

Unofficial Translation

Union Tax Law 2016

Pyidaungsu Hluttaw Law No 22 of 2016

The 1 Waning Day of Pyatho 1377 M.E.

25 January 2016

Pyidaungsu Hluttaw enacted this Law.

CHAPTER 1

NAME, EFFECTIVE DATE AND DEFINITION

1. (a) This Law shall be called “Union Tax Law 2016”.
- (b) The effective date for 2016-2017 financial year in connection with the specific goods tax contained in Chapter 5 and commercial tax contained in Chapter 6 is 1 April 2016.
- (c) In connection with income tax in Chapter 7:
 - (1) the income from salary prescribed under Section 19 and provisions prescribed under section 24 shall be effective from 1 April 2016;
 - (2) the remaining provisions shall be effective starting from 2016-2017 financial year.
2. The following expressions contained in this Law shall have the definitions given hereunder.
 - (a) **Tax** means the tax collected for the Union by the Union Government;
 - (b) **Law** means the laws enacted relating to the tax collected for the Union by the Union Government;
 - (c) **Relevant Ministry** means the Union Ministries and Nay Pyi Taw Council responsible for collecting the taxes to be collected for the Union by the Union Government;
 - (d) **Budget Law** means the Union Budget Law issued annually and Additional Budget Allotment Law;
 - (e) **Tax rate** means the specified rate at which tax is collected for the Union by the Union Government.

CHAPTER 2

TAXES EARMARKED TO BE COLLECTED

3. The taxes received by the Union contained in the Budget Law are the taxes earmarked to be collected contained in table 1 of this Law for the relevant financial year.

CHAPTER 3

SPECIFYING THE TAX RATES AND REPORTING

4. The relevant Ministry shall collect the earmarked taxes at the tax rate contained in this Law in respect of the types of taxes contained in this Law.
5. The Union Government shall propose the matter of amending, supplementing and substituting the tax rates contained in this Law to Pyidaungsu Hluttaw for discussion and making decision.

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6. (a) The relevant Ministry shall submit the quarterly report to Budget Department for collecting the earmarked taxes contained in table 1 of this Law.
- (b) The Budget Department shall submit the quarterly report and its remarks to Union Government after compiling the reports of collecting the earmarked taxes submitted by the relevant Ministries.
7. The Union Government shall submit the report on the status of collecting the earmarked taxes contained in table 1 of this Law to Pyidaungsu Hluttaw every six month.

CHAPTER 4

DUTIES AND POWERS OF THE RELEVANT MINISTRIES

8. The relevant Ministries shall be responsible for and monitor the collection of earmarked taxes contained in table 1 of this Law.
9. The Union Ministry of Finance may, if it thinks fit that it is necessary, issue the instructions in connection with the provisions relating to tax on specific goods, commercial tax and income tax prescribed under this Law for clear understanding and compliance.
10. The relevant Ministry may acquire the required information and the assistance from the President, Union Government, Pyidaungsu Hluttaw, Pyithu Hluttaw, Amyothar Hluttaw, Union Supreme Court, Constitutional Tribunal, Union Election Commission, Union Attorney General, Union Auditory General, Union Civil Service Board, Nay Pyi Taw Council, Union Ministries, Central Bank of Myanmar, Region or State Governments, Head of the Self-administered Divisions or Regions in order to cause the taxpayers to pay the taxes in accordance with the Law.

CHAPTER 5

TAX ON SPECIFIC GOODS

11. According to the Section 6 of the Tax on Specific Good Law, the schedules to such Law are prescribed as follow:

Specific Goods

- (a) In connection with the specific goods contained in the following schedules, if they are imported, the tax shall be charged on the landed cost, and if they are produced and sold in the country, the tax shall be charged on more of either the selling price determined by the factory, workshop and establishment or the selling price estimated and determined by Director General of Internal Revenue Department and Management Committee of Internal Revenue Department based on the market price at the specific rate shown against them.

