

Republic of the Union of Myanmar

State Administration Council

The Union Taxation Law, 2021

(The State Administration Council Law No.27, 2021)

The 10th Waning of Tawthalin, 1383 M.E.

(30 September 2021)

The State Administration Council hereby enacts this Law under section 419 of the Constitution of the Republic of the Union of Myanmar.

Chapter I

Title, Effective date of commencement and Definition

1. (a) This Law shall be called **the Union Taxation Law, 2021**.
- (b) This Law shall come into effect from 1 October 2021.
2. The following expressions in this Law shall have the same meanings given hereunder:
 - (a) **Tax** means the tax, customs duty, fee, licence fee, permit fee and fine collected by the Union Government for the Union according to this law;
 - (b) **Law** means the laws regarding the collection of taxes for the Union promulgated by the Union Government;
 - (c) **Ministry Concerned** means the Ministries of the Union Government and Nay Pyi Taw 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

Tax Estimate for Collection

3. The receipt of tax of the Union in the Budget Law is the original estimate for the collection of taxes of the Union in schedule (1) of this Law for the relevant financial year.

Chapter III

Prescribing Tax Rates and Reporting

4. Regarding the types of tax in this Law, the Ministry concerned shall collect the estimated tax by the tax rates of this Law.
5. The State Administration Council may amend, insert or substitute the tax rates of this Law.
6. (a) The relevant Ministry shall send a quarterly report on the condition of collection of the original estimated taxes of the Union 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 to the Union Government through the Ministry of Planning and Finance.
7. The Ministry of Planning and Finance shall submit a six-monthly report on the condition of collection of the original estimated taxes of the Union in schedule (1) of this Law to the State Administration Council.

Chapter IV

Duties and Powers of the Ministry Concerned

8. The Ministry concerned shall be responsible for administering and supervising the collection of the original estimated taxes of the Union in schedule (1) of this Law.

9. The Ministry concerned may issue notifications, orders, directives and procedures, if necessary, without changing the original meanings of the provisions of the specific goods tax, commercial tax, income tax and royalty in this Law to abide by these provisions clearly.

10. The relevant Ministry may seek necessary information and assistance from the Chairman of the State Administration Council, the Prime Minister, the Union Government, the Supreme Court of the Union, the Constitutional Tribunal of the Union, the Union Election Commission, Union Ministries, the Attorney General of the Union, the Auditor General of the Union, the Union Civil Service Board, Nay Pyi Taw Council, the Central Bank of Myanmar, the Region or State Government, Leading Bodies of the Self-Administered Division or Leading Bodies of the Self-Administered Zone for the payment of taxes by the taxpayers in accordance with Law.

Chapter V

Specific Goods Tax

11. Under section 6 of the Specific Goods Tax Law, the types of specific goods which are chargeable and tax rates are prescribed as follows:

Types of Specific Goods and Tax Rates

- (a) In respect of the specific goods in the following schedule, the specific goods tax shall be charged at the specified tax rates shown against them:
 - (i) if the specific goods chargeable on the pricing tier are produced domestically, on the sale price of 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;

- (ii) if the specific goods unspecified for charging with the pricing tier are produced domestically, on the sale price specified by the Management Committee of the Internal Revenue Department;

Exception - The Management Committee of the Internal Revenue Department shall specify the price for the specific goods that are produced domestically to be the same as the landed value of those that are imported, to be competitive with the imported specific goods in the market.

- (iii) if the goods are imported into the State, on the landed value;

Sr: No	Description of Specific Goods	Price Level	Tax Rate
1	(a) Various types of cigarette	up to the sale price of 700 Kyats for a pack of 20 cigarettes	10 Kyats per cigarette
	(b) Various types of cigarette	between the sale price of 701 and 900 Kyats for a pack of 20 cigarettes	19 Kyats per cigarette
	(c) Various types of cigarette	between the sale price of 901 and 1100 Kyats for a pack of 20 cigarettes	24 Kyats per cigarette

Sr: No	Description of Specific Goods	Price Level	Tax Rate
	(d) Various types of cigarette	the sale price of 1101 Kyats and above for a pack of 20 cigarettes	27 Kyats per cigarette
2	Tobacco.		60 percent
3	Cured Virginia tobacco.		60 percent
4	Cheroot.		1 kyat per cheroot
5	Cigar.		80 percent
6	Pipe tobaccos		80 percent
7	Various types of betel chewing preparation.		80 percent
8	(a) Various types of liquor	between 200 and 1200 kyats per litre	190 kyats per litre
	(b) Various types of liquor	between 1201 and 2300 kyats per litre	500 kyats per litre
	(c) Various types of liquor	between 2301 and 3400 kyats per litre	855 kyats per litre
	(d) Various types of liquor	between 3401 and 4600 kyats per litre	1200 kyats per litre
	(e) Various types of liquor	between 4601 and 5800 kyats per litre	1560 kyats per litre
	(f) Various types of liquor	between 5801	1920 kyats

