

VDB | *Loi*

**MYANMAR**  
**TAX BOOKLET**  
**2019-2020**

**Get to the point.**

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## Abbreviations

Term	Definition
ACIA	ASEAN Comprehensive Investment Agreement
BIT	Bilateral Investment Treaties
CGT	Capital Gains Tax
CIF	Cost, insurance and freight
CIT	Corporate Income Tax
CT	Commercial Tax
DTA	Double Taxation Agreement
FTA	Free Trade Agreement
IRD	Internal Revenue Department
ITL	Income Tax Law
MIC	Myanmar Investment Commission
MOPF	Ministry of Planning and Finance
PIT	Personal Income Tax
PT	Property Tax
SD	Stamp Duty
SEZ	Special Economic Zone
SGT	Specific Goods Tax
UTL	Union Tax Law
WHT	Withholding Tax

## Change of the income year in Myanmar

On 28 May 2019, the Internal Revenue Department (“**IRD**”) of the Ministry of Planning and Finance (“**MOPF**”) announced a change to the income year (formerly from 1 April to 31 March) of private and cooperative sectors (“**taxpayers**”) to 1 October to 30 September, effective from 1 October 2019. As a result, the taxpayers will have a six-month period from 1 April 2019 to 30 September 2019 (“**FY2019**” or “**Transition Period**”) as one income year. This change is to be in line with the change of the financial year for government ministries, organizations, and state-owned enterprises, which was implemented back in 2018 with the enactment of the 2018 Union Tax Law. Please refer to table below regarding annual tax returns giving deadlines.

Income Year	Deadlines for annual tax returns filing	Assessment Year
1 April 2018 to 31 March 2019 (FY2018-2019)	1 July 2019	1 April 2019 to 30 September 2019 (FY2019)
1 April 2019 to 30 September 2019 (FY2019)	2 January 2020	1 October 2019 to 30 September 2020 (FY2019-2020)
1 October 2019 to 30 September 2020 (FY2019-2020)	31 December 2020	1 October 2020 to 30 September 2021 (FY2020-2021)

## Corporate Income Tax

### Rates of tax

The current corporate income tax (“**CIT**”) rate is 25% for Myanmar companies, branches registered under the Myanmar Companies Law (“**MCL**”) 2017, and companies operating under permission from the Myanmar Investment Commission (“**MIC**”) (i.e. foreign-owned resident companies with an investment license from the MIC granted under the Foreign Investment Law and Myanmar Investment Law 2016). However, please note that CIT rate for companies listed on the Yangon Stock Exchange is 20% effective from 2017-2018 income year. Resident entities, which are defined as companies established under the MCL are obliged to declare and pay CIT on their worldwide income. Non-residents, including branches or overseas corporations registered under the MCL, are only obliged to pay CIT on their Myanmar-sourced income.

### Deductibility

Generally, expenditures incurred for the purpose of earning business income are deductible, subject to certain limitations. Capital expenditures, personal expenditures, expenditures not commensurate with the volume of business, inappropriate expenditures, expenditures incurred for purposes other than earning such income, and payments made to a member of an association of persons other than a company or a cooperative society, are not deductible.

### Depreciation

A depreciation allowance is deductible for CIT purposes. Capital assets must be capitalized and depreciated on a straight-line basis in accordance with the rates set out in Notification 19/2016, the Second Regulations Amending the Income Tax Regulations. A full-year depreciation allowance can be claimed for the year in which a capital asset is acquired, regardless of whether the asset is used for all or part of that year. Please refer to Annex 1 (Page 24) for detailed tax depreciation rates.

### Loss carry forward

Under the Income Tax Law (“**ITL**”), if a company incur a loss, it can be utilized against future profits and carried forward for up to three consecutive years, with the exception of capital losses.

## **2% Advanced Income Tax on importation and exportation**

Companies importing or exporting goods must pay a 2% Advanced Income Tax (“**AIT**”) on the assessed value of the goods for import and export. There are a few exceptions, including the import of materials and equipment during the construction period of projects, and raw materials imported during the first three years of production under an investment license from MIC. The tax that is collected as an AIT can be offset against the annual CIT due at the end of the financial year.



# Withholding Tax

## Overview

The MOPF released Notification 47/2018 ("**Notification 47/2018**") on 18 June 2018 which revokes the Withholding Tax ("**WHT**") Notification 51/2017. The Notification 47/2018 is effective from 1 July 2018 (FY2018-2019). Please refer to below table in relation to payments subject to WHT under Notification 47/2018.

