

The Taxation of the Union Law, 2016
(The Pyidaungsu Hluttaw Law No.22, 2016)

The 1st Waning of Pyatho, 1377 M.E.
(25 January, 2016)

The Pyidaungsu Hluttaw hereby enacts this Law.

Chapter I

Title, Date of Enforcement and Definition

1. (a) This Law shall be called **the Taxation of the Union Law, 2016.**
 - (b) **The provisions** in respect of the Specific Goods Tax in Chapter V and commercial tax in Chapter VI of this Law shall come into **effect commencing** from 1 April 2016 for 2016-2017 financial year;
 - (c) In respect of income tax in Chapter VII:
 - (i) **the provision of** the income from salary in section 19 and the provision of section 24 of this Law shall come into force with effect **commencing** from 1 April, 2016;
 - (ii) **the** other provisions shall come into force with effect **commencing** from 2016-2017 income year.
2. The following expressions contained in this Law shall have the meanings given hereunder:
- (a) Tax means the tax collected by the Union Government for the Union;
 - (b) Law means the laws promulgated by the Union Government regarding collection of taxes for the Union;

- (c) Relevant Ministry means the **Union** Ministries of the Union Government and **Nay Pyi Daw** Council responsible for **the collection of** taxes collected by the Union Government for the Union;
- (d) Budget Law means the Union Budget Law and the Supplementary Appropriation Law promulgated yearly;
- (e) Tax Rate means tax rates prescribed for **the collection of** taxes collected by the Union Government for the Union.

Chapter II

Revenue Estimate for Collection

- 3. The receipt of tax of the Union in the **Union** Budget Law is the estimate to collect tax shown in schedule (1) of this Law for the relevant financial year.

Chapter III

Prescribing Tax Rates and Reporting

- 4. Regarding the types of taxes of this Law, the relevant Ministry shall collect the revenue estimate for collection by tax rates of this Law.
- 5. The Union Government shall, if desirous to amend, add or substitute the tax rates of this Law, submit to the Pyidaungsu Hluttaw for enabling to discuss and decide.
- 6.(a) The relevant Ministry shall send a quarterly report on the condition of collection of revenue estimate in schedule (1) of this Law to the Budget Department.
- (b) The Budget Department shall compile the lists of tax collection data sent by the relevant Ministries and submit a quarterly report with comments through the Ministry of Finance to the Union Government.

7. The Union Government shall submit a six-monthly report on the condition of collection of revenue estimate in schedule (1) of this Law to the Pyidaungsu Hluttaw.

Chapter IV

Duty and Power of the Relevant Ministry

8. The relevant **Ministry** shall take the responsibility of administering and supervising for collecting the estimate for tax in schedule (1) of this Law.

9. **The** Ministry of Finance of the Union Government may issue directives, if necessary, without changing the original meaning of the provisions, **that enable people to know clearly, perform** and comply with the provisions of the specific goods tax, commercial tax and income tax in this Law.

10. The relevant Ministry may seek assistance from the President of the Union, the Union Government, **the** Pyidaungsu Hluttaw, **the** Pyithu Hluttaw, **the** Amyothar Hluttaw, the Supreme Court of the Union, the Constitutional Tribunal of the Union, the Union Election Commission, the Attorney General of the Union, the Auditor General of the Union, and Union Civil Service Board, Nay Pyi Taw Council, Union Ministries, Central Bank of Myanmar, Region or State Government, Leading Bodies of Self-Administered Division or Leading Bodies of Self-Administered Zones **s** in order to receive necessary information and aids for paying taxes by the tax payers in accordance with Law.