Sr: No	Description of Specific Goods	Price Level	Tax Rate
		and 7000 kyats per litre	per litre
	(g) Various types of liquor	between 7001 and 8200 kyats per litre	2280 kyats per litre
	(h) Various types of liquor	between 8201 and 9400 kyats per litre	2640 kyats per litre
	(i) Various types of liquor	between 9401 and 10600 kyats per litre	3000 kyats per litre
	(j) Various types of liquor	between 10601 and 11800 kyats per litre	3360 kyats per litre
	(k) Various types of liquor	between 11801 and 13000 kyats per litre	3720 kyats per litre
	(l) Various types of liquor	between 13001 and 14200 kyats per litre	4230 kyats per litre
	(m) Various types of liquor	between 14201 and 15400 kyats per litre	4610 kyats per litre
	(n) Various types of liquor	15401 kyats and above per litre	60 percent of the price of a litre
9	Various types of beer		60 percent
10	(a) Various types of wine	Between 1 and 850 kyats per	92 kyats per litre

Sr: No	Description of Specific Goods	Price Level	Tax Rate
		litre	
	(b) Various types of wine	between 851 and 1600 kyats per litre	280 kyats per litre
	(c) Various types of wine	between 1601 and 2350 kyats per litre	465 kyats per litre
	(d) Various types of wine	between 2351 and 3100 kyats per litre	653 kyats per litre
	(e) Various types of wine	between 3101 and 3850 kyats per litre	839 kyats per litre
	(f) Various types of wine	between 3851 and 4600 kyats per litre	1025 kyats per litre
	(g) Various types of wine	between 4601 and 6100 kyats per litre	1304 kyats per litre
	(h) Various types of wine	between 6101 and 7600 kyats per litre	1676 kyats per litre
	(i) Various types of wine	between 7601 and 9100 kyats per litre	2049 kyats per litre
	(j) Various types of wine	between 9101 and 11500 kyats per litre	2421 kyats per litre
	(k) Various types of wine	between 11501	2979 kyats

Sr: No	Description of Specific Goods	Price Level	Tax Rate
		and 13600 kyats per litre	per litre
	(l) Various types of wine	between 13601 and 16600 kyats per litre	3724 kyats per litre
	(m) Various types of wine	16601 kyats and above per litre	50 percent of the price of a litre
11	Logs and different types of timber		5 percent
12	(a) Engine power from 1501 CC to 2000 CC vans, saloons, sedans, wagons, estate wagons and coupes except pickup, electric cars, including double cab 4 door pickup		10 percent
	(b) Engine power from 2001 CC to 4000 CC vans, saloons, sedans, wagons, estate wagons and coupes except pickup, electric cars, including double cab 4 door pickup		30 percent
	(c) Engine power 4001 and above CC vans, saloons, sedans, wagons, estate wagons and coupes except pickup, electric cars, including double cab 4 door pickup		50 percent
13	Kerosene, petrol, diesel oil, jet fuel		5 percent
14	Natural gas		8 percent

- (b) The person exporting the following specific goods shall pay specific goods tax on the sale proceeds at the tax rates shown against them. Other than above-mentioned specific goods, the specific goods tax

assessed for the export of the remaining specific goods shall not be charged. The specific goods tax paid at the time of purchase or importation, production of the goods shall, in accordance with the stipulations, be set off from the specific goods tax chargeable, for the export of the specific goods.

Sr. No	Types of Goods	Tax Rate
1	Log and different types of timber	10 percent

- (c) the specific goods tax exempted originally shall be returned if the goods imported with the temporary admission or drawback system in accordance with the customs procedures are used in Myanmar without re-exporting within prescribed period.