Type of Income	Residents	Non-Residents
	Notification 47/2018	Notification 47/2018
Interests	0%	15%
Royalties	10%	15%
Goods (Locally purchased goods) –payments made by government organizations, ministries and state-owned enterprises	2%	2.5%
Goods (Locally purchased goods) – payments made by others apart from government organizations, ministries and state-owned enterprises	0%	2.5%
Services (Locally rendered services) –payments made by government organizations, ministries and state-owned enterprises	2%	2.5%
Services (Locally rendered services) – payments made by others apart from government organizations, ministries and state-owned enterprises	0%	2.5%

The Notification 47/2018 imposes legal obligation on the payer to deduct WHT from payments that are subject to WHT, regardless of whether the income recipient has agreed to the deduction or not. Please note that the IRD may recover the WHT from the payer if the payer is failed to deduct applicable WHT. The payer can be a resident taxpayer or a non-resident taxpayer. The obligation for deducting WHT rests with the payer.

## **Exemption of WHT**

Exemption from WHT deduction is given to payments between government organizations, and payments made to respective government organizations and stated-owned enterprises and interest payments to non-resident lenders who open branches locally or file corporate income tax return for income derived from the branch. Previously, Myanmar branches of foreign banks were considered non-residents and are thus captured in Myanmar's 15% WHT rate on interest paid to non-residents. From 1 April 2017, the WHT on interest payment to the Myanmar branches of foreign banks will no longer apply.

## **Minimum threshold**

Under Notification 47/2018, there is a minimum threshold of MMK 1 million for total payments within a year period for payments made by government organizations, ministries and state-owned enterprises. However, there is no minimum threshold for payments made to non-residents.

## **Double Taxation Agreement**

If the non-resident taxpayer is a resident taxpayer of a country with which Myanmar has a tax treaty, a relief may be available under the DTA. The IRD will require the non-resident to provide the Certificate of Residence issued by the tax authority of their country of residence. However, in order to enjoy the reliefs under the DTA, an application must be made to the IRD for approval.

# Capital Gains Tax

## Overview

Capital assets include land, buildings and their rooms, vehicles, and work-related capital assets. The expression also includes shares, bonds, securities and similar instruments. Capital gains tax (“CGT”) is applicable to both resident and non-resident taxpayers deriving a profit from the sale, exchange, or transfer of capital assets in Myanmar. CGT is payable by the person deriving the gains. A CGT return must be lodged by any person who sells, exchanges or transfers capital assets, even if there is no gain or loss.

## Income threshold for paying CGT

If the total sale-value of the capital asset; which was sold, exchanged or transferred, does not exceed MMK 10 million, CGT will not be applicable.

## Rates of tax

The CGT rate for all taxpayers (with the exception of those deriving a gain from an upstream oil and gas asset or a company holding an upstream oil and gas asset) is 10%, and is imposed in either MMK or a foreign currency.

CGT for upstream oil and gas sector must be paid in the same currency in which the gain was received. The following rates apply:

	Capital gain	Tax rate
1	Up to MMK100 billion	40%
2	From over MMK100 billion to MMK150 billion	45%
3	Over MMK150 billion	50%

## Calculation of CGT

CGT is calculated on the full value of the sale, exchange or transfer after deducting depreciation, the original asset cost, any capital expenditures to increase the life of the asset, and any expenditures incurred in the procurement, sale, exchange or transfer of the asset. Depreciation is not allowed for the year of disposal of the capital asset.

# Personal Income Tax

## Overview

Employers, whether residents or non-residents of Myanmar for tax purposes, are liable to deduct personal income tax (“**PIT**”) from payments of salaries, wages and other remuneration made to all employees. Employees that are residents of Myanmar (both Myanmar nationals and foreigners) are taxed on their worldwide income at progressive rates after deducting the prescribed allowances and reliefs; whereas non-residents are taxed only on their Myanmar-sourced income, at the same progressive rates.

## Residency

A foreign individual is considered as a resident foreigner for tax purposes if they are residing in Myanmar for 183 days and more during an income year (1 October to following 30 September). Accordingly, foreigners who are residing in Myanmar for less than 183 days are considered non-resident foreigners.