Sr. No	Types of specific goods	Market Price Value Grade	Tax percentage
1.	(a) Various kinds of cigarettes	Up to 400 kyats per packet	3 kyats per piece

		containing 20 pieces	
	(b) Various kinds of cigarettes	From 401 kyats to 600 kyats per packet containing 20 pieces	8 kyats per piece
	(c) Various kinds of cigarettes	From 601 kyats to 800 kyats per packet containing 20 pieces	12 kyats per piece
	(d) Various kinds of cigarettes	Exceeding 801 kyats per packet containing 20 pieces	15 kyats per piece
	(e) Various kinds of cigarettes (imported)	On landed cost	120
2.	Tobacco		60
3.	Virginia tobacco, cured		60
4.	Cheroots		60
5.	Cigars		60
6.	Pipe tobacco		60
7.	Betel chewing preparations		60
8.	(a) Various kinds of liquor	Up to 500 kyats per litre	56 kyats per litre
	(b) Various kinds of liquor	From 501 kyats to 1,000 kyats per litre	169 kyats per litre
	(c) Various kinds of liquor	From 1,001 kyats to 1,500 kyats per litre	281 kyats per litre
	(d) Various kinds of liquor	From 1,501 kyats to 2,000 kyats per litre	394 kyats per litre
	(e) Various kinds of liquor	From 2,001 kyats to 2,500 kyats per litre	506 kyats per litre
	(f) Various kinds of liquor	From 2,501 kyats to 3000 kyats per litre	619 kyats per litre
	(g) Various kinds of liquor	From 3,001 kyats to 3500 kyats per litre	731 kyats per litre
	(h) Various kinds of liquor	From 3,501 kyats to 4000 kyats per litre	844 kyats per litre
	(i) Various kinds of liquor	From 4001 kyats to 5,000 kyats per litre	1013 kyats per litre
	(j) Various kinds of liquor	From 5,001 kyats to 6,000 kyats per litre	1,238 kyats per litre
	(k) Various kinds of liquor	From 6,001 kyats to 7,000 kyats per	1,463 kyats per litre

		litre	
	(l) Various kinds of liquor	From 7,001 kyats to 8,000 kyats per litre	1,688 kyats per litre
	(m) Various kinds of liquor	From 8,001 kyats to 9,000 kyats per litre	1,913 kyats per litre
	(n) Various kinds of liquor	From 9,001 kyats to 10,000 kyats per litre	2,138 kyats per litre
	(o) Various kinds of liquor	From 10,001 kyats to 20,000 kyats per litre	3,375 kyats per litre
	(p) Various kinds of liquor	Exceeding 20,001 per litre	3,375 kyats per litre
	(q) Various kinds of liquor (imported)	On landed cost	60
9.	Various kinds of beer		60
10.	(a) Various kinds of wine	Up to 500 kyats per litre	50 kyats per litre
	(b) Various kinds of wine	From 501 kyats to 1,000 kyats per litre	150 kyats per litre
	(c) Various kinds of wine	From 1,001 kyats to 1,500 kyats per litre	250 kyats per litre
	(d) Various kinds of wine	From 1,501 kyats to 2,000 kyats per litre	350 kyats per litre
	(e) Various kinds of wine	From 2,001 kyats to 2,500 kyats per litre	450 kyats per litre
	(f) Various kinds of wine	From 2,501 kyats to 3,000 kyats per litre	550 kyats per litre
	(g) Various kinds of wine	From 3,001 kyats to 3,500 kyats per litre	650 kyats per litre
	(h) Various kinds of wine	From 3,501 kyats to 4,000 kyats per litre	750 kyats per litre
	(i) Various kinds of wine	From 4,001 kyats to 5,000 kyats per litre	900 kyats per litre
	(j) Various kinds of wine	From 5,001 kyats to 6,000 kyats per litre	1,100 kyats per litre
	(k) Various kinds of wine	From 6,001 kyats to 7,000 kyats per litre	1,300 kyats per litre
	(l) Various kinds of wine	From 7,001 kyats to 8,000 kyats per	1,500 kyats per litre

