Mean:	Tk. 0.65	Tk. 0.84	Tk. 1.05	Tk. 0.93	Tk. 1.19
C.V. <sup>b</sup> :	54.5	64.5	77.9	56.6	70.3
Range:	Tk. 0.06-1.55	Tk. 0.19-2.43	Tk. 0.09-4.75	Tk. 0.25-2.70	Tk. 0.02-3.37
<b>Local Rate:</b>					
Mean:	Tk. 0.11	Tk. 0.05	Tk. 0.06	Tk. 0.11	Tk. 0.15
C.V.:	67.5	94.8	62.0	149.6	89.4
Range:	Tk. 0.01-0.31	Tk. 0.01-0.22	Tk. 0.02-0.14	Tk. 0.003-0.44	Tk. 0.05-0.40
<b>Other Tax:</b>					
Mean:	Tk. 0.07	Tk. 0.08	Tk. 0.08	Tk. 0.10	Tk. 0.11
C.V.:	105.6	93.4	111.0	135.8	149.3
Range:	Tk. 0.00-0.25	Tk. 0.00-0.30	Tk. 0.00-0.38	Tk. 0.01-0.57	Tk. 0.004-0.63
<b>Income From Properties:</b>					
Mean:	Tk. 0.05	Tk. 0.06	Tk. 0.10	Tk. 0.15	Tk. 0.12
C.V.:	118.8	86.8	132.0	163.1	92.0
Range:	Tk. 0.001-0.28	Tk. 0.00-0.23	Tk. 0.01-0.68	Tk. 0.002-1.33	Tk. 0.01-0.44
<b>Fees:</b>					
Mean:	Tk. 0.03	Tk. 0.06	Tk. 0.84	Tk. 0.93	Tk. 0.66
C.V.:	91.5	145.8	282.0	246.9	241.2
Range:	Tk. 0.00-0.11	Tk. 0.001-0.44	Tk. 0.00-12.15	Tk. 0.001-10.33	Tk. 0.00-8.45
<b>Miscellaneous Revenue:</b>					
Mean:	Tk. 0.15	Tk. 0.14	Tk. 0.10	Tk. 0.08	Tk. 0.08
C.V.:	83.5	113.9	160.5	125.1	155.8
Range:	Tk. 0.002-0.42	Tk. 0.01-0.74	Tk. 0.002-0.75	Tk. 0.002-0.36	Tk. 0.001-0.53

TABLE 17 (CONT.)

Revenue Source	Fiscal Year				
	1976/77	1977/78	1978/79	1979/80	1980/81
<b>Total Own Source Revenues:</b>					
Mean:	Tk. 0.94	Tk. 1.11	Tk. 1.94	Tk. 1.86	Tk. 1.93
C.V.:	41.1	52.2	123.2	115.7	89.4
Range:	Tk. 0.08-1.82	Tk. 0.27-2.74	Tk. 0.44-14.22	Tk. 0.29-11.83	Tk. 0.07-9.67
<b>Normal Grants:</b>					
Mean:	Tk. 0.39	Tk. 1.15	Tk. 1.03	Tk. 1.01	Tk. 1.21
C.V.:	52.6	31.9	30.5	58.6	44.4
Range:	Tk. 0.07-1.29	Tk. 0.06-2.27	Tk. 0.38-1.94	Tk. 0.20-2.68	Tk. 0.07-3.01
<b>Works Programme:</b>					
Mean:	Tk. 0.13	Tk. 0.21	Tk. 0.31	Tk. 0.33	Tk. 0.28
C.V.:	32.4	33.0	50.8	26.3	35.5
Range:	Tk. 0.06-0.20	Tk. 0.09-0.34	Tk. 0.14-1.02	Tk. 0.12-0.53	Tk. 0.07-0.40
<b>Total Revenue:</b>					
Mean:	Tk. 1.36	Tk. 2.43	Tk. 3.21	Tk. 3.10	Tk. 3.30
C.V.:	34.5	28.3	76.4	69.4	56.9
Range:	Tk. 0.37-2.38	Tk. 1.36-4.53	Tk. 1.17-15.62	Tk. 1.15-12.23	Tk. 1.25-11.69

<sup>a</sup>Number of observations is as shown in Table 14 (zero entries excluded). Where a minimum of zero is indicated, it is due to rounding.

<sup>b</sup>C.V. refers to coefficients of variation.

SOURCE: Computed by the author from union parishad records.

deviations in per capita normal grants income again suggest that variables other than population play a role in grant allocations.

When viewed in real (1976/77=100) taka terms (Table 18), per capita total purchasing power of the UPs are seen to have remained at about Tk 2 from 1977/78 onwards (except for 1978/79). The property tax ranged from Tk 0.63-0.83 through the period and fees never exceeded Tk 0.66. As was the case for the ZPs, the purchasing power of per capita normal grants fell by 25 percent between 1977/78 and 1980/81 while real RWP per capita decreased by about 30 percent between 1978/79 and 1980/81. Again this suggests a general stagnation in the abilities of these smallest local bodies to meet the public service needs of their residents.

#### Revenue Growth

Table 19 shows the year-to-year average growth in real per capita revenues in jurisdictions for which data are available in consecutive years. With relatively small bases, small absolute changes result in large relative changes. Nevertheless, the extremely large percentage growth rates reflected in Table 19 indicate difficulties with fiscal planning in UPs. Total own-source revenues growth rates range, on average, from -2.9 percent to 54.7 percent, suggesting that it is extremely difficult to project the amount of resources that may be available in the following fiscal year.

#### Union Parishad Expenditures

Unlike the zilla parishads, which concentrate primarily upon transportation services, union parishads are involved in a variety of

TABLE 18  
 MEAN UNION PARISHAD PER CAPITA REAL REVENUE BY SOURCE,  
 FY 1976/77-1980/81  
 (in 1976/77 taka)

Revenue Source	Fiscal Year <sup>a</sup>				
	1976/77	1977/78	1978/79	1979/80	1980/81
Local Rate	0.11	0.04	0.05	0.08	0.09
Property Tax	0.65	0.73	0.83	0.63	0.73
Other Tax	0.07	0.07	0.06	0.07	0.07
Income From Properties	0.05	0.05	0.08	0.10	0.07
Fees	0.03	0.06	0.66	0.63	0.40
Miscellaneous Revenue	0.15	0.12	0.08	0.06	0.05
Normal Grants	0.39	1.00	0.81	0.69	0.74
Works Programme	0.13	0.18	0.25	0.23	0.17
Total Own Source Revenues	0.94	0.97	1.53	1.26	1.17
Total Revenue	1.36	2.11	2.53	2.12	2.01

<sup>a</sup>Number of observations is shown in Table 14 (zero entries excluded).

SOURCE: Computed by the author from union parishad records.

TABLE 19

MEAN ANNUAL GROWTH RATES IN UNION PARISHAD REAL  
PER CAPITA REVENUES BY SOURCE  
(in percents)

Revenue Source	Fiscal Year <sup>a</sup>			
	1976/77 to 1977/78	1977/78 to 1978/79	1978/79 to 1979/80	1979/80 to 1980/81
Local Rate	-15.5 (15)	80.6 (3)	-52.2 (4)	-31.5 (3)
Property Tax	33.6 (33)	27.8 (36)	- 8.7 (37)	27.5 (40)
Other Tax	52.1 (18)	54.8 (23)	- 2.4 (22)	44.5 (24)
Income From Properties	244.6 (25)	103.7 (28)	68.5 (28)	130.7 (30)
Fees	699.9 (20)	3554.9 (25)	6129.7 (26)	2561.9 (28)
Miscellaneous Revenue	234.8 (15)	-20.1 (14)	-20.7 (12)	-27.6 (12)
Normal Grants	231.8 (33)	- 1.8 (36)	- 6.6 (36)	62.0 (39)
Works Program Grant	53.9 (9)	60.4 (27)	9.7 (26)	-18.7 (28)
Total Own Source Revenue	18.3 (33)	54.7 (36)	- 2.9 (37)	12.3 (40)
Total Revenue	73.1 (33)	17.4 (36)	- 8.2 (37)	2.9 (40)

<sup>a</sup>The numbers in parentheses are the number of union parishads on which the growth rates are based.

SOURCE: Computed by the author from union parishad records.

activities. Yet, the revenue analysis implies that none of these activities can be supported at a very high level.

Due to nonuniformity in accounting conventions and the extremely small amounts involved, we have aggregated UP activities into four major categories--establishment spending, construction and maintenance spending, miscellaneous spending and works programme spending. Table 20 provides some idea of the wide variety of activities included in these expenditure categories. While most of the subcomponents of establishment spending are common in all UPs (although not all UPs report them on a disaggregated basis), seldom would a UP expend funds on all of the activities listed under construction and maintenance or miscellaneous spending.

#### Total Expenditures

Table 21 reports mean total expenditures found in the sampled UPs. (Given the degree of aggregation used, the problems associated with zero entries were less severe on the spending side of the budget.) The totals are, of course, quite similar to the revenue totals found in Table 13; however, in two years (1979/80 and 1980/81) average total spending exceeded revenues. Again this was due to the cash accounting methods used in these jurisdictions and the exclusion here of opening and closing balances.

Table 22 shows the relative size of the four different spending categories. The single outstanding feature of the information shown there is the extremely large proportion of expenditures spent for purely administrative purposes. Establishment expenditures fell relative to the other categories after 1976/77, yet they always accounted for at least 60

TABLE 20

## TYPES OF UNION PARISHAD EXPENDITURES

## Establishment Expenditures:

(including tax collection)

Salary

Contingency

Travel Allowance (TA) and Deerness Allowance  
(DA)Goods and Services (uniform cost; Oil and fuel  
expenses; election charges; meeting expenses;  
furnitures, newspapers, functions, etc.;  
electricity connection charges; audit and  
relief expenses)

## Construction, Public Works and Maintenance:

Bamboo and Wooden Bridge

Irrigation, Embankment and Canal Digging

Road, Bridges and Culverts

Building Construction (Mosque, office)

Maintenance (repairing and developing Hats  
and Bazars)

## Miscellaneous Expenditures:

Training of Chowkidars and Dafadars

Return of Security Deposits of Tax-Collectors

Ration Card

Family Planning, Adult Education

Swanirvar, Cottage Industries

Public Health and Sanitation

Jungle Cleaning

Youth Complex

Rickshaw Plates, Fees on Crossed Check on

Grant Money

Zakat

Contribution (Chada)

Voluntary Development Program - Rally Cost

Carrying Cost

Tree Plantation

## Works Programme Grant Expenditures

Contingency

Project

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 SOURCE: Union parishad records.