## Taxable salary

Salary income as defined by the ITL includes “salary, wages, annuities, bonuses, awards, and fees or commissions received in lieu of or in addition to the salary or wages”. Taxable benefits are not defined under the law; therefore, any payment from an employer to an employee will be considered a taxable benefit unless it can be demonstrated that it is business-related only.

The following are exempt from PIT: pensions, gratuities, salary income of non-resident citizens received in foreign currency abroad, and money received from the state lottery. According to the Union Tax Law (“**UTL**”) of 2019 anyone whose annual salary income is MMK4.8 million or less is exempt from paying PIT.

## Tax reliefs and allowances for Myanmar residents

- Basic allowance of 20% of annual salary income, up to a maximum of MMK10,000,000 (approximately US\$6,667\*)
- MMK500,000 per annum (approximately US\$333\*) for each child living with the taxpayer who fulfills ALL of the following criteria: 1) is unmarried; 2) is not earning assessable income; and 3) is either under 18, or if 18 or over, is in full-time education
- MMK1,000,000 (approximately US\$667\*) for one non-working spouse who is living with the taxpayer
- MMK1,000,000 (approximately US\$667\*) per parent for dependent parents living with the taxpayer. The term “**parent**” includes a father- or mother-in-law

- Premiums paid for the life insurance of the taxpayer and taxpayer's spouse
- Contributions towards savings funds approved by the Internal Revenue Department ("IRD")
- Social security contributions made by employees to the Social Security Board (2% of annual salary, capped at MMK72,000 (approximately US\$48\*)

\*Using an exchange rate of US\$1 = MMK1,500

## Rates of tax

The tax rates for resident and non-resident employees are now at the same progressive rates, although for resident taxpayers, the PIT rates are applied on their worldwide income after deduction of the reliefs and allowances above, while for non-residents, the PIT rates are applied on their Myanmar-sourced salary income without any deduction.

The following table shows the PIT rates on annual salary income. Approximate US\$ amounts are shown in brackets based on an exchange rate of US\$1 = MMK1,500.

Personal income tax rates		
From MMK (US\$)	To MMK (US\$)	Income tax rate
1 (0.0007)	2,000,000 (1,332)	0 percent
2,000,001 (1,333)	5,000,000 (3,332)	5 percent
5,000,001 (3,333)	10,000,000 (6,666)	10 percent
10,000,001 (6,667)	20,000,000 (13,332)	15 percent
20,000,001 (13,33)	30,000,000 (20,000)	20 percent
30,000,001 (20,001) and above		25 percent

## Social Security Contributions

The Social Security Law requires an employer with more than five employees to contribute to a social security scheme. The rates of the monthly contributions by the employer and employees are 3% and 2%, respectively, of an employee's total salary including benefits (capped at a maximum monthly salary of MMK300,000), in local currency or US dollars, depending on the currency in which the employee is paid. Hence, the maximum monthly contribution for an employee is MMK6,000, and for an employer it is MMK9,000 per employee. The employer is responsible for deducting the contribution from the employee's salary and paying the amount to the social security board.

## Undisclosed source of income

Income escaping assessment will be subject to income tax at 30% for both citizens and foreigners before deduction of prescribed tax reliefs and allowances mentioned under the PIT section.

However, if the citizen can disclose source for income used for buying, constructing or acquiring any capital assets or establishing a new business or expanding an existing business, the portion of income that source can be proved shall be deducted from the total undisclosed income and the balance of the undisclosed income will be taxed at the progressive rates mentioned in the table below.

No.	Income (MMK)	Income Tax Rate
a.	1 - 100,000,000	3%
b.	100,000,001 - 300,000,000	5%
c.	300,000,001 - 1,000,000,000	10%
d.	1,000,000,001 - 3,000,000,000	15%
e.	3,000,000,001 and above	30%

## Rental income

If income is derived from lease of land, buildings or apartments for individual taxpayers, such income will be subject to income tax at 10% after deduction of prescribed tax reliefs and allowances.

For state-owned enterprises, businesses and companies operating under permits issued by the MIC, or cooperative societies, income tax shall be charged at the applicable rates specified for that particular category of taxpayers.

## Double Taxation Agreement

Myanmar has Double Taxation Agreements (“DTAs”) in force with eight countries: the United Kingdom, Singapore, Malaysia, Thailand, Vietnam, India, the Republic of Korea, and Laos, with a number of other DTAs in the draft stage, including Indonesia and Bangladesh. Accordingly, the income tax imposts may be reduced by any DTAs that are currently in effect.