		litre	
	(m) Various kinds of wine	From 8,001 kyats to 9,000 kyats per litre	1,700 kyats per litre
	(n) Various kinds of wine	From 9,001 kyats to 10,000 kyats per litre	1,900 kyats per litre
	(o) Various kinds of wine	From 10,001 kyats to 20,000 kyats per litre	3,000 kyats per litre
	(p) Various kinds of wine	Exceeding 20,001 per litre	50% of one litre value
	(q) Various kinds of wine (imported)	On landed cost	50
11.	Teak and hardwood logs, teak and conversions exceeding 10 inches round		25
12.	Jade, rubies, sapphires, emeralds, diamonds and other gems (rough)		20
13.	Jewelries and jade, rubies, sapphires, emeralds, diamonds, other gems (fine) and jewelries		5
14.	Vans above 1,800 CC except Double Cab 4 Door Pick Up, saloons, sedans and estate wagons and coupes		25
15.	Petrol, diesel, aviation jet fuel		5
16.	Natural gas		8

(b) Any person who exports and sells the following specific goods shall be charged with the tax on sale proceeds of specific goods according to the tax rate shown against them. 0% tax rate on sale proceeds shall be charged for exporting and selling other specific goods except the following ones. The tax on specific goods for export shall be set off with the tax on specific goods charged at the time of buying, importing or manufacturing them according to the stipulations.

Sr. No	Types of specific goods	Tax rate
1.	Natural gas	8
2.	Teak and hardwood logs, teak and conversions exceeding 10 inches round	50
3.	Jade, rubies, sapphires, emeralds, diamonds and other gems (rough)	20
4.	Jewelries and jade, rubies, sapphires, emeralds, diamonds, other gems (fine) and jewelries	5

12. If total sale proceeds of Virginia tobacco, cheroots and cigars produced locally by co-operative sector and private sector within 1 financial year do not exceed 20,000,000 kyats, no tax on specific goods shall be charged.
13. The definitions of the expressions contained in Chapter 5 of this Law shall be the same as defined in the Tax on Specific Goods Law.

Chapter 6 Commercial Tax

14. The schedules of the Commercial Tax Law are hereby prescribed as follows according to the Section 6 of such law:-

Schedules of Commercial Tax Law

- (a) No commercial tax shall be charged with regard to any of the following goods:-

Sr. No	Description of goods/services
1	Paddy, rice, split, bran, rough bran, paddy husk
2	Wheat grain, flour, smooth and rough flour
3	Maize and other cereals, powder maize and other powder cereals
4	Pulses, chick peas, pea flour and pea husk
5	Groundnuts, shelled or unshelled
6	Sesame, flower sesame
7	Mustard seeds, sunflower seeds, tamarind seeds, cotton seeds
8	Oil palm
9	Various cottons
10	Jute and similar fibres
11	Garlic, onions
12	Potatoes
13	Cassava plants, cassava powder
14	Spices (leaves, fruits, seeds, bark), prepared spices
15	Various fresh fruits
16	Vegetables
17	Sugarcane, sugar, jaggery, brown slab-sugar
18	Mulberry leaves
19	Medicinal plants or herbs
20	Agricultural and orchard products such as Reeds, thatch, 'dani', 'taung htan', cardamom plant, elephant foot yam tuber, 'thanakha' that are not elsewhere specified
21	Wood, bamboo
22	Live animals, fish and prawns