TABLE 21  
 MEAN UNION PARISHAD EXPENDITURES BY TYPE,  
 1976/77-1980/81  
 (in taka)

<u>Expenditure Type</u>	<u>Fiscal Year<sup>a</sup></u>				
	<u>1976/77</u>	<u>1977/78</u>	<u>1978/79</u>	<u>1979/80</u>	<u>1980/81</u>
Establishment	15675 (34)	26448 (37)	30238 (38)	33307 (40)	39832 (41)
Construction, Public Works and Maintenance	4373 (30)	6699 (37)	6513 (37)	17337 (37)	15929 (40)
Miscellaneous	1308 (27)	2420 (34)	2296 (31)	2582 (37)	3528 (36)
Works Programme	2041 (10)	3667 (30)	5825 (29)	6119 (31)	5034 (29)
Total Expenditures Excluding Works Programme	20572 (34)	35371 (37)	38452 (38)	51732 (40)	58470 (41)
Total Expenditures Including Works Programme	21173 (34)	38344 (37)	42898 (38)	56474 (40)	62030 (41)

<sup>a</sup>Number in parenthesis is number of union parishads used to compute means.

SOURCE: Computed by the author from union parishad records.

TABLE 22

PERCENTAGE DISTRIBUTION OF UNION PARISHAD EXPENDITURES  
BY EXPENDITURE TYPE, 1976/77-1980/81  
(in percents)

Expenditure Type	Fiscal Year <sup>a</sup>				
	1976/77	1977/78	1978/79	1979/80	1980/81
Establishment	75.14	68.82	71.87	59.51	69.87
Construction, Public Works and Maintenance	17.03	16.87	13.11	28.63	19.89
Miscellaneous Expenditures	4.65	6.33	4.66	3.85	3.82
Works Programme Expenditures	3.17	7.99	10.36	8.01	6.42

<sup>a</sup>All entries based on 31 union parishads for which data were available throughout the five-year period.

SOURCE: Computed by the author from union parishad records.

paisa for each taka of spending. Even though such overhead spending is not totally unproductive, the results imply that local taxpayers are getting little in the way of development spending in return for their tax payments.

#### Per Capita Spending

After the initial rise in per capita spending between 1976/77 and 1977/78, real spending remained fairly constant in the following four years (Table 23). Real expenditures per capita for establishment purposes fell slightly in 1979/80 while construction and maintenance spending was more than doubled. Nevertheless, aggregate expenditures on public works, miscellaneous and RWP never exceeded Tk. 1.51 per person even in nominal terms during this five year period. Interestingly, the amounts spent for establishment purposes have been quite constant in real terms throughout the period. What this may imply is a minimal level of overhead expenditures in all jurisdictions. If so, then mobilization of additional resources would be allocated primarily to development oriented activities.

#### Union Parishad Revenue Differentials

It is not feasible to perform any indepth analyses of UP revenues since socio-economic data are not available for these smallest of local bodies in Bangladesh. Instead, we must be content to use cruder methods including some disaggregation of the data reported above together with reliance upon more subjective information obtained in the data collection process.

TABLE 23

MEAN PER CAPITA UNION PARISHAD REAL EXPENDITURES,  
BY TYPE, 1976/77-1980/81  
(in 1976/77 taka)

<u>Expenditure Source</u>	<u>Fiscal Year<sup>a</sup></u>				
	<u>1976/77</u>	<u>1977/78</u>	<u>1978/79</u>	<u>1979/80</u>	<u>1980/81</u>
Establishment	1.00	1.43	1.43	1.32	1.37
Construction, Public Works and Maintenance	0.27	0.36	0.31	0.70	0.53
Miscellaneous	0.08	0.12	0.11	0.10	0.12
Works Programme	0.13	0.19	0.25	0.23	0.16
Total Expenditures Excluding Works Programme	1.31	1.90	1.81	2.05	2.00
Total Expenditures Including Works Programme	1.35	2.05	2.01	2.23	2.11

<sup>a</sup>Number of observations as shown in Table 21.

SOURCE: Computed by author from union parishad records.

### Interdistrict Revenue Differentials

Some information regarding differences in UP revenue collection efforts can be obtained by comparing revenues across the three districts from which the UPs were chosen. Tables 24-26 contain mean nominal per capita revenues by source for Faridpur, Rangpur and Sylhet districts, respectively. The data suggest that, during the final three years under analysis, UPs in Sylhet District outperformed those in the other two areas. These data, however, include the revenues earned from markets in eight Sylhet UPs which greatly exceeded the amounts collected from that source in all other UPs including other unions in Sylhet District. If one deletes fees from own-source revenues, the means are quite similar although unions in Rangpur District consistently earned the smallest per capita amounts.

Union parishads in Faridpur and Sylhet districts consistently had larger per capita property tax collections than Rangpur UPs. On the other hand, Faridpur UPs appear not to impose taxes on vehicles, animals and trades or professions to any significant degree (although it is possible that accounting conventions in Faridpur include these taxes among the miscellaneous revenue category). Interestingly, Rangpur jurisdictions also consistently earned the smallest per capita amounts from normal grants, suggesting a possible regional bias in the grant allocation mechanism.

Table 27 contains a slightly different approach to the question of interdistrict differences in UP own source revenue effort. Shown there are the BBS estimates of per capita GDP (valued at factor costs) together with the mean per capita own source revenues (excluding fees). The

TABLE 24

MEAN UNION PARISHAD PER CAPITA REVENUES, BY SOURCE  
1976/77-1980/81: FARIDPUR DISTRICT  
(in taka)

Revenue Source	Fiscal Year <sup>a</sup>				
	6/77	1977/78	1978/79	1979/80	1980/81
Local Rate	0.15 (5)	0.03 (5)	0.07 (1)	0.07 (1)	0.06 (2)
Property Tax	0.73 (6)	1.10 (6)	1.46 (7)	1.06 (8)	1.39 (8)
Other Taxes	0.0003 (1)	b	0.0003 (1)	b	0.04 (2)
Income From Properties	0.03 (3)	0.10 (4)	0.11 (4)	0.14 (4)	0.22 (4)
Fees	0.06 (2)	0.09 (2)	0.20 (4)	0.38 (3)	0.06 (3)
Miscellaneous Revenues	0.006 (1)	0.18 (4)	0.15 (1)	0.12 (2)	0.02 (2)
Normal Grants	0.42 (6)	1.17 (6)	0.90 (7)	1.37 (8)	1.10 (8)
Works Programme	0.14 (2)	0.16 (3)	0.45 (6)	0.39 (4)	0.29 (4)
Total Own Source Revenues	0.89 (6)	1.35 (6)	1.67 (7)	1.31 (8)	1.56 (8)
Total Own Source Excluding Fees	0.83 (6)	1.26 (6)	1.47 (7)	0.93 (8)	1.50 (8)
Total Revenues	1.35 (6)	2.65 (6)	2.95 (7)	2.88 (8)	2.80 (8)

<sup>a</sup>Numbers in parentheses are number of observations from which means were computed.

<sup>b</sup>No non-zero entries.

SOURCE: Computed by author from union parishad records.

TABLE 25

MEAN UNION PARISHAD PER CAPITA REVENUES, BY SOURCE,  
1976/77-1980/81: RANGPUR DISTRICT  
(in taka)

Revenue Source	Fiscal Year <sup>a</sup>				
	1976/77	1977/78	1978/79	1979/80	1980/81
Local Rate	0.09 (7)	0.03 (7)	0.05 (7)	0.003 (2)	b
Property Tax	0.43 (11)	0.51 (12)	0.79 (12)	0.72 (13)	0.80 (13)
Other Taxes	0.04 (6)	0.05 (11)	0.04 (10)	0.04 (10)	0.04 (11)
Income From Properties	0.03 (9)	0.05 (11)	0.05 (11)	0.16 (12)	0.08 (11)
Fees	0.003 (4)	0.02 (7)	0.05 (8)	0.34 (9)	0.24 (9)
Miscellaneous Revenues	0.20 (10)	0.08 (9)	0.04 (8)	0.09 (4)	0.04 (7)
Normal Grants	0.35 (11)	0.95 (12)	0.84 (12)	0.93 (13)	0.97 (13)
Works Programme	b	0.19 (11)	0.27 (11)	0.34 (11)	0.32 (11)
Total Own Source Revenues	0.72 (11)	0.69 (12)	0.97 (12)	1.15 (13)	1.09 (13)
Total Own Source Excluding Fees	0.72 (11)	0.67 (12)	0.92 (12)	0.81 (13)	0.85 (13)
Total Revenues	1.07 (11)	1.81 (12)	2.05 (12)	2.37 (13)	2.33 (13)

<sup>a</sup>Numbers in parentheses are number of observations from which means were computed.

<sup>b</sup>No non-zero entries.

SOURCE: Computed by author from union parishad records.

TABLE 26

MEAN UNION PARISHAD PER CAPITA REVENUES, BY SOURCE  
1976/77-1980/81: SYLHET DISTRICT  
(in taka)

Revenue Source	Fiscal Year <sup>a</sup>				
	1976/77	1977/78	1978/79	1979/80	1980/81
Local Rate	0.09 (14)	0.09 (6)	0.13 (2)	0.20 (3)	0.19 (4)
Property Tax	0.77 (17)	0.97 (19)	1.07 (19)	1.02 (19)	1.37 (20)
Other Taxes	0.08 (13)	0.11 (14)	0.11 (15)	0.14 (14)	0.16 (16)
Income From Properties	0.08 (14)	0.06 (16)	0.14 (14)	0.15 (16)	0.13 (15)
Fees	0.04 (16)	0.08 (18)	1.30 (19)	1.32 (18)	0.94 (20)
Miscellaneous Revenues	0.11 (12)	0.18 (11)	0.14 (12)	0.07 (10)	0.12 (10)
Normal Grants	0.41 (17)	1.27 (19)	1.20 (19)	0.90 (18)	1.42 (19)
Works Programme	0.13 (7)	0.24 (14)	0.29 (12)	0.31 (17)	0.25 (13)
Total Own Source Revenues	1.09 (17)	1.30 (19)	2.66 (19)	2.56 (19)	2.62 (20)
Total Own Source Excluding Fees	1.05 (17)	1.22 (19)	1.36 (19)	1.24 (19)	1.68 (20)
Total Revenues	1.55 (17)	2.75 (19)	4.04 (19)	3.70 (19)	4.13 (20)

<sup>a</sup>Numbers in parentheses are number of observations from which means were computed.