The relief under the applicable DTA is not automatically granted and the taxpayer concerned must submit their arguments and evidence to the IRD for review before their income tax becomes due. In other words, applications for DTA relief must be approved before 30 September in each financial year. Certificate of Residence will be required in a DTA application.



# Commercial Tax

## Overview

Commercial tax (“CT”) is levied on four types of activities:

- Local production and sale of goods
- Importation of goods
- Trading
- Provision of services

## Non-taxable goods and services

There are 42 goods exempted from CT, and the majority of the exempted goods are agricultural goods and related products (see Annex 2 (Page 30) for details). All kinds of services rendered in Myanmar are subject to CT at 5%, except 32 types of exempted services (see Annex 3 (Page 35) for details).

## Revenue threshold for charging and paying CT

Taxpayers whose revenue from trading, sale of goods and services in a year exceeds the minimum threshold of MMK50 million are obliged to charge, collect and pay CT to the IRD. A year means twelve months from the commencement of business including the month of commencement of business.

## Registration

Apart from importation, any person (including non-residents) who is performing the abovementioned activities that are subject to CT is required to register for CT one month in advance of the commencement of business. CT on importation will be collected by the Customs Department together with customs duty. In addition, if a taxpayer wishes to offset input CT (i.e., CT paid on the purchase of goods and services) against their output CT (i.e., CT charged on the sale of goods and services), the taxpayer is required to be registered with the relevant Internal Revenue Department for CT purposes.

## Rates of tax

Below is a summary of the applicable CT rates:

Activities	CT Rate
Importation	5% unless exempted
Local manufacturing	5% unless exempted
Trading	5% unless exempted
Exportation	Zero rated, unless crude oil 5% and electricity 8%

Activities	CT Rate
Services rendered in Myanmar	5% unless exempted
Real estate	
- lease	5%
- sale of building	3%
Importation and sale of jewelries made with gold	1%

## Basis of taxation

The tax base is the sale or service proceeds including Specific Goods Tax (if applicable) from trading, rendering services, local production or sales of goods. For imports, the tax base is the CIF (cost, insurance and freight) value, customs duty and SGT (if applicable).

## Offsetting input and output CT

All input CT can be offset against output CT apart from the input CT paid for purchase and construction of fixed assets or capital assets. In addition, input CT paid on damaged goods and unsold goods cannot be offset against output CT. If there is more input CT than output CT at the end of the income year, the unutilized input CT cannot be carried forward or will not be refunded by the IRD. However, such input CT can be deducted as a business expense when calculating CIT. Please note that unutilized input CT on rental fees, unsold goods and unutilised raw materials can be carried forward to next income year subject to IRD's approval. We also note that input CT paid on the purchase of jewelry made with gold cannot be offset against output CT on the sale and exportation of such jewelry.

# Specific Goods Tax

## Overview

Myanmar introduced a Specific Goods Tax (“SGT”), effective from 1 April 2016. SGT is imposed on:

- The import of specific goods into Myanmar
- The local production of specific goods
- The export of specific goods overseas

Therefore, importers, producers and exporters of specific goods are subject to paying SGT. There are 14 types of specific goods.

## SGT exemptions

There are a number of SGT exemptions, including an exemption for the export of specific goods temporarily imported for the purpose of re-exporting in the same condition.

## Revenue threshold for charging and paying SGT

Apart from the local production of tobacco, cheroots and cigars that does not exceed the minimum threshold of MMK20 million, there is no threshold for other types of specific goods.

## Registration

Importers, producers and exporters of specific goods must register with the relevant IRD.

## Rates of tax

SGT rates are announced on a yearly basis in the UTL. Please refer to Annex 4 (Page 38) for current SGT rates imposed on local production and importation as per the UTL 2018 - 2019.

The SGT rates for exportation are mentioned in Annex 5 (Page 42).

## **Basis of taxation**

The SGT basis for importation is the landed value of the specific goods. For local production of specific goods which are taxable as per price range, the basis is the greater of the factory sales price or the sales price as estimated and specified by the Director General and Management Committee of the IRD. For local production of specific goods which are not taxable as per price range will be assessed based on the value determined Management Committee of the IRD. However, the value determined by the IRD for locally produced specific goods which are not taxable as per price range would be similar to the landed value of similar goods imported from overseas.