23	Silk cocoons
24	Rattan (finished and unfinished)
25	Honey and bee wax
26	Lac
27	Residue of groundnuts, sesame, and cotton seeds, rice barn, ect.
28	Raw materials to make detergent and soaps, rough detergent, rough soaps
29	Bleaching substances
30	Hank of coconut fibre, charcoal of coconut shell
31	Various pickled tea leaves and green tea
32	Various stamps (including stamp duty)
33	Sealing wax and sticks
34	Slates, slate pencils and chalk
35	Various shrimp and fish sauces (ngan-pya-ye)
36	Groundnut oil, sesame oil, sunflower seed oil, rice bran edible oil, fermented soya-bean oil and oil cakes
37	Fresh fish, fresh prawn and fresh meat
38	Various dried fish and dried prawn
39	Various pickled fish and shrimp
40	Particles of dried prawn shell, fish fritters
41	Value added products manufactured from fishery products
42	Various milk and milk powder
43	Chili, chili powder
44	Saffron, saffron powder
45	Ginger
46	Fish or shrimp paste (nga-pi)
47	Ripe tamarind
48	National flag
49	Various kinds of beads
50	Various kinds of rulers, erasers, sharpeners
51	Fuel stick
52	Coconut oil (not palm oil)
53	Various kinds of fowl eggs
54	Pumpkin seeds, water melon seeds and cashew nuts
55	Religious clothes (thingan etc.)
56	Oil dregs

57	Various kinds of salt
58	Latex
59	Betel nuts
60	Chemical fertilizer
61	Insecticides, pesticides and weed-killers
62	Instruments used for agricultural and breeding enterprise, machines and spare parts used for agricultural and breeding enterprise
63	Raw materials and finished goods for animal, fishes and shrimps foods
64	Medicines for animals, fishes and shrimps
65	Animal breed (fluid and rod)
66	Solar panel, solar charger controller and solar inverter
67	X-ray films, apparatus and equipment for X-ray and other medical apparatus and equipment (imported by owner for using in the relevant hospital and clinic)
68	Bandages, gauze, other surgical dressing material, hospital and surgical outfit and sundries (imported by owner for using in the relevant hospital and clinic)
69	Household medicines and other medicines (except medicines restricted by commercial tax regulations)
70	Raw materials for drugs
71	Textbooks, various kinds of academic books and books for skills that can be used at schools, universities and colleges, exercise and drawing books of various kinds and paper for the production of such books and all sorts of pencils
72	Graphite for the production of pencils
73	Condom
74	Arms, ammunition, vehicles, machines, materials, equipment and their spare parts used by government organizations for defense and security purposes
75	Various kinds of gun powder, various kinds of dynamite and accessories thereto used by the civil departments
76	Crop seeds, nursery plants (high class)
77	Fire engines and hearses
78	Duty free goods sold in foreign currency at the specific places to passengers departing for overseas
79	Goods to be used by foreign embassies and consulates inclusive in principle of mutual rights between the states, their members and staff who are not diplomats, constructing buildings and services
80	Goods purchased for the consumption and use of the armed forces and soldiers by using

	the budget of the Ministry of Defense
81	Raw materials or goods directly used as spare parts and goods used for packing finished goods sent by the foreign residents for production of finished goods by Cut, Making and Processing system (CMP system)
82	Fuel sold to foreign embassies, UN organizations and foreign diplomats by the Ministry of Energy
83	Goods bought with money donated or aided by local and international organizations
84	Jet fuel sold to be used for international flight
85	Machine, machinery, equipment and their spare parts of air planes or choppers
86	Goods exempted tax by Pyidaungsu Hluttaw according to needs of the State

(b) Except for goods mentioned under Sub-section a, 5% commercial tax rate shall be charged on sale proceeds of other goods if they are locally manufactured and sold or on landed costs if they are imported. 5% commercial tax rate shall be charged on sale proceeds of specific goods mentioned under Section 11 including tax on specific goods if they are locally manufactured and sold or on landed costs including tax on specific goods if they are imported.

(c) Except for goods and trading exempted under this Law, any person who conducts:-

- (1) domestic sale of imported goods; or
- (2) trading, including specific goods mentioned under Section 11, shall be charged with 5% commercial tax rate on his/her sale proceeds.