Chapter V

Specific Goods Tax

11. Under section 6 of the Specific Goods Tax Law, the schedules annexed to the said Law are prescribed as follows:

Specific Goods

- (a) In respect of the specific goods in the following schedule, if imported, the tax shall be charged on the landed value, if produced domestically, the tax shall be charged on the sale price mentioned by the factory, workshop or workplace, or the sale price estimated by the Director General and the Management Committee of the Internal Revenue Department based on the market price, or whichever is higher, at the specified tax rates shown against them ;

Sr: No	Description of Goods	Price Level	Tax Rate
1	(a) Various types of cigarette	up to sale price of 400 kyats for a pack of 20 cigarette	3 kyats per cigarette
	(b) Various types of cigarette	Between the sale price of 401- 600 kyats for a pack of 20 cigarette	8 kyats per cigarette
	(c) Various types of cigarette	Between the sale price of 601 - 800 kyats for a pack of 20 cigarette	12 kyats per cigarette
	(d) Various types of cigarette	the sale price of 801 kyats and	15 kyats

		above for a pack of 20 cigarette	per cigarette
	(e) Various types of cigarette (if imported)	Landed cost	120 %
2	Tobacco.		60%
3	Cured virginia tobacco.		60 %
4	Cheroot.		60 %
5	Cigar.		60 %
6	Pipe tobaccos		60 %
7	Various types of betal chewing preparation.		60 %
8	(a) Various types of liquor	up to 500 kyats per litre	56 kyats per litre
	(b) Various types of liquor	Between 501-1000 kyats per litre	169 kyats per litre
	(c) Various types of liquor	Between 1001-1500 kyats per litre	281 kyats per litre
	(d) Various types of liquor	Between 1501-2000 kyats per litre	394 kyats per litre
	(e) Various types of liquor	Between 2001-2500 kyats per litre	506 kyats per litre

	(f) Various types of liquor	Between 2501-3000 kyats per litre	619 kyats per litre
	(g) Various types of liquor	Between 3001-3500 kyats per litre	731 kyats per litre
	(h) Various types of liquor	Between 3501-4000 kyats per litre	844 kyats per litre
	(i) Various types of liquor	Between 4001-5000 kyats per litre	1013 kyats per litre
	(j) Various types of liquor	Between 5001-6000 kyats per litre	1238 kyats per litre
	(k) Various types of liquor	Between 6001-7000 kyats per litre	1463 kyats per litre
	(l) Various types of liquor	Between 7001-8000 kyats per litre	1688 kyats per litre
	(m) Various types of liquor	Between 8001-9000 kyats per litre	1913 kyats per litre
	(n) Various types of liquor	Between 9001-10000 kyats per litre	2138 kyats per litre

	(o) Various types of liquor	Between 10001-20000 kyats per litre	3375 kyats per litre
	(p) Various types of liquor	20001 kyats and above per litre	60 % of the price of a litre
	(q) Various types of liquor (if imported)	Landed cost	60 %
9	Various types of beer.		60 %
10	(a) Various types of wine	up to 500 kyats per litre	50 kyats per litre
	(b) Various types of wine	Between 501 - 1000 kyats per litre	150 kyats per litre
	(c) Various types of wine	Between 1001 - 1500 kyats per litre	250 kyats per litre
	(d) Various types of wine	Between 1501 - 2000 kyats per litre	350 kyats per litre
	(e) Various types of wine	Between 2001 - 2500 kyats per litre	450 kyats per litre
	(f) Various types of wine	Between 2501 - 3000 kyats per litre	550 kyats per litre

	(g) Various types of wine	Between 3001 - 3500 kyats per litre	650 kyats per litre
	(h) Various types of wine	Between 3501 - 4000 kyats per litre	750 kyats per litre
	(i) Various types of wine	Between 4001 - 5000 kyats per litre	900 kyats per litre
	(j) Various types of wine	Between 5001 - 6000 kyats per litre	1100 kyats per litre
	(k) Various types of wine	Between 6001 - 7000 kyats per litre	1300 kyats per litre
	(l) Various types of wine	Between 7001 – 8000 kyats per litre	1500 kyats per litre
	(m) Various types of wine	Between 8001 - 9000 kyats per litre	1700 kyats per litre
	(n) Various types of wine	Between 9001 - 10000 kyats per litre	1900 kyats per litre
	(o) Various types of wine	Between 10001 - 20000 kyats per litre	3000 kyats per litre