## **Offsetting input and output SGT**

Input SGT can be offset with output SGT.

## Jewelry Tax

### Overview

All gems and jewelries are excluded from specific goods category and will now be subject to Jewelry Tax under the Myanmar Gemstone Law. Jewelry Tax will be based on the higher value among the sales price of the seller and the sales price determined by the Myanmar Gems Enterprise based on the actual sales prices. For imported gems, Jewelry Tax will be based on the landed value. Please refer to below table regarding Jewelry Tax rates.

No.	Type of gems	Tax rate
1.	Raw jade	11%
2.	Raw gemstones of ruby, sapphire, and other precious raw gemstones, except diamonds and emeralds	9 %
3.	Finished gemstones of jade, ruby, sapphire and other finished precious gemstones, either loose or in jewelry, except diamonds and emeralds	5%
4.	Goods made with gemstones	5%

## Tax Compliance Requirements

The financial year in Myanmar is from 1 October to following 30 September.

### Compliance timelines and penalties

Tax	Payment	Filing	Penalty
CIT	Payments quarterly, within 10 days after the end of each quarter	Annual return within 3 months after the income year-end (i.e., 31 December)	<ul style="list-style-type: none"> <li>- Late payment - 10% of unpaid tax due</li> <li>- Late return filing - the higher of either:                             <ul style="list-style-type: none"> <li>- 5% of payable tax and 1% of payable tax for each or part of the month during which the failure to file continues; or</li> <li>- MMK 100,000</li> </ul> </li> </ul>
WHT	Payment within 7 days of payments to suppliers. In practice, the returns and payments can be done on a monthly basis.		<ul style="list-style-type: none"> <li>- Late payment - 10% of payable WHT amount</li> <li>- Failure to deduct WHT – IRD will consider the payer as a defaulter and will recover payable WHT amount from the payer</li> </ul>
CT	Payment on a monthly basis within 10 days after the month-end	Quarterly, within one month of the end of each quarter and annual returns within 3 months after the income year end (i.e., 31 December)	<ul style="list-style-type: none"> <li>- Late payment - 10% of unpaid tax due</li> <li>- Late return filing - the higher of either:                             <ul style="list-style-type: none"> <li>- 5% of payable tax and 1% of payable tax for each or part of the month during which the failure to file continues; or</li> <li>- MMK 100,000</li> </ul> </li> </ul>

Tax	Payment	Filing	Penalty
PIT	Payments within 10 days after the month- end	Annual return within 3 months after the income year end (i.e., 31 December)	<ul style="list-style-type: none"> <li>- Late payment - 10% of unpaid tax due</li> <li>- Late return filing - the higher of either:               <ul style="list-style-type: none"> <li>- 5% of payable tax and 1% of payable tax for each or part of the month during which the failure to file continues; or</li> <li>- MMK 100,000</li> </ul> </li> </ul>
SGT	Payment on a monthly basis, within 10 days after the month-end	Quarterly, within 10 days after the quarter-end	<ul style="list-style-type: none"> <li>- Late payment - 10% of unpaid tax due</li> <li>- Late return filing - the higher of either:               <ul style="list-style-type: none"> <li>- 5% of payable tax and 1% of payable tax for each or part of the month during which the failure to file continues; or</li> <li>- MMK 100,000</li> </ul> </li> </ul>
CGT	Payments within 30 days from the date of transfer or sale of capital assets	Transaction CGT filing – within 30 days from the date of transfer of capital assets	<ul style="list-style-type: none"> <li>- Late payment - 10% of unpaid tax due</li> <li>- Late return filing - the higher of either:               <ul style="list-style-type: none"> <li>- 5% of payable tax and 1% of payable tax for each or part of the month during which the failure to file continues; or</li> <li>- MMK 100,000</li> </ul> </li> </ul>

## Other Taxes

### Stamp Duty

The Stamp Act, as amended on 1 April 2014, is the fundamental legislation in respect of stamp duty (“SD”) obligations. The main purpose of levying SD is to give legal effect to chargeable instruments. Chargeable instruments are documents that create, transfer, extinguish or record rights or obligations. As a general rule, SD is levied on all chargeable instruments, unless explicitly exempted.