SOURCE: Computed by author from union parishad records.

TABLE 27  
DISTRICTWISE UNION PARISHAD RELATIVE REVENUE EFFORTS,  
1976/77-1980/81

	<u>1976/77</u>	<u>1977/78</u>	<u>1978/79</u>	<u>1979/80</u>	<u>1980/81</u>
<b>Per Capita GDP (in takas)</b>					
Faridpur	921	1108	1243	1468	1535
Rangpur	1121	1358	1405	1864	1980
Sylhet	982	1412	1451	1951	2152
<b>Relative to Faridpur</b>					
Rangpur	1.22	1.22	1.13	1.27	1.29
Sylhet	1.07	1.27	1.17	1.33	1.40
<b>Union Parishad Revenues<sup>a</sup> (in takas)</b>					
Faridpur	0.83	1.26	1.47	0.93	1.50
Rangpur	0.72	0.67	0.92	0.81	0.85
Sylhet	1.05	1.22	1.36	1.24	1.58
<b>Relative to Faridpur</b>					
Rangpur	0.87	0.53	0.62	0.87	0.57
Sylhet	1.26	0.97	0.92	1.33	1.05
<b>Tax Effort Relative to Faridpur<sup>b</sup></b>					
Rangpur	0.71	0.43	0.55	0.68	0.44
Sylhet	1.18	0.76	0.79	1.00	0.75

<sup>a</sup> Per capita revenues excluding fees (Tables 24-26).

<sup>b</sup> Computed as the ratio of the relative (to Faridpur) tax effort to relative GDP.

SOURCES: Bangladesh Bureau of Statistics, 1981 Statistical Yearbook of Bangladesh (Dhaka: Bangladesh Bureau of Statistics, 1982), pp. 363, 366 and 367, as well as data in Tables 24-26).

second panel in Table 27 indicates the ratio of per capita GDP in Rangpur and Sylhet relative to that in Faridpur while the fourth panel shows the ratio of per capita own source revenues in the two districts relative to Faridpur. Assuming that GDP constitutes the base from which local revenues can be mobilized, the ratio of the GDP relatives to own source revenue relatives would be unity if the UPs in each district were putting forth similar revenue efforts. As shown in the bottom panel in all but two cases (Sylhet in 1976/77 and 1979/80) neither Rangpur nor Sylhet UPs were exerting as large relative efforts as were UPs in Faridpur. In two years, 1977/78 and 1980/81, the Rangpur effort was less than one-half that in Faridpur. While this analysis is based on some strong assumptions including that the sample UPs are representative of UPs throughout their respective districts and that the GDP data are accurate measures of the revenue base, it does suggest that there may be some systematic differences in the administration of local revenues across these three districts.

#### Impressionistic Analysis of Revenue Differentials

To address the question of systematic differences in administration we must rely upon the more subjective information collected in the questionnaires administered to chairmen and secretaries during the UP data-collection effort. The form of these data does not, however, lend itself to statistical analysis.

A review of the questionnaires indicates that the largest UP revenue sources, the holdings and chowkidari tax, is nowhere administered as indicated in the statutes. Rather than being a tax on the annual rental value of buildings and their lands, the UP property tax is administered

as if it were a combination of income and wealth tax, albeit a tax which is assessed on an ad hoc basis. In nearly all unions it was admitted that the tax was assessed by taking into account the economic condition of the potential taxpayer. In answer to our question regarding the basis of assessed values we obtained responses: "wealth of the taxpayer," "economic condition of the taxpayer as determined by UP members," "paying capacity," etc. In several unions we learned that all potential taxpayers are divided into four groups according to their perceived ability to pay and flat rate amounts are assessed to each group (with the poorest being tax exempt).

There were several UPs in which the respondent seemed to know the statutory base of the tax; however, even then there was a great deal of confusion as to whether the tax is based on annual rental value or the capital value of buildings and land. Furthermore, most respondents with a knowledge of the statutory base of the tax admitted that the particular economic situation of the taxpayer was also taken into consideration. Interestingly, the respondents in Sylhet district were most commonly familiar with the statutes whereas only two or three the respondents in Faridpur and Rangpur revealed any knowledge of the statutes. This implies a greater level of administrative skill in the Sylhet UPs. On the other hand, when one attempts to relate this knowledge of the supposed tax base to per capita revenues, no apparent relationship is detected. Indeed, while one UP secretary in Rangpur was very knowledgeable about the statutes, the UP in which he is posted consistently mobilized per capita revenues more than one standard deviation below the mean.

Total property tax revenues depend crucially upon the collection efficiency (the ratio of taxes collected to taxes due). Unfortunately, given the ad hoc nature of the tax assessment process, collection efficiency ratios are not very informative in terms of implying how successful a jurisdiction is mobilizing resources since, if tax assessments are quite low, there is a greater likelihood that more of the taxes will ultimately be collected than if the initial assessments are high. Table 28 shows estimated tax collection efficiency ratios in 1980/81 for 31 UPs in the three districts together with the per capita property taxes reported in each. The collection efficiency ratios range from 16 to 78 percent; however, they are obviously not closely related to per capita revenues from this tax. Also shown in the Table are the approximate number of distress warrants issued during the three years, 1978/79 through 1980/81 as gathered during the interview. While most jurisdictions never issued a distress warrant, several reported issuing as many as 100 during that period. (Since we were not shown copies of these documents, the large numbers are likely to have been reported mainly to impress the interviewer.) Again, however, there is no obvious relationship between the number of warrants issued and collection efficiency nor with per capita tax collections.

The conclusion that must be drawn from this impressionistic review of the local property tax is that it is very poorly administered and is little more than a random assessment of taxes with some possible linkage with the wealth and income of the taxpayer. Even then, however, we were told that quite often it is the wealthiest taxpayers who are most likely to be delinquent in their tax payments. Thus, the effective tax is most

TABLE 28

## UNION PARISHAD PROPERTY TAX PERFORMANCE INDICATORS

<u>District</u>	<u>Union Parishad</u>	<u>1980/81 Property Taxes</u>		<u>Estimated Number of Distress Warrents Issued In Last 3 Years</u>
		<u>Per Capita Revenues</u>	<u>Collection Efficiency</u>	
Faridpur	Panch Khola	Tk. 0.27	---	None
	Ghat Majhi	1.28	.60	None
	Jhoudi	2.91	---	2-3
	Alipur	0.80	.16	None
	Mizanpur	0.52	.52	None
	Ramkantapur	0.55	.16	None
	Kasiani	1.88	---	None
	Maheshpur	2.93	.65	100
Rangpur	Ulipur	Tk. 0.73	.31	58
	Gunaigach	1.24	.53	None
	Dharanibari	0.78	.45	None
	Holokhana	0.78	.30	None
	Kanthalbari	1.11	.40	None
	Kholahati	0.45	.48	None
	Ramchandrapur	0.40	.20	None
	Boali	0.79	.73	None
	Badiakhali	0.69	---	None
	Malibari	0.95	.58	10-15
	Kuptala	0.89	.67	None
	Darshana	1.01	---	None
Sylhet	Gopaya	Tk. 1.38	.78	150
	Shaistaganj	0.54	.61	None
	Noorpur	0.92	---	None
	Richi	0.45	.38	5-8
	Chadnighat	3.05	---	None
	Kamalpur	1.01	.50	None
	Mustafapur	2.80	---	8-9
	Akailkura	2.52	.27	None
	Ekatuna	0.02	---	None
	Beani Bazar	0.59	---	None
	Kulaura	0.62	.57	None

SOURCE: Union parishad financial records and personal interviews conducted during March-September, 1982.

likely regressive in terms of income and, due to the ad hoc nature of assessments, is likely to contain major horizontal, as well as vertical, inequities.<sup>1</sup>

The interviews also included questions regarding the administration of other taxes and fees levied at the UP level. Just as there seems to be considerable variability concerning administration of the holdings tax, Table 29 demonstrates that license fees on vehicles and professions trades and callings were also far from uniform across union parishads in 1981. Furthermore, the rates shown are those purportedly levied; whether or not they were imposed on all liable taxpayers is not possible to ascertain. While rates levied on vehicles were fairly uniform, there was tremendous variability in the several types of fees based on business activity. Obviously, this lack of uniformity contributes to the great variability in revenues earned from these sources by union parishads. Furthermore, it is interesting to note that at least some of the rates imposed even exceed those which legally can be charged by upazila parishads under the new taxation rules applicable to UZPs.<sup>2</sup>

In the interviews we also asked for subjective opinions about how revenues might be further mobilized. Many of the respondents recognized the weaknesses in the current holdings tax system; several indicated that in order to improve the tax, additional security should be provided to

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<sup>1</sup>Horizontal equity refers to the equitable tax treatment of "equals" while vertical equity focuses upon equitable treatment of taxpayers in different economic circumstances.

<sup>2</sup>See Schroeder and Maniruzzaman, "Local Government Structure in Bangladesh."

TABLE 29

VEHICLE FEES AND TAX RATES IMPOSED ON PROFESSIONS, TRADES AND  
CALLINGS IN UNION PARISHADS, 1982  
(in taka)

Jurisdiction	Vehicle Fees				Professions, Trade and Callings					
	Rickshaw	Bicycle	Bullock Cart	Carriage	Motor Wheel Cart	Hand Cart	Shopkeeper and Trader	Mill/Factory/ Manufacturer	Medical Practitioner	Contractor
<b>Faridpur District:</b>										
Alipur		3	6							
Rankantapur		5	10							
Kasiani	20 <sup>a</sup>									
Khovajpier								50 <sup>b</sup>		
Ratal	20 <sup>c</sup>									
Mohespur	15		10	10						
<b>Rangpur District:</b>										
Kanthaibari	15	3	5			8	6 <sup>d</sup> , 12 <sup>e</sup>	12 <sup>f</sup>	12	
Holokhana	15	3	5				5 <sup>g</sup>			
Dhanibari		3	5			5				
Gunaigach		3	5							
Kholahati	12 <sup>h</sup>	3	5							
Malibari	12	5	10							
Boali		5	10				2-15 <sup>i</sup>	50-100 <sup>j</sup>		
Kuptala	10	5	10							
Badiakhali	15	5	10							
Ulipur	15	3	5			8	5-300 <sup>k</sup>			
Ramchandrapur		5	10				24 <sup>l</sup> , 50 <sup>m</sup>			
Darshana							5-10	50-100		
								50-500		

TABLE 29 (CONT.)