	(p) Various types of wine	20001 kyats and above per litre	50 % of the price of a litre
	(q) Various types of wine (if imported)	Landed cost	50%
11	Teak and hard wood logs, 10-square – inch and above cut teak and cut hardwood		25 %
12	Jade, ruby, sapphire, emerald, diamond and other precious gemstones in uncut forms.		20 %
13	Jade, ruby, sapphire, emerald, diamond and other precious gemstones, finished in cut forms and jewellery.		5 %
14	Engine power above 1800 CC vans, saloons, sedans, wagons, estate wagons and coupes except Double Cab 4 Door pick up.		25 %
15	Kerosene, petrol, diesel oil, jet fuel.		5 %
16	Natural gas.		8 %

- (b) A person exporting the following specific goods shall pay specific goods tax on the sale proceeds as the specified tax rates shown against them. Other than the mentioned specific goods, the specific goods tax assessed on the sale proceeds for the export of the remaining specific goods shall be zero percent. The specific goods tax paid at the time of purchase, importation or production of the goods

shall be set off from the specific goods tax due **for** the export according to the stipulations.

Sr. No	Types of Goods	Tax Rate
1	Natural gas.	8 %
2	Teak, hardwood logs, 10-square-inch and above cut teak and cut hardwood	50 %
3	Jade, ruby, sapphire, emerald, diamond and other precious gemstone in uncut forms.	20 %
4	Jade, ruby, sapphire, emerald, diamond and other precious gemstone, finished in cut forms and jewellery.	5 %

12. **Out of** the specific goods **tax due** under Specific Goods Tax Law, specific goods tax shall **not** be assessed on the production and sale of tobacco, cheroots and cigars **in the country** by cooperative sector **and** private sector if the total sale proceeds within a financial year do not exceed **20 million** Kyats.

13. The **meaning** of expressions in Chapter V of this Law shall **have** the same **meaning defined** in the Specific Goods Tax Law.

Chapter VI

Commercial Tax

14. Under section 6 of the Commercial Tax Law, the schedules annexed to the said Law are prescribed as follows:

Schedules of the Commercial Tax Law

(a) No commercial tax shall be **charged** on any of the following goods:

Sr.No	Description of Goods
1	Paddy, rice, broken rice, rice bran, chaff, paddy husk.
2	Wheat seed, coarse wheat flour, fine wheat flour, wheat bran and wheat husk.
3	Various types of maize and other cereals, corn powder and other cereal powder .
4	Various types of pulse, split, powdered pea, pea bran and pea shell.
5	Shelled and unshelled groundnut.
6	Sesame, flower sesame.
7	Mustard seeds , sunflower seeds , tamarind seeds , cotton seeds .
8	Oil palm.
9	Various types of cotton.
10	Jute and other fibres.
11	Garlic, onion.
12	Potato.
13	Tapioca, cassava.
14	Spicy leaf, fruit, seeds, barks , prepared spices.
15	Various fresh fruits.
16	Vegetables.
17	Sugarcane, sugar, jaggery, brown slab sugar.
18	Mulberry leaf.

19	Herb.
20	Agricultural land and gardening products such as peel, thatch, reeds, nipa palm, toddy palm, cardomon plant, yam, thanakha, not elsewhere specified.
21	Firewood, bamboo.
22	Live animals, fish and prawn.
23	Silk cocoon.
24	Finished and unfinished cane.
25	Honey and bee wax.
26	Lac.
27	Residual oil-cake of groundnut, sesame, cotton seed, rice bran etc.
28	Raw material for detergent, raw material for soap, raw soap.
29	Bleaching substance.
30	Coir yarn, coconut shell charcoal.
31	Various types of pickled or dried tea leaf.
32	Various types of stamp (including revenue stamp).
33	Sealing wax and sticks.
34	Slate, slate pencil and chalk.
35	Various types of fish sauce.
36	Groundnut oil, sesame oil, sunflower oil, rice bran edible oil, soya bean oil and oil cakes.
37	Fresh fish, fresh prawn, fresh meat.