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

13. The meaning of the expressions in Chapter V of this Law shall have the same meanings 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
	Consumer Goods

1	Paddy, rice, broken rice, rice bran, chaff, paddy husk, wheat, wheat bran, wheat husk, corn and various types of maize.
2	Various types of pulse, various types of split, various types of powdered pea, pea bran, pea shell, shelled and unshelled groundnut, sesame, flower sesame, residual oil-cake of groundnuts, sesame, cotton seeds, rice bran etc.
3	Garlic, onion, potato, spicy leaf, fruits, seed and bark, masala, chili, chili powder, turmeric, turmeric powder, ginger, ripe tamarind, and various types of salt.
4	Various types of fresh fruits, vegetables.
5	Pickled, dried tea leaf, sweet dried tea leaf, various types of pickled or dried tea leaf.
6	Fresh fish, fresh prawn, fresh meat, various types of eggs such as chicken eggs and duck eggs, etc.
7	Groundnut oil, sesame oil.
8	Sugarcane, sugar, jaggery, brown slab sugar, soy milk, milk and various types of milk products, condensed milk, evaporated milk, various types of milk, yogurt.
9	Creamer.
10	Various types of fish sauce, dried fish, Various types of dried prawn, Various types of pickled fish and pickled prawn, powder prawn, and powder fish, various types of fish paste.
Agricultural and Breeding Goods	
11	Mulberry leaf and silk cocoon.
12	Live animals, fish, prawn, terrestrial animals, aquatic animals, amphibians, their eggs, embryos, newborns, species, aquatic plants and seeds, sprout and algae.

13	Various types of fertilizer including fertile topsoil and chemical fertilizer; various kinds of insecticide, weed-killer that are used in agriculture, preventative medicine and pesticide that used in agriculture for not occurring fungi, bacteria, nematodes and other diseases, disinfectant that are used in livestock (not including spray, pesticide), animal, fish and prawn medicines, veterinary preventive medicines (including medicines and veterinary preventive medicines approved by the Ministry of Agriculture, Livestock and Irrigation, and medicines recommended by the Department of Livestock Breeding and Veterinary), raw and finished materials for animal, fish and prawn feed (not including animal food that used for pets).
14	Palm oil, sunflower seed, cotton seed, pumpkin seed, watermelon seed, cashew nut, betel nut, betel nut shell, quality strains, seeds, saplings of crops
15	Raw cotton, various types of cotton, cardamom, thanakha and agricultural and gardening products not elsewhere specified, coconut oil (not palm oil)
16	Coir yarn.
17	Firewood, bamboo, unfinished and finished cane, and fuel stick substitute for firewood
Goods Used for Schools and Offices	
18	Lac, various types of stamp (including revenue stamp).
19	State flag.
20	Slate, slate pencils, chalk, pencil lead to make a pencil.
21	Various kinds of textbooks, various kinds of educational and technical books to be used in each basic school, university and college, various kinds of exercise and drawing books, fiction and non-fiction books, magazine, journal and various types of

	newspaper and paper sheets for the production of such books (within 40 gsm to 80 gsm) and all sorts of pencils, rulers, erasers, pencil sharpeners.
Goods related to Health	
22	Traditional medicines.
23	Mosquito insecticides for Home
24	Honey and bee wax.
25	X-ray film plates, X-ray appliances and other pharmaceutical apparatus and equipment that are identified by the Food and Drug Administration Department, absorbent cotton wool, gauze, bandages, hospital sundries to take medicines, disposable surgical mask, cap, surgical glove, masks used to prevent flu infection, household pharmaceutical and other medicines and traditional medicines (the medicines received FDA registration and raw medicines including traditional raw medicines other than medicines restricted by law, rules);
26	Condom.
Goods Used for Religious and Welfare	
27	Various types of rosary (not including rosary made of precious gemstones), attires relating to religion
28	Fire engines, rescue vehicles, and hearses.
Goods related to Transportation	
29	Fuel sold by the Ministry of Electricity and Energy to foreign embassies, UN organizations and foreign diplomats.
30	Jet fuel sold to be used for flight itinerary

31	Machine, machinery and equipment and the spare parts of planes or helicopters.
Industrial Goods	
32	Bleaching substance (only Hydrochloride using in bleaching), raw material used for making detergent or soap, raw detergent
33	Jute and other fibres, rubber and gum karaya or gum sterculia
34	Farm equipment, machinery and spare parts, tractors, various types of manual or power-driven machines, machinery and spare parts (except vehicles required to be registered under the Motor Vehicle Law) operating from the time for soil preparation to harvest time, livestock appliances, machineries and spare parts, hybrid for sperm liquid, stick and eggs (including frozen sperm liquid, embryo and equipment used for artificial insemination)
35	Solar panel, solar charger controller and solar inverter.
36	Raw materials or parts of goods provided by non-resident supplier for direct use on a CMP basis, and goods used for packaging the finished product, machine, machinery, equipment and their spare parts (not for sale) imported by the business that operates on a CMP (cut the fabric, make garments, Trim/ Pack the garments).
Goods related to Defence	
37	Weapons, vehicles, machineries, accessory and equipment, spare parts and its accessories used by State Defence and Security Organizations, various kinds of gun powder, various kinds of dynamites and related substances used by civil departments (only the things that imported with the permission of Office of the Commander - in - Chief (Army)), goods purchased for the use of defence services and for the consumption of defense services