Jurisdiction	Vehicle Fees					Professions, Trade and Callings				
	Rickshaw	Bicycle	Bullock Cart	Carriage	Motor Wheel Cart	Hand Cart	Shopkeeper and Trader	Mill/Factory/Manufacturer	Medical Practitioner	Contractor
Syihet District:										
Akailkura	25 <sup>n</sup>	5					6-24	25 <sup>p</sup>		
Moorpur	11	4				5	2-25	25	10	12
Chodnighat	16 <sup>q</sup>	3								
Ekatuna	19 <sup>r</sup>	5				5				
Mustafapur	30 <sup>r</sup>	5				6	5-15	25 <sup>t</sup> , 50 <sup>u</sup> 250-500 <sup>g</sup>	15-30	
Shaistaganj	13.5 <sup>w</sup>	3	6		25	6	6-50			
Khalilpur	16 <sup>x</sup>	5					5-10	75 <sup>y</sup>		
Copaya	14 <sup>z</sup>	5								
Richi	12 <sup>aa</sup>	3								
Kamalpur	18 <sup>bb</sup>	3					5-20			

<sup>a</sup>This is the initial ownership registration fee. Subsequent renewal fee is Tk. 15.0.

<sup>b</sup>This is a seasonal rate levied on sugar cane crusher machine during sugar cane harvest season.

<sup>c</sup>Tk. 15.0 is ownership registration fee payable by the owner, and Tk. 5.0 is driver's license fee payable by the hirer-driver.

<sup>d</sup>Levied on retail traders and shopkeepers.

<sup>e</sup>Applicable to wholesale traders.

<sup>f</sup>Levied on bullock-cart wheel manufacturers.

<sup>g</sup>A seasonal rate levied on jute traders.

<sup>h</sup>Tk. 10.0 is ownership fee, and Tk. 2.0 is driver's license fee.

TABLE 29 (CONT.)

- <sup>i</sup>Rates vary within this range.
- <sup>j</sup>Applicable to brick-manufacturers with the rates varying within this range.
- <sup>k</sup>Levied on shops located in haats and bazaars.
- <sup>l</sup>Rate payable if not liable to income tax (levied on traders).
- <sup>m</sup>Rate payable if liable to income tax (levied on traders).
- <sup>n</sup>Tk. 15.0 is ownership fee and Tk. 10.0 is the initial driver's license fee. The subsequent renewal fee of driver's license is Tk. 5.0.
- <sup>p</sup>Levied on rice-mills.
- <sup>q</sup>Tk. 12.0 of this is ownership fee and Tk. 4.0 is driver's license fee.
- <sup>r</sup>Tk. 12.0 is the ownership fee and Tk. 7.0 is the initial driver's license fee. Subsequent renewal fee for the driver's license is Tk. 5.0.
- <sup>s</sup>This is equally split into ownership fee and driver's license fee, each being Tk. 15.0. The subsequent renewal fee of the driver's license is Tk. 15.0.
- <sup>t</sup>Rate levied if not liable to income tax (applicable to rice-mills and saw-mills).
- <sup>u</sup>Rate levied if liable to income tax (rice-mills and saw-mills).
- <sup>v</sup>Levied on brick-manufacturers.
- <sup>w</sup>Tk. 10.0 is ownership fee and Tk. 3.5 is driver's license fee.
- <sup>x</sup>Ownership fee is Tk. 6.0 and driver's license fee is Tk. 10.0. Subsequent renewal fee of the driver's license is Tk. 5.0.
- <sup>y</sup>Levied on rice-mills.
- <sup>z</sup>Tk. 8.0 is ownership fee, and driver's license fee is Tk. 6.0.
- <sup>aa</sup>Tk. 8.0 is ownership fee and Tk. 4.0 is driver's license fee.
- <sup>bb</sup>Tk. 12.0 is ownership fee and Tk. 6.0 is driver's license fee. Subsequent renewal fee of the driver's license is Tk. 3.0.

SOURCE: Field interview responses from UP officials in 1982.

union tax collectors by the central government. With respect to the other taxes and fees, many respondents felt that higher rates should and could be levied. In addition, some respondents indicated that the unions should be allowed to impose taxes on the erection and re-erection of buildings. This suggestion is reasonable since this levy is quite easily administered at the union level and could be designed to fall more heavily upon wealthier taxpayers who are more likely to be engaged in such building activity. At the same time, it must be recognized that not all unions are currently imposing all of the levies at their disposal, thus additional revenue mobilization efforts should begin by making sure that all UP chairmen, members and secretaries are aware of these revenue powers.

#### Recommendations

The objective of this review of zilla and union parishad finances has been to give the reader some perspective of the levels and composition of fiscal activity observed in these levels of local government in Bangladesh during the late 1970s. In general, the level of this fiscal activity was low and did not experience significant increases in real per capita terms over the time period of the study. Furthermore, for both zilla and union parishads there did not appear to be strong linkages between particular socioeconomic or administrative variables and fiscal performance. Instead, a high degree of, almost random, variability characterized revenue behavior.

It is, nevertheless, possible to learn from these findings and to suggest how zilla and union parishad financial arrangements might be

altered in the future to improve upon this situation. Furthermore, given that the structure of local governments has been changed since the data reviewed here were generated, it is useful to discuss these findings in light of the newly created government structure. We consider first the zilla parishads and then turn to union parishad finances. Finally, we turn to the implications of the findings here to upazila parishads.

### Zilla Parishads

Questions concerning the future of zilla parishad finances are inseparable from the questions pertaining to the future of the zilla parishad as a local government at the district level. Obviously, if zilla parishads are abolished there is no need to consider the future of finances at this level of government. There would, however, still be the question of what should be done with the revenues and functional responsibilities currently assigned to this level of government.

We have elsewhere discussed the major issues that the Government of Bangladesh faces in resolving this governmental structure question.<sup>1</sup> While local governments have the advantages of bringing public sector decisionmaking closer to the people and allowing these decisions to be made more rapidly and cheaply, there are costs associated with establishing another tier of government in any environment. These costs can be especially great where there is a lack of skilled personnel available to fill the administrative posts that necessarily accompany another local government organization.

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<sup>1</sup>See Schroeder and Manirulaman, "Local Government Structure in Bangladesh."

We assume that the number of districts will, in fact, be increased to more than 60. Because of this increase and the simultaneous decrease in the physical size and number of upazilas included in each district, there is less reason for a fully-functioning local government at the district level. This conclusion is further supported by the fact that zilla parishads have not participated in the full range of activities prescribed to them under the Local Government Ordinance, 1976. If zilla parishads had been actively pursuing a large number of development oriented activities, it would not be sensible to abolish them; however, their primary functions, as seen in this paper, have been in the area of transportation. It appears feasible for upazila parishads to assume these responsibilities.

If upazila parishads assume responsibility for transportation services, there remains the question of the desirability of any sort of local government forum at the district level. We feel there is good reason to retain at least a coordinating body at the district level. It can still be called a zilla parishad and consist of the elected upazila parishad chairmen from all upazilas within the district. The DC could also be an ex officio member of this local body. Its only responsibility would be to meet, possibly monthly, and discuss the problems being faced within their own jurisdiction as well as any issues which arise due to the spillover effects of decisions taken in one upazila which might affect other jurisdictions. Decisions of this group would be advisory, in keeping with the notion that decentralized upazilas should be independent of higher governmental bodies. Thus, we recommend that

1. Zilla parishads should be formed in each district with membership consisting of each upazila chairman from within the district. They would elect from among themselves a chairman and secretary. The DC would also be an ex officio member of the zilla parishad. The parishad would have no compulsory or optional service functions assigned to it and, hence, will have no budget or employees. The zilla parishad will serve only as a forum for discussion of the common problems faced by upazila parishads and will reach advisory decisions in cases where actions by one upazila may have spillover effects on other upazilas.

This recommendation has the effect of abolishing the need for zilla parishad revenues. If it or any similar decision downgrading the role of zilla parishads is reached by the Government, the question arises as to what actions should be taken regarding current zilla parishad revenues. As has been shown in this paper, by far the most important of these revenues is the immovable property transfer tax. We feel that this tax has much to recommend it as a continued local government revenue source.<sup>1</sup>

As such, we recommend

2. If the zilla parishad is abolished or is changed to an advisory body with no direct service responsibilities itself, zilla revenues currently earned by zilla parishads should be transferred to upazila parishads.

All other recommended changes in the structure and administration of the IPTT could be carried out. The effect of such a change would be to broaden the revenue base of the upazila parishads and enhance the revenues available to this body. There is the possibility that narrowing the spatial base of the IPTT from districts, which ranged in size from 1,000 to 4,000 or so square miles, to upazilas which cover areas of only 100-200 square miles, may increase budgetary uncertainty. That is, if

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<sup>1</sup>See Alm, "The Immovable Property Transfer Tax as a Local Government Revenue Source."

property transfers constitute a random event, decreasing the areal base of the tax can result in greater annual variability in yields. This argument is based on the fact that the variance of the sample distribution of a binomial process declines as the sample size increases. Decreasing district sizes is tantamount to decreasing the size of a sample since fewer parcels are at risk of being sold in any single year. We feel that the revenues generated from the IPTT are sufficiently important to upazilas (or even zilla parishads were they to be retained as a fully-functioning local body) not to alter our recommendations in spite of this expected greater annual variance in yields. At the same time, policy-makers in Bangladesh should be aware of the potential revenue variability problem and, if it proves severe, should consider ways to diminish the difficulty.

In the event that zilla parishads are retained and function as in the past, it is important that rules be written which provide for elections at this level of government. Likewise, it would then be even more important that the division of functional responsibilities between the upazila parishad and zilla parishads be determined and specified in the ordinances. Finally, revenue autonomy to zilla parishads and a restructuring of the intergovernmental grants system to provide incentives to use this autonomy are crucial.

#### Union Parishads

The results of the analysis indicate that the revenue system of union parishads is dominated by taxes which are, for the most part, randomly assessed. This violates one major tenet of good taxation: certainty in tax administration. The question that then arises is

whether the holdings tax can ever be administered in a certain manner given the administrative personnel available at the union level. The issue has major implications since poor administration of a local tax leads to erosion in the public's confidence in the public sector as a whole and elevates tax evasion throughout the system.