38	Various kinds of dried fish and dried prawns.
39	Various kinds of pickled fish and pickled prawn.
40	Powdered prawn, powdered fish.
41	High Value Products produced based on marine products such as fish, prawn.
42	Milk, various types of powdered milk.
43	Chilli, chilli powder.
44	Turmeric, turmeric powder.
45	Ginger.
46	Various types of fish paste.
47	Ripe tamarind.
48	State flag.
49	Various types of rosary.
50	Various types of ruler, eraser, pencil sharpener.
51	Firewood substitute fuel stick.
52	Coconut oil (not palm oil).
53	Various types of eggs such as hen and duck eggs.
54	Pumpkin seed, watermelon seed, cashew nut.
55	Religious clothes (robe etc).
56	Oil dregs.
57	Various types of salt.

58	Rubber.
59	Betel nut.
60	Fertilizer.
61	Insecticide, weed-killer .
62	Farm equipment, farm machines and spare parts.
63	Raw and finished materials for animal, fish and prawn feed.
64	Animal, fish and prawn medicines.
65	Breeds for using in inseminating.
66	Solar panel, solar charger, controller and solar inverter.
67	X-ray film plates and X-ray material and other medicinal equipment (self-import materials to be used in hospitals and clinics).
68	Bandages, gauze, surgical dressing materials, hospital outfit and hospital sundries (self-import materials to be used in hospitals and clinics).
69	Household pharmaceutical and other medicines (except medicine restricted by commercial tax regulations).
70	Raw medicine.
71	Various kinds of textbooks, various kinds of educational and technical books to be used in college and university, various kinds of exercise and drawing books and paper sheets for the production of such books and all sorts of pencils.
72	Graphite for the production of pencils.
73	Condom.

74	Weapons, vehicles, machineries, accessory and equipment, spare parts and accessories thereof used by State Defense and Security Organizations.
75	Various kinds of gun powder, various kinds of dynamites and related substances used by civil departments.
76	Pure seeds and seedlings of crops.
77	Fire-engine, hearse.
78	Materials sold in foreign currency to overseas passengers at the specific places.
79	Goods to be used by diplomats and non-diplomat staff of foreign embassies or small embassies inclusive of reciprocal right policy between two countries.
80	Goods purchased for the use of armed forces and for the consumption of armed forces personnel incurred from the expenditure allotted in the budget accounts for the Ministry of Defence.
81	Raw materials or goods to be used directly as parts of goods provided by foreign resident supplier to use for production of finished goods on a CMP (cut the fabric, make garments, Trim/Pack the garments) basis or goods used for packaging the finished product.
82	Fuel sold by the Ministry of Energy to foreign embassies, UN organizations and foreign diplomats.
83	Goods purchased with the donation or funds provided by domestic and foreign organizations to the State.
84	Jet fuel sold to be used for planes flying abroad.
85	Machine, machinery and equipment and the spare parts of planes or helicopters.

86	Goods exempted by the Pyidaungsu Hluttaw as per the needs of the State.
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- (b) **Other than** the goods mentioned in subsection (a) , the commercial tax shall be charged at 5 per cent on the sale proceeds if the goods are produced and sold in the country or on the landed costs if the goods are imported. If any specific goods in section 11 of this Law is produced and sold in the country, the commercial tax shall be charged at 5 per cent on the sale proceeds including specific goods tax **or on the landed costs including specific goods tax** if the goods **are** imported.
- (c) Whoever shall, other than the goods and activities of trade exempted in accord with this Law, pay the commercial tax at 5 per cent on the sale proceeds for carrying out the following activities including the specific goods in section 11:
- (i) importing goods and reselling in the country;
 - (ii) trading.
- (d) No commercial tax shall be charged on the following services.

Sr. No	Types of Service
1	Renting of residence service except the services consisting in renting out houses carried out as a business.
2	Renting of parking space service.
3	Life insurance service.
4	Microfinance service.
5	Healthcare service except body fitness.