	personnel incurred from the expenditure allotted the estimated budget accounts for the Ministry of Defence
Gems and Mineral Goods	
38	Pure gold (standard gold bars, gold block, gold coins), jade, ruby, sapphire and gemstones in uncut forms and finished in cut forms selling at the Myanmar Gems Emporia organized and held by the Union Government
39	Oil dregs
General Goods	
40	Materials sold in foreign currency to overseas passengers at specific places.
41	Goods to be used by foreign embassies or embassies and their diplomats and non- diplomatic staff inclusive of reciprocal right policy between two countries approved the proposal of the Ministry of Foreign Affairs with the approval of the Union Government, and, by notification, by the Ministry of Planning and Finance.
42	Goods purchased in Myanmar and from foreign countries with the name of United Nations Organizations in Myanmar
43	Goods purchased with the money donated or contributed to the State by local foreign organizations
44	Goods exempted by the notification of the Union Government as per the needs of the State with the approval of the State Administration Council
45	Goods imported by temporary admission or drawback system in accordance with the Customs procedures.

- (b) Other than the goods mentioned in subsection (a), the commercial tax shall be charged five percent on the sale proceeds if the goods

are produced and sold in the country or on the landed value 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 five percent on the sale proceeds including specific goods tax or on the landed value including specific goods tax if the goods are imported.

- (c) Whoever shall, other than the goods and trading activities exempted in accordance with this Law, pay the commercial tax five percent on the sale proceeds for carrying out the following business including the specific goods in section 11:
- (i) importing goods and reselling them in the country;
 - (ii) trading.
- (d) No commercial tax shall be charged on the following services:

Sr. No	Types of Service
Foreign Sector	
1	Services acquired by foreign embassies or embassies and their diplomats and non- diplomat staff inclusive of reciprocal right policy between two countries approved the proposal of the Ministry of Foreign Affairs with the approval of the Union Government, and, by notification, by the Ministry of Planning and Finance
2	Services acquired in Myanmar with the name of United Nations Organizations in Myanmar
Defence Sector	
3	Printing service of the security printing works of the Ministry of Defence.

Sr. No	Types of Service
Religious and Cultural Sector	
4	Culture and fine arts service.
Transportation and Communication Sector	
5	Renting of parking space service.
6	Goods Transportation service (Transportation by train, motor vehicles, vessels, airplanes and cranes except the pipeline transportation).
7	Residential Moving service.
8	Toll Collection service.
9	Air transportation service on domestic or international itinerary with charges
10	Public transportation service
11	Postal service carried out by the Government.
Education and Information Sector	
12	Education service.
13	Book, magazine, periodical, newspaper publishing service.
Health Sector	
14	Healthcare service except body fitness.
15	Traditional massage service/Blind massage service.
16	Animal healthcare and welfare service.
17	Collecting fees at public toilet service.
Planning and Finance Sector	

Sr. No	Types of Service
18	Life insurance service.
19	Microfinance service.
20	Capital market service.
21	Monetary service providing with the permission of the bank and Central Bank.
22	Customs service.
23	Lottery service.
Social Welfare, Relief and Resettlement Sector	
24	Hiring of equipment used in catering service.
25	Funeral service.
26	Childcare service.
Industrial and Electricity Sector	
27	Turning raw materials into finished products service
28	Agro-industry service.
29	Private small-scale electricity services providing electricity services for areas which are not connected with the national power grid.
General Sector	
30	Licence fees to be paid to State organizations for getting permission to carry out any activity
31	Services exempted by the notification of the Union Government with the approval of the State Administration Council as per the needs of the State.

Sr. No	Types of Service
32	Service acquired with the money donated or contributed to the State by local and foreign organizations.
33	Mutual provided services of the Office of State Administration Council, Union Government 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, Union Ministries, the Office of the Auditor General of the Union, the Union Civil Service Board Office, the Nay Pyi Taw Council Office, the Central Bank of Myanmar, the Social Security Board, Region or State Government Office, Departments (excluding services provided by State - owned enterprises and services acquired by State-owned enterprises).