Two possible alternative policies that could be pursued are to strengthen tax administration or to abolish the levy. The review of the statutory basis of UP property taxes suggests that it is not overly complicated and, if administered in the prescribed manner, could be an effective resource mobilization device with no severe inequities. Still, the statutory tax must be administered in the manner prescribed. If the policy decision is taken to retain this levy, a large education and training effort must be undertaken. The training effort must include both technical aspects of tax assessment and administration as well as more purely consciousness-raising efforts.

On the technical side, the findings of our survey suggest those carrying out tax assessments do not, for the most part, have any specialized training in assessment practices and that, rather than reassess every five years as dictated in the statutes, reassessments occur annually but on the basis of the perceived wealth and income of the taxpayers. Furthermore, it is the local UP members who most often carry out these assessments. Good property tax administration is possible only if politics are removed as far as possible from tax assessment. An officer, trained in good assessment practices, could be stationed at the upazila level and carry out reassessments in all UPs in the upazila. Local politicians can then "blame" local taxes on this higher level of

government which should reduce some political pressures. This officer could also assist the UP secretary in bookkeeping procedures to improve the accuracy of records of taxpayment and non-payment. Without such an effort, accurate assessments are unlikely to be transformed into more equitable and greater yields from the holdings tax.

Other education must go hand-in-hand with this technical training. Both politicians and taxpayers must be made aware of the importance of tax compliance. No one likes to pay taxes; but it is less painful if there is a recognition that one derives some benefit from the taxes that are paid. Likewise, political decision-makers must be aware of the importance of being willing to collect the taxes levied and to implement techniques for improving tax compliance. The latter is possible both through formal legal methods of collecting delinquent taxes (according to our survey, when these methods are used, people do pay) and informal methods of encouraging compliance. Among the latter are campaigns which build upon a sense of community and stress the importance of everyone paying his share to support projects undertaken by the local government. Again, the property tax technician can help carry out these educational efforts.

In the absence of an all-out effort to upgrade UP property tax administration, it may be preferable to abandon the tax entirely. While there were rumors of poor tax administration at the UP level, the work here has documented just how bad it is.<sup>1</sup> If the tax were to be

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<sup>1</sup>This is further documented in Showkat Hayat Khan, "Aspects of Public Finance in a Union Parishad: A Socioeconomic Case Study," Interim Report No. 12, Local Revenue Administration Project, Metropolitan Studies

abolished, additional sources would have to be tapped or other sources made more productive. While we do not wish to recommend such drastic actions, it must be considered a possible alternative.

Under the assumption that the central government is serious about improving local government resource mobilization efforts, we recommend that:

3. The central government should train and post a "UP property tax officer" in each upazila. This person would be paid by the central government but would provide assessment services to each union within the upazila, would advise secretaries concerning tax record-keeping and would help coordinate tax campaigns and other tax education efforts in the unions.

This recommendation is, indeed, a crucial one if union parishads are to be a productive component of the local government system in Bangladesh now that basically all other revenue sources have been removed from their power. The findings of this paper suggest that 10-20 percent of the revenues previously derived by union parishads will no longer flow to these local bodies. Since these governments were already providing very little in the form of development spending, erosion of revenues are likely to diminish even further this form of UP expenditures.

One way to broaden the revenue base of union parishads would be to revise the new Ordinance and allow these local bodies to impose a tax on the erection and re-erection of buildings. Taxes on the erection and re-erection of buildings was allowed in the Local Government Ordinance; however, we did not find this tax levied in any of the sampled unions (it

is, however, imposed in paurashavas). This tax (with rates greater than those specified in the Rules of from Tk. 1-5 for thatched roof structures and from Tk. 2-25 for corrugated iron roofing) can be effectively administered at the union level since inspection is easy. Furthermore, adding even 100 taka to the cost of a new structure would not greatly impede new construction and would fall on those with greater ability to pay as evidenced by the fact that they have the resources to construct the building. Thus:

4. Taxes on the erection and re-erection of buildings should be allowed at the union level. A model tax schedule which reflects current building costs should be devised prior to the imposition of this levy.

While the preceding UP recommendations have focused on own source revenues, a restructured grant system which rewards the mobilization of resources should be initiated. Furthermore, the grant system will need to recognize the importance of maintenance activities which must occur at the union level. Interesting experiments are currently being conducted in several unions which, if generalized to wider areas should aid in these efforts. Thus:

5. The grant system must be restructured to encourage local resource mobilization as well as maintenance activities.

#### Upazila Parishads

While not a focus of the analysis, this paper does have implications for upazila parishad finance. One implication already mentioned concerns the possibility of broadening the revenue base of the upazila to include the immovable property transfer tax in the event that zilla parishads are abolished or diminished in responsibility. Furthermore, the findings of

the analysis of UP finances has implications for the UZP now that many of the UP revenue sources have been transferred to the UZP.

One major source of UZP revenue will be from haats and bazaars. While the time period covered in this study was before the Ministry of Local Government was put in charge of market administration, the evidence suggests that this can be an extremely important local revenue source. Thus:

6. A thorough study of haats and bazaars should be undertaken. This study would focus on the operating procedures, including pricing policies, reinvestment issues and potential for establishment of a haat and bazaar "sinking fund" which would allow localities to insure that markets could be replaced in a timely fashion.

Upazila parishad revenues will also be raised from fees and taxes. The allowed maximum rates of these levies are seemingly quite low. Also, they are flat rate amounts that do not increase with increases in prices or economic activity, therefore revenues will grow slowly. While complex rates could be designed to improve tax buoyancy, such a policy would greatly increase administrative costs. Instead, the central government should allow new higher rates and periodically update them.

7. The maximum tax rates for the vehicles tax and profession, trade and callings tax should be reconsidered. Furthermore, a policy of updating these rates periodically, e.g., every 2-3 years, should be initiated.

This paper has reviewed the fiscal health of zilla and union parishads. It is obvious that the patients are not well; but we feel improvements are possible. The health will improve only through some strong efforts on the part of the central government to encourage local

resource mobilization. These efforts must include revision of the rules regulating local bodies, investing in resources designed to improve local revenue mobilization and restructuring the grant system.

## APPENDIX

PER CAPITA ZILLA PARISHAD REVENUES BY  
REVENUE SOURCE: 1976/77 - 1980/81

The following tables contain per capita revenues and expenditures for each zilla parishad for the five year period 1976/77 - 1980/81. Entries represented by . mean that no data were available.

**ZILLA PARISHAD : BAHISAI  
PER CAPITA REVENUES AND EXPENDITURES**

REVENUE	FISCAL YEAR				
	76/77	77/78	78/79	79/80	80/81
LOCAL RATE	0.12	0.01	0.05	0.0	0.0
IMMOV. PROPERTY TAX	0.43	0.6	0.67	0.88	0.76
PROCEEDS FROM PROPERTIES	0.04	0.01	0.04	0.14	0.04
FEES AND RATES	0.0	0.0	0.0	0.0	0.0
TOLLS ON FERRIES/BRIDGES	0.02	0.02	0.03	0.03	0.03
INTEREST	0.0	0.0	0.0	0.01	0.01
MISC. REVENUE	0.02	0.02	0.01	0.01	0.02
VOLUNTARY CONTRIBUTIONS	0.0	0.0	0.0	0.0	0.0
OWN SOURCE REVENUES	0.63	0.66	0.89	1.07	0.86
NORMAL GRANTS	0.12	0.11	0.07	0.11	0.11
RWP GRANTS	0.44	0.46	0.04	0.58	0.48
SPECIAL GRANTS	0.0	0.0	0.0	0.0	0.0
<b>EXPENDITURE</b>					
ESTABLISHMENT	0.11	0.13	0.21	0.11	0.17
AGRICULTURE	0.014	0.011	0.003	0.001	0.006
PUBLIC HEALTH	0.002	0.001	0.001	0.001	0.005
EDUCATION	0.02	0.04	0.05	0.05	0.08
SOCIAL WELFARE	0.0	0.0	0.002	0.0	0.003
PUBLIC WORKS	0.53	0.62	0.39	0.88	0.69
MISC. EXPENDITURE	0.02	0.03	0.03	0.08	0.06
RWP EXPENDITURE	0.34	0.42	0.04	0.38	0.35

**ZILLA PARISHAD : BOGRA  
PER CAPITA REVENUES AND EXPENDITURES**

REVENUE	FISCAL YEAR				
	76/77	77/78	78/79	79/80	80/81
LOCAL RATE	0.07	0.0	0.0	0.0	0.0
IMMOV. PROPERTY TAX	3.66	3.91	1.38	1.33	1.12
PROCEEDS FROM PROPERTIES	0.04	0.01	0.04	0.02	0.13
FEES AND BATES	3.0	3.0	0.0	0.0	0.0
TOLLS ON FERRIES/BRIDGES	3.02	3.02	3.03	3.05	3.04
INTEREST	0.0	0.01	0.02	0.01	0.01
MISC. REVENUE	3.07	3.06	3.38	3.17	3.10
VOLUNTARY CONTRIBUTIONS	0.0	0.0	0.0	0.0	0.09
OWN SOURCE REVENUES	3.86	1.02	1.25	1.58	1.53
NORMAL GRANTS	0.11	0.1	0.1	0.1	0.1
BWP GRANTS	.	.	.	.	.
SPECIAL GRANTS	0.29	0.16	0.0	0.0	0.0
<b>EXPENDITURE</b>					
ESTABLISHMENT	0.25	0.33	0.38	0.37	0.40
AGRICULTURE	3.006	3.006	3.004	3.0	3.0
PUBLIC HEALTH	0.006	0.002	0.004	0.002	0.002
EDUCATION	3.03	3.08	3.08	3.04	3.02
SOCIAL WELFARE	0.02	0.04	0.04	0.04	0.01
PUBLIC WORKS	0.46	0.28	0.88	0.52	1.39
MISC. EXPENDITURE	0.11	0.11	0.15	0.11	0.12
BWP EXPENDITURE	.	.	.	.	.