6	Education service.
7	Transportation of goods service (Transportation by motor vehicles, vessels, airplanes and machineries).
8	Job agency service.
9	Capital market service.
10	Banking service.
11	Customs and port clearance service.
12	Hiring of equipment used in catering service.
13	Providing raw materials in return for finished goods system service.
14	Funeral service.
15	Childcare service.
16	Myanmar traditional massage service/ Blind massage service.
17	Moving household service.
18	Collecting toll service.
19	Animal healthcare and welfare service.
20	Collecting fees at public toilet service.
21	International passenger air transport service.
22	Culture and fine art service.
23	Public transportation service (Bus, Train, Ferry).
24	Licence fees to be paid to State organizations.
25	Printing service by the security printing of the Ministry of Defense.

26	Services acquired by diplomats and non-diplomat staff of foreign embassies or small embassies inclusive of reciprocal right policy between two countries.
27	Service acquired with the donation or funds provided by domestic and foreign organizations to the State.
28	Services exempted by the Pyidaungsu Hluttaw as per the needs of the State.
29	Services provided each other by the organization such as the President's Office, the Union Government's Office, the Pyidaungsu Hluttaw Office, the Pyithu Hluttaw Office, the Amyotha Hluttaw Office, the Supreme Court of the Union, the Constitutional Tribunal of the Union, the Union Election Commission Office, the Union Attorney General's Office, the Union Auditor General's Office and the Union Civil Service Board Office, Union Ministries, the Nay Pyi Taw Council Office, the Central Bank of Myanmar, Social Security Board, State or Region Government's Office, Departments (Services provided by State- owned enterprises and services acquired by State owned enterprises are not included).

- (e) The commercial tax shall be charged at 5 per cent on the receipt of the remaining services provided in the country other than the services contained in subsection (d).
- (f) The commercial tax shall be charged at 3 per cent on the receipt of transportation fee from domestic airline service.
- (g) The commercial tax shall be charged at 3 per cent on the sales proceeds of the building built and sold in the country. A person who builds and sells the building shall comply with the duty and

liability and enjoy **all** rights **mentioned** in the Commercial Tax Law and the Commercial Tax Regulations.

15. No commercial tax shall be assessed unless the sale proceeds or receipts from service exceeds the following amounts for the cooperative sector and private sector under the Commercial Tax Law:

- (a) the total sale proceeds of **Kyats** 20 million in a financial year for the domestic production and sale of goods chargeable to commercial tax;
- (b) the total receipt from service of **Kyats** 20 million in a financial year for carrying out the services chargeable to commercial tax;
- (c) the total sale proceeds of **Kyats** 20 million in a financial year for carrying out trading.

16. Any person **shall, if he** receives foreign currency from producing and selling any type of goods chargeable to commercial tax, carrying out any service chargeable to commercial tax and carrying out trading under this Law, pay the commercial tax in Kyats on such sale proceeds or receipt from service in foreign currency in **accordance** with the Commercial Tax Regulations calculated at the relevant rates as shown in this Law.

17. (a) **The commercial tax shall be charged at eight per cent on the exported electricity and five per cent on crude oil.**
- (b) The commercial tax shall be **charged** at zero per cent on the sale proceeds for the export of the remaining goods other than the goods contained in subsection (a). The commercial tax paid while purchasing or producing the goods may be set off from the commercial tax for the export in **accord** with the regulations. Notwithstanding anything contained in the commercial tax regulations, if the **due** commercial tax **paid** for the export is less than the commercial tax paid while purchasing or producing the

goods, a refund may be demanded. However, it shall not apply to the goods that are bought **in the country** and brought overseas for **his own** use.

- (c) The provision of this section shall not apply to the determination of the amount of sale proceeds or **receipt from service** which is not taxable.

18. The **meaning** of expressions in chapter VI of this Law shall be the same **meaning defined** in the Commercial Tax Law.