(d) No commercial tax shall be charged on the following services:

Sr No	Types of Services
1	Services of leasing out houses except for leasing houses used for commercial purpose
2	Services of leasing out car parking
3	Life insurance services
4	Microfinance services
5	Health care services except beautifying body
6	Education services
7	Services for the transportation of goods (By using motor vehicles, vessels, airplanes and machinery)
8	Employment agencies services
9	Investment market services
10	Banking services

11	Customs clearance services
12	Services of renting out objects such as tables, chairs or crockery for social purposes
13	Services of providing raw materials and receiving finished goods
14	Funeral services
15	Child nursery services
16	Services of Myanmar traditional massage/ massage performed by the blind
17	Moving home services
18	Service of charging road tolls
19	Animal health care services
20	Public toilet services
21	International air transport services
22	Services of culture and arts
23	Public transport services (bus, railway and ferry boat)
24	License fees paid to government organizations
25	Printing services in relation to security of Ministry of Defense
26	Services received by embassies or sub-embassies, their members and staff other than diplomats who are covered by mutual privileges
27	Services received through money donated or aided by local and international organizations
28	Services exempted tax by Pyidaungsu Hluttaw due to the needs of the State
29	Services provided and received by and between the President's office, Union Government office, Pyidaungsu Hluttaw office, Pyithu Hluttaw office, Amyothar Hluttaw office, Union Supreme Court, Constitutional Tribunal, Union Election Commission office, Union Attorney General office, Union Auditor General office, Union Civil Service Board, Nay Pyi Taw Council office, Union Ministries, Central Bank of Myanmar, Social Security Board, Region or State Governments and Directorates (Except for providing and receiving services to and by state-owned businesses)

- (e) 5% commercial tax rate shall be charged on the proceeds obtained from rendering services within the State except the services contained in Sub-section d.
- (f) 3% commercial tax rate shall be charged on the proceeds of transporting passengers by local airline transportation services.
- (g) 3% commercial tax rate shall be charged on the sale proceeds of buildings constructed within the State. The constructor and seller shall comply with the duties of Commercial Tax Law and Commercial Tax Regulations and are entitled to enjoy the rights thereof.

15. According to the Commercial Tax Law, no commercial tax shall be assessed for the cooperative sector and private sector if their sale proceeds or proceeds from services do not exceed the following amounts:
- (a) Total sale proceeds up to 20,000,000 MMK within one financial year for local production and sale of goods which are subject to commercial tax;
 - (b) Total proceeds from services up to 20,000,000 MMK within one financial year for providing services which are subject to commercial tax;
 - (c) Total sale proceeds up to 20,000,000 MMK within one financial year for trading.
16. If any person receives foreign currency from the production and sale of any goods subject to commercial tax, or from the performance of services subject to commercial tax or from trading, the commercial tax shall be calculated on the sale proceeds or proceeds from services received in foreign currency according to the tax rates stipulated in this Law and shall be paid in Kyat currency in accordance with Commercial Tax Regulations.
17. (a) 8% commercial tax rate shall be charged on exporting and selling electricity and 5% commercial tax shall be charged on exporting and selling petroleum.
- (b) 0% commercial tax rate shall be charged on sale proceeds obtained from export and sale of other goods except the goods contained in Sub-section a. The commercial tax paid at the time of buying or manufacturing goods may be set off with the commercial tax charged for export and sale in accordance with Commercial Tax Regulations. Notwithstanding anything contained in Commercial Tax Regulations, with regard to export goods, in case where the commercial tax charged for export and sale is less than the commercial tax paid at the time of buying or manufacturing goods, refund may be requested. However, it shall not apply to buying goods in local and bringing them to abroad for one's own use.
- (c) The provision of this Section shall not apply to determining the amount of sale proceeds or receipts on which no commercial tax is assessed.
18. The definitions of the expressions contained in Chapter 6 of this Law shall be the same as defined in the Commercial Tax Law.