- (e) The commercial tax shall be charged five percent on the receipt of the remaining services provided in the country other than the services contained in subsection (d).
- (f) Whoever shall be charged the commercial tax three percent on the sale proceeds from construction, repair and sale of infrastructure by long-term leasing of State-owned land or by cooperating with the State or in the private-owned land or by cooperating with the land owner.
- (g) The commercial tax shall be charged three percent on the receipt of the hotel and tourism services.
- (h) The commercial tax shall be charged one percent on the sale proceeds of the jewellery made of gold and its landed value for importation. Provided that the commercial tax paid for the jewellery made of gold at the time of purchase in the country or importation from the foreign country shall not be set off from the commercial

tax to be paid for it at the time of selling in the country or exporting to the foreign country.

- (i) The commercial tax exempted originally shall be returned if the goods imported with the temporary admission or drawback system in accordance with the customs procedures are used in Myanmar without re-exporting within the prescribed period.
15. (a) The Ministry of Planning and Finance may, with the approval of the Union Government, grant exemption or relief from the commercial tax for services being carried out with donation, grant and loans of local and foreign organizations.
- (b) No commercial tax shall be imposed unless it exceeds the following sale proceeds or receipts from service for the cooperative sector and private sector under the Commercial Tax Law:
- (i) the total sale proceeds of 50 million kyats in a financial year for the domestic production and sale of goods chargeable to the commercial tax;
 - (ii) the total proceeds of service of 50 million kyats in a financial year for providing services chargeable to the commercial tax;
 - (iii) the total sale proceeds of 50 million kyats in a financial year for trading.
 - (iv) the Deminimis Value Threshold of the Customs Department which may exempt taxes on the goods that convey and take out urgently in accordance with the norms of the Customs procedures.

Explanation: (1) The total sale proceeds or receipts from service of 50 million kyats in a financial year means the sale proceeds or receipts from service to be received in the coming 12 months consecutively including the commencement month of the business.

- (2) Notwithstanding any provision in the Commercial Tax Law, a person who will receive the sale proceeds chargeable related to registration or a person who wants to set off the commercial tax shall carry out registration.

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

17. (a) The commercial tax shall be charged eight percent on the exported electricity and five percent on crude oil.

(b) The commercial tax shall be charged zero percent on the sale proceeds for the export of the goods other than the goods in subsection (a). The commercial tax paid at the time of purchase or production of the goods may, in accordance with the regulations, be set off from the commercial tax for the export of the goods. Notwithstanding anything contained in the Commercial Tax Regulations, if the chargeable commercial tax paid for the export is less than the commercial tax paid at the time of purchase or production of the goods, a refund may be demanded. However, it shall not apply to the goods that are purchased in the country and brought overseas for his own use.

(c) The provisions of this section shall not apply to the determination of the amount of sale proceeds or receipts from service which is not taxable.

18. The meaning of expressions in Chapter VI of this Law shall have the same meanings 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 48 lakhs of kyats per year. Not to be assessed above the matters, if the document related to the exempted income is requested, the Internal Revenue Department shall issue it in accordance with the stipulations.
- (b) However, if a person earns income from salary per year exceeds 4.8 million kyats, the income tax shall be charged on total income.
- (c) In order to enhance the development of businesses and investments affected by Coronavirus Disease 2019 (COVID-19), if a person earns income from salary exceeds 48 lakhs of kyats per year or the income is from professional business, enterprise and other sources, the tax rates to be levied on any person according to the income bracket on the remaining income, after setting off the reliefs under sections 6 and 6A of the Income Tax Law from the total income, are prescribed as follows:

Sr.No	Income Bracket to be levied		Income Bracket to be levied
	From	To	
	Kyats	Kyats	
i.	1	2,000,000	0 percent
ii.	2,000,001	10,000,000	5 percent
iii.	10,000,001	30,000,000	10 percent
iv.	30,000,001	50,000,000	15 percent
v.	50,000,001	70,000,000	20 percent
vi.	70,000,001 and above		25 percent

- (d) The income tax shall be levied separately ten percent on the remaining income of any person after deducting reliefs from the total rental income received from leasing land, building and apartments under section 6 and 6A of 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 the Myanmar Investment Commission, the income tax shall be levied at the specific tax rates prescribed according to the types of taxpayers.
- (e) If it is the partnership, the income tax shall be levied according to the tax rates in subsection (c) after setting off the reliefs under sections 6 and 6A of the Income Tax Law:
- (f) The tax rates in this section shall not apply to the taxpayers for whom the specific income tax rates are prescribed for any person receiving income or any type of income.