Chapter VII

Income Tax

19. (a) No income tax shall be **levied on any person who receives the** income from salary up to Kyats 48 lakh **per** year. However, if income from salary per year exceeds Kyats 48 lakh or the income is from **professional** business, **enterprise** and other **sources**, the tax rate to be **levied** according to the income bracket on the remaining income, after **setting off** it with the reliefs under section 6 of Income Tax Law from the total income, are prescribed **to any person as** follows:

Sr.No	Income Bracket to be Levied		Income Tax Rates to be Levied
	From	To	
	Kyat	Kyat	
i.	1	2,000,000	0 per cent
ii.	2,000,001	5,000,000	5 per cent
iii.	5,000,001	10,000,000	10 per cent
iv.	10,000,001	20,000,000	15 per cent
v.	20,000,001	30,000,000	20 per cent
vi.	30,000,001 and above		25 per cent

- (b) Notwithstanding any provisions contained in the Income Tax Law, **the income tax shall be levied separately at ten per cent on the total rental income of** any person received **from leasing** land, building and apartments after deducting reliefs under section 6 of the Income Tax Law. The tax shall not be levied again **in combination** with other income. In the case of state - owned enterprises and businesses, companies and cooperative societies operating **with the permission of** Myanmar Investment Commission, the income tax shall be **levied** at the specific tax rates prescribed according to the types of taxpayers.
- (c) The income tax rates in this section shall not apply to the taxpayers for whom specific income tax rates are prescribed for any person receiving income or any type of income.

20. The income tax shall be levied at 10 per cent on the total income earned abroad in foreign currency other than the exempted income heading of non-resident citizens before deducting the relief under section 6 and section 6-A of the Income Tax Law.

21. If company is registered and established in Myanmar under the Myanmar Companies Act or the 1950 Special Companies Act, the income tax shall be levied at 25 per cent on the total net income in Kyats earned by this company before deducting **the** relief under section 6 of the Income Tax Law.

22. **If** a foreigner **is** non-resident, the reliefs under section 6 and 6-A of the Income Tax Law shall not be deducted:

- (a) in the case of income under the salary heading, income tax shall be **levied** on his total income at the tax rates under subsection (a) **of** section 19 of this Law,

- (b) in the case of other income **other than the** income under the salary heading, income tax shall be **levied at** 25 per cent on his total income.

23. The income tax shall be levied at 25 per cent on the total net **profit of the** business before deducting reliefs under section 6 of the Income Tax Law if the business **is** operated under a permit issued by the Myanmar Investment Commission.

24. The income tax shall be levied at 30 per cent on undisclosed income before deducting reliefs under section 6 and 6-A of the Income Tax Law. Provided that, the income tax shall be levied according to the following tax rates **on the remaining undisclosed income** if any citizen can show the source of income **expended in** buying, constructing and acquiring any assets, and establishing the new start-up or expanding the business **and on the income expended** if he is unable to show the source of income, the income tax shall be charged. No income tax shall be levied if the source of income is able to show for all the income used. The levy **under** this section shall not apply to the possession or trade of properties obtained illegally or matters in which action is taken under the Anti-Money Laundering Law.

No	Income (kyat)	Income Tax Rate
a	1 - 300,00,000	15 %
b	300,00,001 - 1000,00,000	20 %
c	1000,00,001 and above	30 %

25. (a) The income tax shall be **levied** at the rates in section 19 (a) on the remaining income after deducting reliefs under section 6 of Income

Tax Law from the net **profit** of the basic cooperative societies registered and formed under the Cooperative Society Law.

- (b) The income tax shall be levied at 25 per cent on the remaining income after deducting relief under section 6 of the Income Tax Law from the net **profit** of cooperative societies other than the basic cooperative society registered and formed under the Cooperative Society Law.

26. The income tax shall be levied at 25 per cent on the total net **profit** of State-owned economic organizations before deducting relief under section 6 of the Income Tax Law.

27. If a capital gains from selling, exchanging or transferring by any other means of one or more assets, on the capital gains in kyats or foreign currency before deducting reliefs under section 6 and 6-A of the Income Tax Law:

- (a) the income tax shall be levied in the type of currency earned according to the tax rates shown against the capital gains specified as follows, if the company is **operating** in Myanmar's oil and gas sector,:

Capital gains	Income tax rate to be paid
(1) up to equivalent Kyats million (100,000)	40%
(2) from equivalent Kyats million (100,001) to (150,000)	45%
(3) Kyats million (150,001) and above	50%

- (b) the income tax shall be levied at 10 per cent in kyats or foreign currency on the capital gains of an individual person or an association of persons other than the companies **operating** in Myanmar's oil and gas sector. The tax shall be **paid** in the type of currency earned if he is a non-resident foreigner.