CHAPTER 7
INCOME TAX

19. (a) No income tax shall be charged on the person whose annual salary income is up to 4,800,000 kyats. However, the following income tax rates shall, after reliefs under Section 6 has been offset, be assessed on the remaining income of any person whose annual salary income is exceeding 4,800,000 kyats or whose income is from profession, business and other sources:

Sr No	Income schedules for assessing income tax		Income tax rate for assessment
	From	To	
	Kyat	Kyat	

(a)	1	2,000,000	0%
(b)	2,000,001	5,000,000	5%
(c)	5,000,001	10,000,000	10%
(d)	10,000,001	20,000,000	15%
(e)	20,000,001	30,000,000	20%
(f)	30,000,001 and above		25%

(b) Notwithstanding any provision prescribed under the Income Tax Law, 10% income tax shall, after deducting the reliefs according to section 6, be exclusively charged on the remaining amount of total rental fees received from leasing land, buildings and rooms. Additional tax shall not be assessed by combining with other income. State-owned business organizations, businesses operated under the permit of Myanmar Investment Commission, companies and co-operative societies shall pay the tax according to the specific income tax rates prescribed for type of taxpayer.

(c) The income tax rates prescribed under this Section shall not apply to tax payers for whom specific income tax rate is prescribed in connection with any person who receives income or any type of income.

20. 10% income tax rate shall be assessed on the total income earned in foreign currency in foreign country before the deduction of relief according to the Section 6 and Sub-section 6(a) of Income Tax Law, with the exception of the exempted income head of the citizens residing abroad.

21. 25% income tax rate shall be assessed in Myanmar Kyats on the total net profit of a company which is registered and incorporated in Myanmar according to the Myanmar Companies Act or Special Companies Act 1950 before the deduction of reliefs according to Section 6 of the Income Tax Law.

22. For a foreigner residing abroad:-

(a) if the income is from salary head, the total income shall be assessed with income tax rates prescribed under Section 19 (a) of this Law; or

(b) if the income is from other head except salary head, the total income shall be assessed with 25% income tax rate; before the deduction of the reliefs according to section 6 and 6(a) of the Income Tax Law.

23. 25% income tax rate shall be assessed on total net profit of the business operated under the permit issued by Myanmar Investment Commission before the deduction of the reliefs according to section 6 of Income Tax Law.

24. 30% income tax shall be assessed on the income that has escaped from assessment before the deduction of relief according to the Section 6 and Sub-section 6(a) of the Income Tax Law. However, if any disclosed income is included in the income used for purchasing, constructing,

acquiring a capital asset, establishing a new business and extending by any citizen, such disclosed income shall be deducted and the remaining income that has escaped from assessment shall be assessed with the following tax rates and if any disclosed income cannot be shown, the used income shall be assessed with the following rates. If all the used income can be accurately shown as disclosed income, no income tax shall be assessed. The tax assessment under this Law shall not apply to possessing or trading illegal properties or taking actions according to Eradication of Money Laundering Law –

Sr No	Income (Kyats)	Income Tax Rate
(a)	1 – 300,00,000	15%
(b)	300,00,001 – 1000,00,000	20%
(c)	Above 1000,00,001	30%

25. For the primary cooperative societies registered under Cooperative Society Law,
- (a) the income tax rate prescribed under Section 19 (a) of this Law shall be applicable to the remaining income of total net profit after the reliefs according to the Section 6 of Income Tax Law have been deducted.
- (b) Except for the primary cooperative societies, 25% income tax rate shall be applicable to the remaining income of other cooperative societies' total net profit after the reliefs according to the Section 6 of Income Tax Law have been deducted.
26. 25% income tax rate shall be applicable to the state-owned business organizations' total net profit before deducting the relief according to the Section 6 of Income Tax Law.
27. If capital gains are received from sale, exchange or transfer in other manner of one or more fixed assets, such capital gains received in kyats or foreign currency, before deducting the reliefs according to sections 6 and 6(a) of Income Tax Law, shall
- (a) be assessed for companies participating in Myanmar's oil and natural gas sector according to the following tax rates shown against them and the type of currency received.