If the SD is not paid at the time of execution of the instruments or within one month (in practice) of their execution, the IRD will impose a penalty of either 500MMK or three times the amount of the overdue SD.

Please refer to Annex 6 for (Page 43) detailed SD rates.

### Property Tax

The fundamental legislation for property tax (“PT”) is the Yangon City Development Law 2018 and Yangon City Development Committee (“YCDC”) was created to administer these laws and collect PT. PT only applies to certain land, buildings or land and buildings (“**premises**”) located within the territory of Yangon (Territory); in other areas of Myanmar, for instance Mandalay or Nay Pyi Taw, PT is administered in accordance with relevant local regulations.

PT includes four categories of taxes: miscellaneous tax, lighting tax, water tax and sanitation tax. PT is levied on the annual value of land or premises in question but subject to different tax rates and is payable once in a year. The rates and calculation of PT depend on the purposes of use of the premises. The general user of the premises is liable to pay PT on an annual basis once YCDC has already assessed the annual value of the premises.

### Customs Duty

In Myanmar, customs duty is levied in accordance with the Sea and Land Customs Act. Customs duty is levied on Assessment Value and is payable according to the tariff schedule listed by HS code published by the Customs Department.



## Investment Incentives

### Myanmar Investment Commission incentives

An investment license issued by the MIC for qualified projects provides a number of advantages that have been specified in the Myanmar Investment Law 2016, as outlined in the chart below.

No.	Advantage	Description
1	CIT holiday	Only promoted business activities mentioned under MIC Notification 13/2017 is entitled to apply for income tax holiday. Depending on the investment zone, the CIT holiday period can be 7 years (Zone 1), 5 years (Zone 2) and 3 years (Zone 3).
2	Tax-free profit if reinvested	Profit which is reinvested within one year is exempt from CIT, including the profit reinvested in another similar type of business
3	Depreciation	Accelerated depreciation may be allowed to start from the date of commercial operation
4	Equal income tax rate	Income tax rates on foreign investors are the same as on resident citizens
5	R&D deduction	Right to deduct R&D costs from assessable income
6	Exemption for imports of machinery, equipment, materials, spare parts, construction materials that cannot be purchased locally	Exemption from customs duty and other local taxes during the construction period and expansion period of the project
7	Exemption for raw materials and semi-finished goods	Exempt from customs duty and other local taxes for businesses which export their entire production
8	Refund of tax and duty in case of export	When goods are exported, refund of customs duty and other local taxes paid on the import of the raw materials and semi-finished goods of those goods that are exported

## Special Economic Zone incentives

There are two main zones under the Special Economic Zone (“SEZ”) Law, and businesses investing in an SEZ are provided with a number of advantages, as listed in the chart below.

Exemptions & Relief	Free/Exempt Zone <sup>#</sup>	Promotion Zone <sup>#</sup>
Tax holiday	7 years of CIT exemption from the start of commercial operations	5 years of CIT exemption from the start of commercial operations
	CIT rate reduction of 50% for the following 5-year period	CIT rate reduction of 50% for the second 5-year period
	50% of the profits exempted for the next 5-year period (requires reinvestment of profits within 1 year)	50% of the profits exempted for the third 5-year period (requires reinvestment of profits within 1 year)
Customs duty and other taxes	Exemption from customs duty and other taxes on imports of: raw materials to be used in production; machinery and spare parts; construction materials to construct a factory, warehouse, and offices; and vehicles and other equipment required for the business	Exemption from customs duty and other taxes for 5 years and a 50% reduction for another 5 years on imports of: equipment and spare parts to be used in the business (and not for trading purposes); construction materials to construct a factory, and warehouse; vehicles and other equipment required for the business
		Can apply for a refund of the customs duty and other taxes paid on the import of raw materials, provided semi-finished or finished goods are exported
Carry forward and set off of losses	Can be carried forward for 5 years	Can be carried forward for 5 years

<sup>#</sup> Free/Exempt Zone is for export and Promotion Zone is for domestic sales orientated business.

## Investment and Free Trade Agreements

Myanmar has signed the ASEAN Comprehensive Investment Agreement (“**ACIA**”) with other nine ASEAN member states (“**ASEAN**”) in 2012. In addition, ASEAN has signed Free Trade Agreements (“**FTA**”) with China, South Korea, Australia/New Zealand and India. Therefore, Myanmar has FTA with four countries.