**ZILLA PARISHAD : CHITTAGONG**  
**PER CAPITA REVENUES AND EXPENDITURES**

REVENUE	FISCAL YEAR				
	76/77	77/78	78/79	79/80	80/81
LOCAL RATE	0.09	0.03	0.02	0.01	0.0
IMMOV. PROPERTY TAX	0.85	1.01	1.12	1.22	1.29
PROCEEDS FROM PROPERTIES	0.01	0.04	0.04	0.03	0.06
FEES AND RATES	0.0	0.0	0.0	0.0	0.0
TOLLS ON FERRIES/BRIDGES	0.17	0.13	0.08	0.05	0.17
INTEREST	0.02	0.09	0.09	0.09	0.11
MISC. REVENUE	0.02	0.11	0.04	0.03	0.04
VOLUNTARY CONTRIBUTIONS	0.0	0.0	0.2	0.09	0.15
OWN SOURCE REVENUES	1.17	1.41	1.55	1.52	1.62
NORMAL GRANTS	0.11	0.11	0.1	0.17	0.1
BWP GRANTS	0.47	0.46	0.4	0.51	0.37
SPECIAL GRANTS	0.0	0.0	0.0	0.0	0.0
<b>EXPENDITURE</b>					
ESTABLISHMENT	0.13	0.14	0.24	0.23	0.23
AGRICULTURE	0.007	0.005	0.002	0.015	0.005
PUBLIC HEALTH	0.001	0.021	0.001	0.011	0.001
EDUCATION	0.12	0.09	0.12	0.11	0.11
SOCIAL WELFARE	0.002	0.0	0.012	0.02	0.021
PUBLIC WORKS	0.54	1.10	1.19	1.28	1.53
MISC. EXPENDITURE	0.007	0.009	0.006	0.011	0.01
BWP EXPENDITURE	0.47	0.46	0.40	0.51	0.37

**ZILLA PABISHAD : CHITTAGONG HILL TRACTS  
PER CAPITA REVENUES AND EXPENDITURES**

REVENUE	FISCAL YEAR				
	76/77	77/78	78/79	79/80	80/81
LOCAL RATE	0.0	0.0	0.0	0.0	0.18
IMMOV. PROPERTY TAX	0.0	0.0	0.0	0.0	0.0
PROCEEDS FROM PROPERTIES	0.03	0.06	0.13	0.11	0.16
FEES AND RATES	0.0	0.0	0.0	0.0	0.0
TOLLS ON FERRIES/BRIDGES	0.0	0.0	0.0	0.0	0.0
INTEREST	0.0	0.0	0.0	0.0	0.0
MISC. REVENUE	0.1	0.18	0.1	0.19	0.54
VOLUNTARY CONTRIBUTIONS	0.0	0.0	0.0	0.0	0.0
OWN SOURCE REVENUES	0.14	0.23	0.23	0.29	0.88
NORMAL GRANTS	0.08	0.08	0.08	0.08	0.08
RWP GRANTS	6.53	2.66	2.16	2.92	5.26
SPECIAL GRANTS	0.0	0.0	0.0	0.0	0.68
<b>EXPENDITURE</b>					
ESTABLISHMENT	0.10	0.21	2.42	0.25	0.74
AGRICULTURE	0.003	0.001	0.002	0.002	0.002
PUBLIC HEALTH	0.0	0.0	0.0	0.0	0.0
EDUCATION	0.0	0.0	0.0	0.0	0.0
SOCIAL WELFARE	0.02	0.03	0.02	0.01	0.02
PUBLIC WORKS	0.97	1.91	0.0	0.05	0.18
MISC. EXPENDITURE	0.007	0.123	0.023	0.074	0.29
RWP EXPENDITURE	7.07	2.99	2.22	4.34	6.31

**ZILLA PARISHAD : COMILLA**  
**PER CAPITA REVENUES AND EXPENDITURES**

REVENUE	FISCAL YEAR				
	76/77	77/78	78/79	79/80	80/81
LOCAL RATE	0.01	0.02	0.02	0.0	0.0
IMMOV. PROPERTY TAX	0.57	0.67	0.76	1.14	1.0
PROCEEDS FROM PROPERTIES	0.16	0.33	0.24	0.1	0.06
FEES AND BATES	0.0	0.0	0.01	0.01	0.01
TOLLS ON FERRIES/BRIDGES	0.03	0.03	0.04	0.07	0.06
INTEREST	0.03	0.02	0.02	0.01	0.01
MISC. REVENUE	0.03	0.04	0.03	0.06	0.14
VOLUNTARY CONTRIBUTIONS	0.0	0.0	0.0	0.0	0.0
OWN SOURCE REVENUES	0.83	1.12	1.12	1.38	1.27
NORMAL GRANTS	0.09	0.08	0.06	0.05	0.08
RWP GRANTS	0.38	0.38	0.47	0.47	0.31
SPECIAL GRANTS	0.13	0.64	0.17	0.93	1.31
<b>EXPENDITURE</b>					
ESTABLISHMENT	0.11	0.15	0.17	0.17	0.19
AGRICULTURE	0.002	0.0	0.0	0.0	0.0
PUBLIC HEALTH	0.001	0.002	0.001	0.001	0.001
EDUCATION	0.08	0.06	0.10	0.12	0.06
SOCIAL WELFARE	0.009	0.025	0.006	0.006	0.005
PUBLIC WORKS	0.38	1.09	1.14	0.98	1.11
MISC. EXPENDITURE	0.03	0.09	0.04	0.05	0.07
RWP EXPENDITURE	0.50	0.41	0.50	0.38	0.50

**ZILLA PARISHAD : CHAKA**  
**PER CAPITA REVENUES AND EXPENDITURES**

REVENUE	FISCAL YEAR				
	76/77	77/78	78/79	79/80	80/81
LOCAL RATE	0.03	0.02	0.0	0.0	0.0
IMMOV. PROPERTY TAX	0.85	1.15	1.36	2.68	2.57
PROCEEDS FROM PROPERTIES	0.02	0.02	0.03	0.15	0.25
FEES AND RATES	0.0	0.0	0.0	0.0	0.0
TOLLS ON FERRIES/BRIDGES	0.07	0.05	0.11	0.10	0.12
INTEREST	0.02	0.02	0.02	0.03	0.03
MISC. REVENUE	0.03	0.03	0.16	0.32	0.19
VOLUNTARY CONTRIBUTIONS	0.0	0.0	0.0	0.2	0.19
OWN SOURCE REVENUES	1.02	1.28	1.84	3.48	3.36
NORMAL GRANTS	0.10	0.17	0.12	0.12	0.11
RWP GRANTS	0.5	0.53	0.57	0.77	0.83
SPECIAL GRANTS	0.43	1.08	0.0	0.0	0.0
<b>EXPENDITURE</b>					
ESTABLISHMENT	0.17	0.09	0.24	0.29	0.35
AGRICULTURE	0.019	0.015	0.002	0.0	0.004
PUBLIC HEALTH	0.004	0.006	0.001	0.0	0.0
EDUCATION	0.79	0.31	0.18	0.16	0.12
SOCIAL WELFARE	0.13	0.05	0.09	0.10	0.07
PUBLIC WORKS	1.83	1.41	1.00	1.96	3.71
MISC. EXPENDITURE	0.03	0.02	0.29	0.33	0.18
RWP EXPENDITURE	1.23	0.50	0.42	0.89	0.79

**ZILLA PARISHAD : DINAJPUR  
PER CAPITA REVENUES AND EXPENDITURES**

REVENUE	FISCAL YEAR				
	76/77	77/78	78/79	79/80	80/81
LOCAL RATE	0.0	0.0	0.0	0.0	0.0
IMMOV. PROPERTY TAX	1.04	1.35	1.12	1.31	1.01
PROCEEDS FROM PROPERTIES	0.03	0.05	0.11	0.08	0.07
FEES AND RATES	0.03	0.02	0.03	0.04	0.03
TOLLS ON FERRIES/BRIDGES	0.01	0.01	0.0	0.01	0.01
INTEREST	0.0	0.0	0.0	0.02	0.01
MISC. REVENUE	0.0	0.01	0.01	0.17	0.01
VOLUNTARY CONTRIBUTIONS	0.02	0.0	0.0	0.0	0.0
OWN SOURCE REVENUES	1.12	1.44	1.27	1.62	1.13
NORMAL GRANTS	0.09	0.1	0.1	0.09	0.09
RWP GRANTS	.	.	.	.	.
SPECIAL GRANTS	0.11	0.0	1.37	0.51	0.22
<b>EXPENDITURE</b>					
ESTABLISHMENT	0.13	0.17	0.25	0.17	0.18
AGRICULTURE	0.005	0.006	0.007	0.006	0.008
PUBLIC HEALTH	0.003	0.002	0.003	0.002	0.003
EDUCATION	0.03	0.05	0.04	0.04	0.04
SOCIAL WELFARE	0.0	0.0	0.0	0.0	0.0
PUBLIC WORKS	1.22	1.60	2.55	1.97	1.15
MISC. EXPENDITURE	0.017	0.006	0.002	0.006	0.08
RWP EXPENDITURE	.	.	.	.	.

**ZILLA PARISHAD : FARIDPUR  
PER CAPITA REVENUES AND EXPENDITURES**

REVENUE	FISCAL YEAR				
	76/77	77/78	78/79	79/80	80/81
LOCAL RATE	0.16	0.03	0.0	0.03	0.0
IMMOV. PROPERTY TAX	0.57	0.58	0.58	0.82	0.86
PROCEEDS FROM PROPERTIES	0.06	0.36	0.28	0.17	0.25
FEES AND BATES	0.0	0.0	0.0	0.0	0.0
TOLLS ON FERRIES/BRIDGES	0.01	0.0	0.01	0.0	0.0
INTEREST	0.01	0.02	0.02	0.02	0.02
MISC. REVENUE	0.01	0.01	0.03	0.03	0.27
VOLUNTARY CONTRIBUTIONS	0.0	0.0	0.0	0.0	0.0
OWN SOURCE REVENUES	0.82	1.02	0.92	1.08	1.41
NORMAL GRANTS	0.09	0.09	0.09	0.09	0.08
RWP GRANTS	0.43	0.44	0.41	0.55	0.33
SPECIAL GRANTS	0.0	0.55	0.29	0.26	0.0
<b>EXPENDITURE</b>					
ESTABLISHMENT	0.15	0.17	0.23	0.22	0.31
AGRICULTURE	0.004	0.006	0.006	0.006	0.0
PUBLIC HEALTH	0.002	0.002	0.003	0.002	0.004
EDUCATION	0.01	0.01	0.01	0.01	0.02
SOCIAL WELFARE	0.03	0.13	0.06	0.03	0.10
PUBLIC WORKS	0.39	1.14	1.37	0.72	1.30
MISC. EXPENDITURE	0.02	0.02	0.02	0.03	0.02
RWP EXPENDITURE	0.67	0.44	0.41	0.55	0.33