Gains	Tax rate
(1) Equivalent up to 100,000 million kyats	40%
(2) Equivalent from 100,001 to 150,000 million kyats	45%
(3) Equivalent up to 150,001 million kyats and above	50%

(b) 10% income tax rate shall be applicable to gains received in kyats or foreign currency for group of individuals or individuals apart from companies participating in Myanmar's oil and

natural gas sector. Foreigners residing abroad shall pay tax according to the type of currency they have received.

28. No income tax shall be assessed on capital gains even if the gains arisen in case where the total value of selling or exchanging one or more fixed assets or transferring in other manner within one year is not more than 10,000,000 kyats.
29. Newly established small and medium businesses that are based on industry are exempted from income tax up to their income of 10,000,000 kyats within three consecutive years including the year of commencing business. If their income is more than such exempted amount, income tax shall be assessed on the exceeding amount.
30. The basic allowances stipulated in Section 6, Sub-section a, clauses 1 and 2 of the Income Tax Law shall be an amount equivalent to 20% of the respective income heads. However, the total basic allowances per year shall not exceed 10,000,000 MMK.
31. The allowance for parents who are staying together is added in Sub-section a (2) of Section 6 of Income Tax Law and:—
- | | |
|--|-----------------|
| (a) the allowance for each parent who are staying together | 1,000,000 kyats |
| (b) the allowance for only one spouse | 1,000,000 kyats |
| (c) the allowance for each son or daughter | 500,000 kyats |
- shall be deducted from the total income of individuals prescribed under Sub-section c (2) of Section 6 of Income Tax Law and income tax shall be assessed on remaining amount.
32. If the income is earned in foreign currency for all the heads of income except for capital gains, the income tax shall be calculated in accordance with the provisions in Section 8 of Income Tax Regulations. The income tax shall be collected in kyats from citizens residing in the country and from foreigner residing in the country. The income tax shall be collected in the type of currency in which the income is earned from foreigners residing abroad.
33. The following income or income type shall be exempted from income tax:
- Up to 10,000,000 kyats of total income received just for one time or for multiple times within assessment year as reward for the arrest of drug dealers according to Narcotic Drugs and Psychotropic Substances Law;
 - Up to 10,000,000 kyats of total income received just for one time or for multiple times within assessment year as reward for the arrest of illicit goods;
 - Award attached to titles and badges conferred by the State;
 - Income from salary head of citizen residing abroad earned in foreign currency;
 - Pension and compassionate grant received by civil servant when he retires;
 - Money received from government's Aung Bar Lay lottery.
34. The definitions of the expressions prescribed under Chapter 7 of this Law shall be the same as defined in the Income Tax Law.

CHAPTER 8

OTHER RELATED TAXES RATES TO BE ASSESSED

35. The relevant Ministries shall manage the following tax matters with regard to tax rates, exemptions and reliefs in accordance with the laws in force:
- (a) Excise tax;
 - (b) Import license fees;
 - (c) Myanmar Aung Bar Lay lottery;
 - (d) Fees for motor vehicles, driving license and business license;
 - (e) Stamp tax;
 - (f) Tax on implanting a seed pearl in the mantle of an oyster
 - (g) Customs duty;
 - (h) Tax collected on land for cultivation;
 - (i) Water tax
 - (j) Embankment tax;
 - (k) Tax on the extraction of forest products;
 - (l) Mining tax (excluding mineral resources for industrial raw materials and decorated gems);
 - (m) Tax on fishery business;
 - (n) Tax on the extraction of oil and natural gas;
 - (o) Tax on the extraction of minerals and gems;
 - (p) Tax collected on operating telecommunications services;
 - (q) Free of charge electricity generated from hydropower.
 - (r) License fees for operating tour, hotel and guest house and tourist guide.
36. Notwithstanding the provisions in Myanmar Gems Law, with regard to excavating and producing jade, ruby, sapphire, emerald, diamond and other gems (rough), producing and trading fine gems and jewelry: –
- (a) tax on specific goods shall be charged on the sale proceeds of gems or jewelry in kyats or in foreign currency:
 - (1) according to the tax rates prescribed under Section 11.
 - (2) 5% commercial tax rate shall be assessed on importing, manufacturing, selling and trading according to Sub-sections b and c of Section 14.
 - (b) Income tax shall be assessed on total net profit received in the income year according to tax rates contained in this Law.