28. No income tax shall be levied even though the capital gains arise from asset if the total value of one or more capital assets sold, exchanged or transferred by any other means within a year does not exceed Kyats 10 million.

29. The exemption of income tax shall be allowed to the extent of Kyats 10 million for three consecutive years including the year of commencement of this business for new start-up small and medium enterprises. **If the income exceeds the aforesaid amount, the income tax shall be levied on the excess amount.**

30. The basic relief permitted under clauses (i) and (ii) of subsection (a) of section 6 of the Income Tax Law shall be an amount equivalent to 20 per cent of the income for each type of income. Provided that, the total basic relief for a year shall not exceed Kyats 10 million.

31. The **reliefs** for parents who stay together is added to clause (ii) of subsection (a) **of** section 6 of the Income Tax **Law**, the following reliefs shall be deducted from the total income of the individual in clause (ii) of subsection (c) of section 6 of the Income Tax Law and the tax shall be levied on the remaining amount of income:

(a) for a parent who stays together	Kyat 1000000 each
(b) for a spouse only	Kyat 1000000
(c) for a child	Kyat 500000 each

32. The income tax is to be calculated in accord with the provision in section 8 of the Income Tax Regulations if the income from **other** income heading other than the capital gains from assets **is earned in a foreign currency and** income tax shall be levied in Kyats on citizens and foreigners residing in the country, and shall be levied in the type of currency **earned** on foreigners residing abroad.

33. The income tax is exempted on any of the following **incomes** or **types** of income:

- (a) **total income** of **up to Kyats** 10 million received from cash award programme whether once or repeatedly lump sum during the income year **on** seizures under the Narcotic Drugs and Psychotropic Substances Law;
 - (b) **total income** of **up to Kyats** 10 million received from cash award programme whether once or repeatedly lump sum during the income year **on** seizures of illegal properties;
 - (c) rewards received together with tittle, honorary and medal conferred by the State;
 - (d) income from salary heading **earned** in foreign currency of a citizen residing abroad;
 - (e) pension and gratuity received when civil servant retires;
 - (f) lottery rewards received from Aung-bar-lay State lottery.
34. The **meaning** of the **expressions** in chapter VII of this Law shall **have** the same **meaning defined** in the Income Tax Law.

Chapter VIII

Other Types of Taxes Rates to be Collected

35. The relevant Ministries shall administer the tax rates, exemption and relief **of any of the following Taxes** in **accordance** with the existing law:
- (a) excise tax;
 - (b) license fees for **imports**;
 - (c) Myanmar **Aung-bar-lay** lottery;
 - (d) Fees for vehicle, driving licence and business licence;
 - (e) stamp duty;

- (f) Tax for inserting **nucleus** in the oyster ;
- (g) customs duty;
- (h) land revenue;
- (i) water tax;
- (j) embankment tax;
- (k) tax on production of forest **materials**;
- (l) tax on production of minerals (excluding minerals for raw industrial materials and decorative stones);
- (m) tax on fisheries;
- (n) tax on production of oil and **natural** gas;
- (o) tax on minerals and gemstones;
- (p) tax on communication services;
- (q) Electricity charges received in term of free **on the electricity of water resource**;
- (r) Licence **fees** for tour licence/ hotel and guesthouse licence/ transportation licence/ tour guide business licence.

36. Notwithstanding the provisions in the Myanmar **Gemstone** Law, the **business on** extraction of the jade, ruby, sapphire, emerald, diamond and other precious **gemstones in uncut form** and production and trading of **finished gemstones** and jewellery shall:

- (a) on the sale proceeds of the **gemstones** or jewelry in kyats or foreign currency;
- (i) **pay** the specific goods tax according to tax rates contained in section 11 of this law;

- (ii) **pay** commercial tax at 5 per cent for the import, production and sale and trading according to subsection (b) and (c) of section 14 of this Law;
 - (iii) not apply to the determination of the amount of sale proceeds which is not taxable of the provision of clause (2).
- (b) **pay** the income tax according to the income tax rate under this Law on total net profit **earned** within a year.