**ZILLA PARISHAD : JAMAIFUR  
PER CAPITA REVENUES AND EXPENDITURES**

REVENUE	FISCAL YEAR				
	76/77	77/78	78/79	79/80	80/81
LOCAL RATE	.	.	.	0.01	0.0
IMMOV. PROPERTY TAX	.	.	.	3.9	3.67
PROCEEDS FROM PROPERTIES	.	.	.	0.06	0.1
FEES AND BATES	.	.	.	3.31	3.31
TOLLS ON FERRIES/BRIDGES	.	.	.	0.09	0.18
INTEREST	.	.	.	3.04	3.35
MISC. REVENUE	.	.	.	0.0	0.01
VOLUNTARY CONTRIBUTIONS	.	.	.	3.0	3.3
OWN SOURCE REVENUES	.	.	.	1.11	1.03
NORMAL GRANTS	.	.	.	3.12	3.09
RWP GRANTS	.	.	.	0.89	0.5
SPECIAL GRANTS	.	.	.	3.0	3.3
<b>EXPENDITURE</b>					
ESTABLISHMENT	.	.	.	3.22	3.21
AGRICULTURE	.	.	.	0.001	0.0
PUBLIC HEALTH	.	.	.	3.3	3.331
EDUCATION	.	.	.	0.04	0.04
SOCIAL WELFARE	.	.	.	3.3	3.3
PUBLIC WORKS	.	.	.	0.38	1.06
MISC. EXPENDITURE	.	.	.	3.339	3.362
RWP EXPENDITURE	.	.	.	0.77	0.39

**ZILLA PARISHAL : JESSORE  
PER CAPITA REVENUES AND EXPENDITURES**

REVENUE	FISCAL YEAR				
	76/77	77/78	78/79	79/80	80/81
LOCAL RATE	0.1	0.0	0.03	0.0	0.01
IMMOV. PROPERTY TAX	0.53	0.69	0.88	0.96	0.74
PROCEEDS FROM PROPERTIES	0.04	0.04	0.03	0.02	0.12
FEES AND RATES	0.0	0.0	0.0	0.0	0.0
TOLLS ON FERRIES/BRIDGES	0.0	0.0	0.0	0.0	0.0
INTEREST	0.0	0.0	0.01	0.01	0.02
MISC. REVENUE	0.03	0.1	0.04	0.06	0.09
VOLUNTARY CONTRIBUTIONS	0.0	0.0	0.0	0.0	0.0
OWN SOURCE REVENUES	0.7	0.83	0.97	1.06	0.98
NORMAL GRANTS	0.1	0.11	0.11	0.1	0.1
RWP GRANTS	0.62	0.48	2.22	1.83	1.81
SPECIAL GRANTS	0.42	2.06	1.48	0.71	2.09
<b>EXPENDITURE</b>					
ESTABLISHMENT	0.13	0.18	0.21	0.24	0.34
AGRICULTURE	0.0	0.003	0.005	0.0	0.007
PUBLIC HEALTH	0.006	0.003	0.0	0.0	0.0
EDUCATION	0.07	0.10	0.20	0.16	0.19
SOCIAL WELFARE	0.0	0.0	0.0	0.0	0.0
PUBLIC WORKS	0.51	0.57	0.44	0.64	0.70
MISC. EXPENDITURE	0.02	0.08	0.09	0.21	0.08
RWP EXPENDITURE	0.76	0.49	2.44	1.71	1.94

**ZILLA PARISHAD : KHULNA**  
**PER CAPITA REVENUES AND EXPENDITURES**

REVENUE	FISCAL YEAR				
	76/77	77/78	78/79	79/80	80/81
LOCAL RATE	0.1	0.02	0.02	0.01	0.0
IMMOV. PROPERTY TAX	0.76	0.85	1.11	1.22	1.49
PROCEEDS FROM PROPERTIES	0.02	0.03	0.04	0.04	0.05
FEES AND RATES	0.01	0.01	0.02	0.02	0.02
TOLLS ON FERRIES/BRIDGES	0.06	0.01	0.06	0.11	0.1
INTEREST	0.0	0.0	0.01	0.06	0.04
MISC. REVENUE	0.04	0.03	0.05	0.04	0.03
VOLUNTARY CONTRIBUTIONS	0.0	0.0	0.0	0.0	0.0
OWN SOURCE REVENUES	0.99	1.04	1.3	1.49	1.74
NORMAL GRANTS	0.12	0.12	0.12	0.11	0.11
RWP GRANTS	0.78	0.64	0.56	0.69	0.41
SPECIAL GRANTS	0.1	0.22	0.0	0.0	0.0
<b>EXPENDITURE</b>					
ESTABLISHMENT	0.21	0.07	0.37	0.40	0.38
AGRICULTURE	0.001	0.001	0.001	0.0	0.001
PUBLIC HEALTH	0.019	0.019	0.001	0.008	0.007
EDUCATION	0.05	0.03	0.03	0.05	0.05
SOCIAL WELFARE	0.0	0.0	0.0	0.0	0.0
PUBLIC WORKS	1.06	0.86	1.15	1.65	1.71
MISC. EXPENDITURE	0.02	0.01	0.01	0.04	0.04
RWP EXPENDITURE	1.04	0.44	0.66	0.72	0.45

**ZILLA PARISHAD : KUSHIYA**  
**PER CAPITA REVENUES AND EXPENDITURES**

REVENUE	FISCAL YEAR				
	76/77	77/78	78/79	79/80	80/81
LOCAL RATE	.	.	0.0	0.0	0.0
IMMOV. PROPERTY TAX	.	.	0.84	1.23	0.95
PROCEEDS FROM PROPERTIES	.	.	0.45	0.27	0.24
FEES AND RATES	.	.	0.01	0.01	0.01
TOLLS ON FERRIES/BRIDGES	.	.	0.07	0.08	0.06
INTEREST	.	.	0.0	0.07	0.05
MISC. REVENUE	.	.	0.05	0.08	0.19
VOLUNTARY CONTRIBUTIONS	.	.	0.0	0.0	0.0
OWN SOURCE REVENUES	.	.	1.42	1.73	1.5
NORMAL GRANTS	.	.	0.1	0.1	0.14
RWP GRANTS	.	.	0.41	0.48	0.43
SPECIAL GRANTS	.	.	0.0	0.0	0.0
<b>EXPENDITURE</b>					
ESTABLISHMENT	.	.	0.40	0.45	0.41
AGRICULTURE	.	.	0.012	0.004	0.029
PUBLIC HEALTH	.	.	0.0	0.0	0.0
EDUCATION	.	.	0.15	0.09	0.08
SOCIAL WELFARE	.	.	0.04	0.04	0.03
PUBLIC WORKS	.	.	0.70	0.57	1.0
MISC. EXPENDITURE	.	.	0.21	0.26	0.15
RWP EXPENDITURE	.	.	0.47	0.61	0.53

**ZILLA PARISHAD : MYMENSINGH  
PER CAPITA REVENUES AND EXPENDITURES**

REVENUE	FISCAL YEAR				
	76/77	77/78	78/79	79/80	80/81
LOCAL RATE	0.08	0.04	0.01	0.01	0.01
IMMOV. PROPERTY TAX	0.58	0.78	0.74	1.13	0.94
PROCEEDS FROM PROPERTIES	0.37	0.37	0.28	0.43	0.22
FEES AND RATES	0.0	0.0	0.0	0.0	0.0
TOLLS ON FERRIES/BRIDGES	0.03	0.02	0.04	0.03	0.06
INTEREST	0.0	0.0	0.06	0.08	0.11
MISC. REVENUE	0.05	0.02	0.02	0.14	0.02
VOLUNTARY CONTRIBUTIONS	0.0	0.0	0.0	0.0	0.0
OWN SOURCE REVENUES	1.12	1.23	1.16	1.82	1.37
NORMAL GRANTS	0.07	0.09	0.08	0.06	0.08
RWP GRANTS	0.41	0.42	0.30	0.51	0.36
SPECIAL GRANTS	0.09	0.08	0.05	0.0	0.0
<b>EXPENDITURE</b>					
ESTABLISHMENT	0.15	0.15	0.13	0.29	0.29
AGRICULTURE	0.012	0.001	0.0	0.005	0.0
PUBLIC HEALTH	0.002	0.003	0.001	0.006	0.001
EDUCATION	0.04	0.08	0.05	0.14	0.08
SOCIAL WELFARE	0.0	0.0	0.0	0.0	0.0
PUBLIC WORKS	1.30	0.65	0.75	1.12	0.50
MISC. EXPENDITURE	0.011	0.002	0.204	0.063	0.008
RWP EXPENDITURE	.	.	.	.	.

**ZILLA PARISHAD : NOAKHALI  
PER CAPITA REVENUES AND EXPENDITURES**

REVENUE	FISCAL YEAR				
	76/77	77/78	78/79	79/80	80/81
LOCAL RATE	.	0.16	0.5	0.03	0.0
IMMOV. PROPERTY TAX	.	1.07	1.27	1.62	1.56
PROCEEDS FROM PROPERTIES	.	0.02	0.04	0.14	0.09
FEES AND RATES	.	0.0	0.0	0.0	0.0
TOLLS ON FERRIES/BRIDGES	.	0.01	0.01	0.01	0.02
INTEREST	.	0.02	0.02	0.02	0.04
MISC. REVENUE	.	0.02	0.03	0.03	0.04
VOLUNTARY CONTRIBUTIONS	.	0.0	0.0	0.0	0.0
OWN SOURCE REVENUES	.	1.31	1.38	1.84	1.75
NORMAL GRANTS	.	0.09	0.08	0.08	0.08
RWP GRANTS	.	.	0.37	0.49	0.38
SPECIAL GRANTS	.	0.0	0.0	0.0	0.0
<b>EXPENDITURE</b>					
ESTABLISHMENT	.	0.10	0.13	0.12	0.13
AGRICULTURE	.	0.003	0.004	0.002	0.013
PUBLIC HEALTH	.	0.0	0.0	0.0	0.0
EDUCATION	.	0.06	0.06	0.08	0.08
SOCIAL WELFARE	.	0.008	0.004	0.008	0.005
PUBLIC WORKS	.	0.91	0.99	1.12	1.44
MISC. EXPENDITURE	.	0.03	0.03	0.03	0.07
RWP EXPENDITURE	.	.	0.38	0.49	0.28

**ZILLA PARISHAD : FANNA  
PER CAPITA REVENUES AND EXPENDITURES**

REVENUE	FISCAL YEAR				
	76/77	77/78	78/79	79/80	80/81
LOCAL RATE	0.35	0.34	0.01	0.01	0.0
IMMOV. PROPERTY TAX	0.53	0.72	0.92	1.16	1.31
PROCEEDS FROM PROPERTIES	0.1	0.01	0.1	0.08	0.03
FEES AND RATES	0.0	0.0	0.0	0.0	0.31
TOLLS ON FERRIES/BRIDGES	0.0	0.0	0.0	0.06	0.04
INTEREST	0.01	0.0	0.0	0.01	0.02
MISC. REVENUE	0.03	0.07	0.38	0.04	0.06
VOLUNTARY CONTRIBUTIONS	0.0	0.0	0.0	0.0	0.0
OWN SOURCE REVENUES	0.72	0.85	1.42	1.37	1.17
NORMAL GRANTS	0.14	0.14	0.06	0.06	0.08
RWP GRANTS	.	.	.	.	.
SPECIAL GRANTS	0.0	0.0	0.0	0.0	0.0
<b>EXPENDITURE</b>					
ESTABLISHMENT	0.19	0.11	0.13	0.34	0.27
AGRICULTURE	0.003	0.001	0.001	0.01	0.055
PUBLIC HEALTH	0.0	0.0	0.002	0.003	0.002
EDUCATION	0.16	0.15	0.08	0.14	0.09
SOCIAL WELFARE	0.01	0.02	0.01	0.02	0.01
PUBLIC WORKS	0.42	0.88	1.14	0.96	0.56
MISC. EXPENDITURE	0.03	0.01	0.02	0.02	0.02
RWP EXPENDITURE	.	.	.	.	.