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

21. According to clause (ii) of subsection (a) of section 6 of the Income Tax Law, the reliefs permitted are as follows:

- | | | |
|-----|---------------------------------|----------------------|
| (a) | for a parent who stays together | Kyats 1,000,000 each |
| (b) | for a spouse only | Kyats 1,000,000 |
| (c) | for a child | Kyats 500,000 each |

22. The income tax shall be levied ten percent on the total income earned abroad in the foreign currency except of the exempted heading of non-resident citizens without setting off the reliefs under sections 6 and 6A of the Income Tax Law.

23. In order to enhance the development of businesses and investments affected by Coronavirus Disease 2019 (COVID-19):

- (a) The income tax shall be levied 22 percent on the total of net profit without setting off the reliefs under section 6 of the Income Tax Law in respect of the following types of taxpayers:
 - (1) the company that is registered and established in Myanmar under the Myanmar Companies Act or the Special Companies Act, 1950;
 - (2) the other income except the salary heading of the non-resident foreigner;
 - (3) the business that operates with the permission issued by the Myanmar Investment Commission;
 - (4) State-owned Economic Organizations.
- (b) The income tax shall be levied 22 percent on the remaining income after deducting reliefs under sections 6 and 6A of the Income Tax Law from the net profit of cooperative societies except the basic cooperative society.

24. If a foreigner is a non-resident, the reliefs under sections 6 and 6A of the Income Tax Law shall not be deducted. In the case of income under the head salary, the income tax shall be levied on total income at the tax rates in subsection (c) of section 19 of this Law.

25. (a) The income tax shall be levied 30 percent on undisclosed income before deducting reliefs under sections 6 and 6A of the Income Tax Law. Provided that, in order to enhance the development of businesses and investments affected by Coronavirus Disease 2019 (COVID-19), the income tax shall be levied according to the following tax rates on the remaining undisclosed income, after deducting 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. No income tax shall be levied if the source of income is able to show for all income used. The levy under this section shall not apply to the possession or trade of properties obtained illegally or matters which action is taken under the Anti-Money Laundering Law.

No	Income (Kyats)		Income Tax Rates
	From	To	
	Kyats	Kyats	
i.	1	100,000,000	3 percent
ii.	100,000,001	300,000,000	5 percent
iii.	300,000,001	1,000,000,000	10 percent
iv	1,000,000,001	3,000,000,000	15 percent
v.	3,000,000,001 and above		30 percent

- (b) The undisclosed income in subsection (a) means the undisclosed income before 31 March 2022.
- (c) The tax rates in subsection (a) shall effect from 1 October 2021 to 31 March 2022.
- (d) The Ministry of Planning and Finance shall submit the tax rates in subsection (a) to the State Administration Council through the Union Government to revise such tax rates after reviewing the economic condition of the State and international impact.

26. The income tax shall be levied according to the income tax rates in subsection (c) of section 19 of this law on the remaining income after deducting reliefs under sections 6 and 6A of the Income Tax Law from the net profit of the

basic cooperative societies registered and formed under the Cooperative Society Law.

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

- (a) if the company operates in Myanmar oil and gas sector, 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:

Capital gains	Income tax rate to be paid
(i) equivalent up to (100,000) million kyats	40 percent
(ii) equivalent from (100,000) million kyats to (150,000) million kyats	45 percent
(iii) equivalent to (150,000) million kyats and above	50 percent

- (b) the income tax shall be levied ten percent in kyats or foreign currency on the capital gains of an individual or an association of persons except the companies operating in Myanmar's oil and gas sector. In case of a non-resident foreigner, the tax shall be paid in the type of currency earned.

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

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

30. If the income is earned in the foreign currency for other income heading except the heading of capital gains from assets, the income tax shall, in accordance with the provisions in regulation 8 of the Income Tax Regulations, be calculated, on such income and the income tax shall be charged in kyats on citizens and foreigners residing in the country and shall be charged in the type of currency earned on a foreigners residing abroad.