CHAPTER 9

MISCELLANEOUS

37. The Union Government may, by notification, form supporting bodies for tax collection and cause them to collect taxes accordingly.

38. The Union Government shall carry out the following functions without contrary to International Conventions signed by the State for the competitiveness of trading in the market between goods manufactured in the state and goods imported from abroad, local agricultural and breeding businesses that mainly depend on local manufacturing businesses and for the long-term interests of local and international investment operated in the State –
- (a) Carrying out to obtain maximum rights and reliefs with regard to amount of import goods and tax rates the same as other ASEAN countries within the framework of Conventions of World Trade and ASEAN Trade.
 - (b) Carrying out the necessary arrangements in accordance with the provisions of Customs Law, procedures and provisions for granting export and import and determining quota.
39. The relevant Ministries must educate and persuade the public to pay the tax, publicly announce the tax relief and tax exemption, grant tax relief and tax exemption, recognize the public who pay the taxes and award them appropriately in order to encourage the taxpayers to pay taxes in accordance with the Law.
40. In connection with possessing specific goods for which tax has not been paid, 10% of the penalty charged under Sub-section c of Section 22 of Tax of Specific Goods Law shall be paid to the reporting person and 20% thereof shall be paid to the confiscating body as awards. The reporting person shall not be disclosed except for government cases.

I hereby sign in accordance with the Constitution.

S/d Thein Sein
President
Republic of the Union of Myanmar

Table-1

**2016-2017 Financial Year
Taxes Earmarked to be Collected by the Union**

Sr. No	Relevant Ministries of the Union Government	Subject	2016-2017 Estimated (million in Kyats)
1		Taxes collected on local products and consumptions of the citizens	2,486,939.847
1	Ministry of Home Affairs	Excise tax	940.311
2	Ministry of Finance	Commercial tax	1,629,929.745
3	Ministry of Commerce	Import License fees	5,762.000
4	Ministry of Finance	Myanmar Aung Bar Lay lottery	30,000.410
5	Ministry of Railway Transport	Fees for motor vehicles, driving license and business license	181,470.000
6	Ministry of Finance	Stamp tax	37,710.000
7	Ministry of Mines	Tax on implanting a seed pearl in the mantle of an oyster	460.000
2		Tax collected on income and possession	2,370,434.645
1	Ministry of Finance	Income tax	2,370,434.645
3		Customs duties	475,000.000
1	Ministry of Finance	Custom duties	475,000.000
4		Tax collected on the extraction of state-owned natural resources	887,384.336
1	Ministry of Home Affairs	Tax collected on land for cultivation	1.485
2	Nay Pyi Taw Council	Water tax	13.723
3	Ministry of Home Affairs	Embankment tax	0.025
4	Ministry of Forestry and Environmental Conservation	Tax on the extraction of forest products	2,886.265
5	Ministry of Home Affairs	Mining tax (excluding mineral resources for industrial raw materials and decorated gems)	3.855

6	Ministry of Breeding, Livestock and Rural Development	Tax on fishery business	1,303.800
7	Ministry of Energy	Tax on the extraction of oil and natural gas	710,613.714
8	Ministry of Mines	Tax on the extraction of minerals and gem stones	19,540.000
9	Ministry of Information, Communication and Technology	Tax collected on operating telecommunication services	142,595.149
10	Ministry of Electric Power	Free of charge electricity generated from hydropower.	10,426.320
		Total	6,219,758.828