**ZILLA PARISHAD : FATUAKHALI**  
**PER CAPITA REVENUES AND EXPENDITURES**

REVENUE	FISCAL YEAR				
	76/77	77/78	78/79	79/80	80/81
LOCAL RATE	0.44	0.0	0.0	0.0	0.19
IMMOV. PROPERTY TAX	0.59	0.93	0.91	1.08	0.9
PROCEEDS FROM PROPERTIES	0.2	0.13	0.05	0.03	0.06
FEES AND RATES	0.02	0.02	0.02	0.03	0.03
TOLLS ON FERRIES/BRIDGES	0.03	0.05	0.03	0.02	0.04
INTEREST	0.01	0.0	0.01	0.01	0.01
MISC. REVENUE	0.01	0.09	0.01	0.01	0.02
VOLUNTARY CONTRIBUTIONS	0.0	0.0	0.0	0.0	0.0
OWN SOURCE REVENUES	1.32	1.22	1.03	1.18	1.25
NORMAL GRANTS	0.18	0.17	0.17	0.17	0.17
RWP GRANTS	0.58	1.52	1.6	3.22	3.63
SPECIAL GRANTS	0.0	0.0	0.0	0.0	0.0
<b>EXPENDITURE</b>					
ESTABLISHMENT	0.21	0.28	0.38	0.40	0.46
AGRICULTURE	0.003	0.006	0.006	0.015	0.007
PUBLIC HEALTH	0.007	0.003	0.003	0.003	0.003
EDUCATION	0.03	0.19	0.11	0.12	0.13
SOCIAL WELFARE	0.0	0.0	0.0	0.0	0.0
PUBLIC WORKS	1.12	0.68	0.70	1.17	0.71
MISC. EXPENDITURE	0.05	0.01	0.02	0.04	0.02
RWP EXPENDITURE	0.52	1.12	1.56	2.86	3.47

**ZILLA FAHISHAD : RAJSHAHI**  
**PER CAPITA REVENUES AND EXPENDITURES**

REVENUE	FISCAL YEAR				
	76/77	77/78	78/79	79/80	80/81
LOCAL RATE	0.12	0.03	0.0	0.0	0.0
IMMOV. PROPERTY TAX	0.81	0.24	1.12	1.57	1.2
PROCEEDS FROM PROPERTIES	0.43	0.25	0.3	0.7	0.13
FEES AND RATES	0.02	0.02	0.03	0.03	0.02
TOLLS ON FERRIES/BRIDGES	0.1	0.12	0.09	0.13	0.15
INTEREST	0.0	0.0	0.0	0.0	0.0
MISC. REVENUE	0.01	0.1	0.12	0.14	0.04
VOLUNTARY CONTRIBUTIONS	0.0	0.0	0.0	0.0	0.0
OWN SOURCE REVENUES	1.49	0.76	1.67	2.37	1.54
NORMAL GRANTS	0.1	0.11	0.11	0.13	0.11
RWP GRANTS	0.46	0.48	0.47	0.64	0.38
SPECIAL GRANTS	0.0	0.0	0.0	0.0	0.0
<b>EXPENDITURE</b>					
ESTABLISHMENT	0.24	0.22	0.41	0.40	0.35
AGRICULTURE	0.0	0.003	0.0	0.01	0.007
PUBLIC HEALTH	0.02	0.02	0.01	0.0	0.01
EDUCATION	0.09	0.08	0.09	0.10	0.07
SOCIAL WELFARE	0.0	0.0	0.0	0.0	0.0
PUBLIC WORKS	0.48	1.13	1.96	1.79	1.41
MISC. EXPENDITURE	0.03	0.10	0.11	0.05	0.05
RWP EXPENDITURE	0.57	0.47	0.45	0.39	0.37

**ZILLA PARISHAD : RANGPUR**  
**PER CAPITA REVENUES AND EXPENDITURES**

REVENUE	FISCAL YEAR				
	76/77	77/78	78/79	79/80	80/81
LOCAL RATE	0.0	0.0	0.16	0.09	0.0
IMMOV. PROPERTY TAX	0.63	0.68	0.66	0.78	0.79
PROCEEDS FROM PROPERTIES	0.02	0.02	0.06	0.03	0.02
FEES AND BATES	0.0	0.0	0.0	0.0	0.0
TOLLS ON FERRIES/BRIDGES	0.02	0.02	0.05	0.04	0.03
INTEREST	0.0	0.0	0.0	0.0	0.0
MISC. REVENUE	0.0	0.01	0.0	0.04	0.0
VOLUNTARY CONTRIBUTIONS	0.0	0.0	0.0	0.0	0.0
OWN SOURCE REVENUES	0.67	0.75	0.92	0.99	0.84
NORMAL GRANTS	0.10	0.09	0.09	0.10	0.09
RWP GRANTS	0.39	0.47	0.39	0.38	0.29
SPECIAL GRANTS	0.0	0.0	0.0	0.0	0.0
<b>EXPENDITURE</b>					
ESTABLISHMENT	0.03	0.04	0.05	0.05	0.05
AGRICULTURE	0.02	0.02	0.01	0.01	0.02
PUBLIC HEALTH	0.05	0.04	0.02	0.01	0.02
EDUCATION	0.10	0.11	0.10	0.06	0.06
SOCIAL WELFARE	0.0	0.0	0.0	0.0	0.0
PUBLIC WORKS	0.43	0.48	0.91	0.78	0.96
MISC. EXPENDITURE	0.11	0.09	0.07	0.04	0.15
RWP EXPENDITURE	0.34	0.47	0.39	0.38	0.29

**ZILLA PARISHAD : SYLBET  
PER CAPITA REVENUES AND EXPENDITURES**

REVENUE	FISCAL YEAR				
	76/77	77/78	78/79	79/80	80/81
LOCAL RATE	0.04	0.02	0.0	0.0	0.0
IMMOV. PROPERTY TAX	3.69	3.96	3.9E	1.47	3.14
PROCEEDS FROM PROPERTIES	0.26	0.18	0.07	0.02	0.11
FEES AND RATES	3.0	3.0	3.0	3.0	3.0
TOLLS ON FERRIES/BRIDGES	0.04	0.05	0.07	0.11	0.1
INTEREST	3.31	3.35	3.36	3.05	3.36
MISC. REVENUE	0.02	0.03	0.03	0.14	0.02
VOLUNTARY CONTRIBUTIONS	3.0	3.0	3.0	3.0	3.0
OWN SOURCE REVENUES	1.06	1.28	1.21	1.79	0.43
NORMAL GRANTS	3.1	3.1	3.39	3.39	3.39
RWP GRANTS	0.47	0.46	0.46	0.66	0.11
SPECIAL GRANTS	3.0	3.0	3.0	3.0	3.0
<b>EXPENDITURE</b>					
ESTABLISHMENT	3.12	3.16	3.20	3.19	3.31
AGRICULTURE	0.002	0.003	0.004	0.005	0.005
PUBLIC HEALTH	3.001	3.001	3.001	3.0	3.002
EDUCATION	0.12	0.01	0.01	0.14	0.15
SOCIAL WELFARE	3.02	3.03	3.002	3.03	3.08
PUBLIC WORKS	0.65	1.29	0.92	1.25	1.34
MISC. EXPENDITURE	3.02	3.04	3.05	3.05	3.29
RWP EXPENDITURE	0.71	0.77	0.34	0.68	0.58

**ZILLA PANCHSHAD : TANGAI**  
**PER CAPITA REVENUES AND EXPENDITURES**

REVENUE	FISCAL YEAR				
	76/77	77/78	78/79	79/80	80/81
LOCAL RATE	0.03	0.03	0.02	0.02	0.0
IMMOV. PROPERTY TAX	0.59	0.74	0.89	1.12	0.87
PROCEEDS FROM PROPERTIES	0.11	0.08	0.22	0.11	0.08
FEES AND RATES	0.0	0.0	0.0	0.0	0.0
TOLLS ON FERRIES/BRIDGES	0.01	0.02	0.01	0.01	0.01
INTEREST	0.02	0.01	0.01	0.01	0.01
MISC. REVENUE	0.12	0.04	0.02	0.06	0.05
VOLUNTARY CONTRIBUTIONS	0.0	0.0	0.0	0.0	0.0
OWN SOURCE REVENUES	0.89	0.93	1.17	1.32	1.03
NORMAL GRANTS	0.1	0.08	0.09	0.09	0.08
BWP GRANTS	0.53	0.44	0.41	0.59	0.5
SPECIAL GRANTS	0.05	0.69	1.74	0.53	1.23
<b>EXPENDITURE</b>					
ESTABLISHMENT	0.16	0.35	0.20	0.25	0.27
AGRICULTURE	0.002	0.004	0.013	0.001	0.0
PUBLIC HEALTH	0.007	0.0	0.002	0.017	0.009
EDUCATION	0.09	0.08	0.07	0.08	0.06
SOCIAL WELFARE	0.0	0.0	0.0	0.0	0.0
PUBLIC WORKS	0.51	1.07	1.05	0.97	0.90
MISC. EXPENDITURE	0.02	0.02	0.04	0.03	0.03
BWP EXPENDITURE	0.53	0.44	0.39	0.58	0.64