31. (a) The income tax is exempted on any of the following income or types of income:

- (i) total income received from cash award programme whether once or repeatedly lump sum during a year on seizures under the Narcotic Drugs and Psychotropic Substances Law;
- (ii) total income received from cash award programme whether once or repeatedly lump sum during a year on seizures of illegal properties;
- (iii) rewards received together with tittle, honorary and medal conferred by the State;
- (iv) income from head salary earned in the foreign currency of a citizen residing abroad;
- (v) lottery rewards received from Aung-bar-lay, Myanmar lottery;
- (vi) pension received when a civil servant retires, a sum received in commutation of a pension and gratuity;
- (vii) rewards from the State on finding antiques.

(b) The Ministry of Planning and Finance may, with the approval of the Union Government, grant exemption or relieve from:

- (1) the income tax matters relating to the businesses operated with money donated or contributed to the State by local and foreign organizations;

- (2) the income tax matters related to the development of the security exchange market.

32. The meaning of the expressions in Chapter VII of this Law shall have the same meanings defined in the Income Tax Law.

Chapter VIII

Royalty

33. If the sale of gems shown in the following table under section 38 of the Myanmar Gem Law, on the actual selling price, the selling price fixed by the Myanmar Gems Enterprise based on the actual selling price, or whichever is higher, the royalty shall be charged as the tax rates shown against them. The collected royalty shall be transferred to the relevant bank account of the Internal Revenue Department:

Sr.No	Types of Gem	Tax Rate
1	Jade in uncut forms	11 percent
2	Ruby, sapphire, and other precious gem in uncut forms except diamond and emerald	9 percent
3	Jade, ruby, sapphire and other precious gem finished in cut forms, jade, ruby, sapphire and other precious gem in cut forms fitted in jewellery except diamond and emerald	5 percent
4	Substances made of gem	5 percent

Chapter IX

Other Taxes Rates to be Collected

34. The relevant Ministries shall, in accordance with the existing law, administer the following tax rates, exemption and relief upon:

- (a) excise tax;
- (b) import licence fees, permit fees;
- (c) Myanmar lottery;
- (d) fees for vehicle, driving licence and business licence;
- (e) court fees and stamp duty;
- (f) licence fees for tourism licence, hotel and guesthouse licence, tour guide business licence;
- (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 petroleum and natural gas;
- (o) tax on minerals and royalty;
- (p) tax on communication services;
- (q) free power charges received in term of hydropower resource;
- (r) tax collected from the people who have the right to use vacant, fallow and virgin land.

Chapter X

Miscellaneous

35. The Union Government shall, by notification, form the Supporting Teams for tax collection.

36. Without contrary to the international agreements 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, the Union Government shall:

- (a) carry out to obtain the highest advantages and reliefs as the ASEAN countries within the framework of the World Trade Organization, the World Customs Organization and ASEAN Free Trade Agreement with regard to the permitted amount of import and the customs duty rates;
 - (b) make the necessary arrangement in accordance with the provisions of the customs law or import and export procedures and quota allocation.
37. (a) The Internal Revenue Department shall raise awareness of tax reliefs and exemptions that may be enjoyed in accordance with law to the public, permit in calculate in collecting the tax in accordance with the reliefs, recognize the dutiful taxpayers and revenue civil servants relating to tax and manage for the due rewards.
- (b) The Ministry of Planning and Finance may, with the approval of the Union Government, permit the current expenditures of the Internal Revenue Department in the Union Budget Law in accordance with the financial procedures implementing the matters in subsection (a) for the implementation of the transformation process of the tax system effectively.
 - (c) The Ministry of Planning and Finance may, in accordance with the financial procedures, expend the expenditures in subsection (b) for offering rewards to the dutiful civil servants in collecting the tax.

38. 20 % of the collection of fines passed for the possession and ownership of the untaxed specific goods shall be awarded to the informer and 30 % of the collection of fines shall be awarded to the search and seizure person. No particulars about the informer shall be disclosed other than the matter of the Government:

- (a) with regard to the specific goods to be stamped the tax stamp and sold, the fines imposed on a person who possesses the untaxed specific goods and a producer of the specific goods who is failed to stamp the stipulated tax stamp under subsections (c) and (f) of Section 22 of Specific Goods Tax Law;
 - (b) with regard to the remaining specific goods, the fines imposed on a person who possesses the untaxed specific goods under subsection (c) of section 22 of the Specific Goods Tax Law.
39. (a) Notwithstanding anything contained in subsection (f) of section 21 of the Commercial Tax Law, if the Township Revenue Officer finds that the failure of giving a receipt or voucher to a customer or service receiver although having the evidence of a receipt or voucher, or the failure of stamping the tax stamp according to the chargeable tax stipulated by the Commercial Tax Regulations although giving a receipt, he shall cause to pay him 100% of the tax to be paid additionally on the evidence of a receipt or voucher for such failure as a fine, and the following amount shall be paid as a fine for the time of failure:
- (i) five hundred thousand kyats for the failure of the first time;
 - (2) one million kyats for the failure of the second time;
 - (3) One million and five hundred thousand kyats for the failure of the third time;
 - (4) Two million kyats for the failure of the third time and above.