Chapter IX

Miscellaneous

37. The Union Government may, by notification, form supporting teams for tax collection if necessary.

38. The Union Government shall, without contrary to the international agreement signed by the **State**, in order to sell **the** goods produced in the **state** and the goods imported competitively in the market, and develop long-term benefit of the domestic agriculture and livestock business that mainly based on the domestic production business **and** the **current** domestic and foreign investment, carry out the following:

- (a) carrying out to obtain the highest rights and reliefs as the countries in ASEAN within the framework of the World Trade and ASEAN Trade Agreement with regard to the permitted amount of import and the customs duty rates;
- (b) carrying out the necessary arrangement in **accordance** with the provisions of the Customs Law and procedures **on** the permission of import, export and quota allocation.

39. The relevant Ministries shall educate related to tax, organize **and give** awareness to the public related to tax reliefs and exemptions that may be

enjoyed in accord with law, calculate in collecting tax in accord with the relief, recognize **and reward** the dutiful taxpayers for paying the tax.

40. 10 % of the collection of the fine **passed for** the possession **and ownership** of the untaxed specific goods under subsection (c) **of** section 22 of Specific Goods Tax Law shall be awarded to the informer and 20 % of the collection of the fine shall be awarded to the search and seizure team. The particulars about the informer shall not be disclosed **other than the matter of the** Government.

I hereby sign under the Constitution of the Republic of the Union of Myanmar.

Sd/Htin Kyaw
President
Republic of the Union of Myanmar

2016-2017 Financial Year

Taxes of the Union Originally Budget Earmarked for Collection

Serial No.	Responsible Ministries of the Union Government	Description	2016-2017 Estimate (In Million Kyats)
1		Taxes collected on local production and consumption	2,486,939.847
1	Ministry of Home Affairs	Excise duty (Tax)	940.311
2	Ministry of Finance	Commercial tax	1,629,929.745
3	Ministry of Commerce	Import licence fees	5,762.000
4	Ministry of Finance	State lottery	30,000.000
5	Ministry of Rail Transportation	Fees for vehicle, driving licence and business licence	181,470.000
6	Ministry of Finance	Stamp duty	37,710.000
7	Ministry of Mines	Tax for inserting a nucleus in the oyster	460.000
8	Ministry of Hotel and Tourism	Licence fee for tour licence/ hotel and guesthouse licence/ transportation licence/ tour guide business licence	667.791
9	Ministry of Finance	Specific Goods Tax	600,000.000

2			Tax on income and ownership	2,370,434.645
	1	Ministry of Finance	Income tax	2,370,434.645
3			Customs duty	475,000.000
	1	Ministry of Finance	Customs duty	475,000.000
4			Taxes collected on the extraction and consumption of State-owned resources	887,384.336
	1	Ministry of Home Affairs	Taxes collected on land	1.485
	2	Nay Pyi Taw Council	Water tax	13.723
	3	Ministry of Home Affairs	Embankment tax	0.025
	4	Ministry of Environmental Conservation and Forestry	Tax collected on the extraction of forest materials	2,886.265
	5	Ministry of Home Affairs	Tax collected on the extraction of mineral materials (excluding minerals for raw industrial materials and decorative stones)	3.855
	6	Ministry of Livestock , Fisheries and Rural Development	Tax on fisheries	1,303.800
	7	Ministry of Energy	Tax collected on the production of oil and natural gas	710,613.714
	8	Ministry of Mines	Tax on Minerals and Gemstones	19,540.000

	9	Ministry of Communication, Information and Technology	Tax collected on communication services	142,595.149
	10	Ministry of Electric Power	Electricity charges received in term of free on the electricity of water resource.	10,426.320
			Total	6,219,758.828