- (b) If the Township Revenue Officer finds that the goods are sold without stamping the tax stamp with regard to the goods to be stamped the tax stamp and sold, a person who possesses the goods shall pay 100% of the value of the goods as a fine for the possession of the goods which are not stamped the tax stamp.

40. The Union Government may issue notification for rewarding gratuity related to the following collected fine:

- (a) notwithstanding anything contained in the Commercial Tax Law, the fine imposed under subsection (a) of section 39 of this Law, for the failure of giving a receipt or voucher to the customer or service receiver although having the evidence of a receipt or voucher or for the failure of stamping the tax stamp equivalent to the chargeable tax although giving a receipt;
- (b) the fine imposed under subsection (b) of section 39 of this Law, for selling the good without stamping the tax stamp as the stipulation with regard to the goods stipulated to stamp the tax stamp.

41. Notwithstanding anything contained in the relevant law for the change of fiscal year, the Ministry concerned may issue the necessary procedures for the facilitation of the tax collecting processes in the transaction period.

42. The notifications, orders, directive, procedures, interpretation statements, practice statements, public ruling and so on, which were issued in relation to the yearly promulgated Union Taxation Law, may continue to be applicable in so far as they are not contrary to this Law.

I hereby sign under section 419 of the Constitution

Sd/Min Aung Hlaing

Senior General

Chairman

State Administration Council

Original Estimate for Collection of the Union Tax

(Kyats in Million)

Sr. No.	Responsible Ministries of the Union Government	Description	2021 Estimate
1		Taxes collected on local production and consumption of the public	1,617,173.941
	1 Ministry of Home Affairs	Excise tax	685.537
	2 Ministry of Planning and Finance	Commercial tax	685,831.587
	3 Ministry of Commerce	Import licence fees, permit fees	1,113.365
	4 Ministry of Planning and Finance	Myanmar lottery	63,007.919
	5 Ministry of Transport and Communications	Fees for vehicle, driving licence and business licence	85,970.845
	6 Ministry of Planning and Finance	Court fees and Stamp duty	28,543.263
	7 Ministry of Hotel and Tourism	Licence fee for tourism licence, hotel and guesthouse licence, tour guide business licence	478.579

Sr. No.	Responsible Ministries of the Union Government	Description	2021 Estimate
8	Ministry of Planning and Finance	Specific goods tax	747,251.686
9	Ministry of Planning and Finance	Royalty Tax	4,291.160
2		Tax on income and ownership	971,074.385
1	Ministry of Planning and Finance	Income tax	971,074.385
3		Customs duty	200,000.000
1	Ministry of Planning and Finance	Customs duty	200,000.000
4		Taxes collected on the extraction and consumption of State-owned resources	286,677.011
1	Ministry of Home Affairs	Land revenue	0.415
2	Nay Pyi Taw Council	Water tax	42.251
3	Ministry of Home Affairs	Embankment tax	-
4	Ministry of Natural Resources and Environmental Conservation	Tax collected on the extraction of forest products	3,109.878
5	Ministry of Home Affairs	Tax collected on the extraction of minerals	33.870

Sr. No.	Responsible Ministries of the Union Government	Description	2021 Estimate
		(excluding minerals for raw industrial materials and decorative stones)	
6	Ministry of Agriculture, Livestock and Irrigation	Tax on fisheries	2,600.000
7	Ministry of Electricity and Energy	Tax collected on the production of petroleum and natural gas	181,471.304
8	Ministry of Natural Resources and Environmental Conservation	Tax on minerals and extraction royalty	30,000.000
9	Ministry of Transport and Communications	Tax collected on communication services	62,667.012
10	Ministry of Electricity and Energy	Free power charges received in term of hydropower resource.	6,102.684
11	Ministry of Agriculture, livestock and Irrigation	Tax collected from the persons who have the right to use vacant, fallow and virgin land	649.597
		Total	3,074,925.337