Myanmar has Bilateral Investment Treaties (“**BIT**”) with 12 countries which include Israel, South Korea, the United States of America, Indonesia, Japan, India, Thailand, Kuwait, Laos, China, Vietnam, Philippines.

## Annex 1: Tax Depreciation Schedule

No.	Type of capital asset		Percentage of the original value
1	Building		
	a	First-class reinforced concrete buildings	
		1    Factory buildings	2.5
		2    Other buildings	1.25
	b	Second-class brick buildings	
		1    Factory buildings	5
		2    Other buildings	2.5
	c	Wooden buildings with tiled or CGI sheet roofs	
		1    Factory buildings	10
		2    Other buildings	5
	d	Buildings made of bamboo and thatch	Repair cost shall be allowed as a current expenditure
2	Furniture and fixtures		
	a	Miscellaneous	5 (No depreciable amount is allowed for crockery, glassware, linen and plastic sheets. The cost of replacing them will be allowed as a current expenditure.)
	b	Furniture, fixtures, silverware and kitchenware used in hotels, cinemas and apartments	6.25
	c	Musical instruments used in hotels, theaters and cinemas	10

## Tax Depreciation Schedule (cont.)

No.	Type of capital asset	Percentage of the original value
3	Machinery	
	a Miscellaneous	5
	b Specific depreciable amounts shall be allowed for the following:	
	1 Rice mills	6.25
	2 Wheat flour mills	6.25
	3 Oil mills	6.25
	4 Ice factories	6.25
	5 Soft drink factories	6.25
	6 Coffee factories	6.25
	7 Black tea factories	6.25
	8 Distillery	6.25
	9 Bakery and biscuit factories	6.25
	10 Noodle, vermicelli, etc. factories	6.25
	11 Flour mills	6.25
	12 Canneries	6.25
	13 Tanneries	6.25
	14 Shoe factories	6.25
	15 Dry cell factories	6.25
	16 Glue factories	6.25
	17 Soap factories	6.25
	18 Candle factories	6.25
	19 Rope-making factories	6.25
	20 Aluminum kitchenware factories	6.25
	21 Tin container factories	6.25
	22 Plasticware factories	6.25
	23 Sawmills	6.25
	24 Quicklime kilns	6.25

## Tax Depreciation Schedule (cont.)

No.	Type of capital asset			Percentage of the original value
		25	Electric appliance factories	6.25
		26	Rock wares factories	6.25
		27	Smelting factories (except iron smelting)	6.25
		28	Lathe machines	6.25
		29	Dockyard machinery	6.25
		30	Pulse and bean husking and splitting mills	6.25
	c	1	Oil cake factories	10
		2	Chemical substance factories	10
		3	Bleaching and dyeing factories	10
		4	Rubber product factories	10
		5	Brick kilns	10
		6	Roof tile factories	10
		7	Wire and nail factories	10
		8	Textile mills	10
		9	Salt kilns	10
4	Machines and equipment			
	a	Overhead cables (big)		2.5
	b	1	Generators	6.25
		2	Electric transmitters	6.25
		3	Underground cables (big)	6.25
		4	Elevators	6.25
		5	General electrical appliances	6.25
		6	Metal plating machines	6.25
		7	Machines used for repair and maintenance	6.25
		8	Printing machines	6.25
		9	Air compressors and pneumatic machines	6.25
	c	Ice-cream makers		10

## Tax Depreciation Schedule (cont.)

No.	Type of capital asset		Percentage of the original value
	d	Machines used for movie production and projection	12.5
	e	X-ray and therapeutic apparatuses	20
5	Water transportation		
	a	Non-motorized iron-hulled vessels	5
	b	Motorized iron-hulled vessels	6.25
	c	Wood-hulled vessels	10
6	Road transport vehicles		
	a	1 Motor vehicles	12.5
		2 Bicycles and trishaws	12.5
	b	Taxis, trucks, buses and non-motorized vehicles	20
7	Miscellaneous		
	a	1 Office equipment	10
		2 Weighing machines	10
		3 Other machines and instruments used in workshops and factories	10
		4 Garment and headgear-making machines	10
		5 Machines used to produce leather and canvas products	10
		6 Refrigerating machines	10
		7 Machines used for construction	10
		8 Machines used to produce ironware for construction and household use	10
		9 Machines used by mines	10
		10 Hand-weaving looms	10
	b	1 Sugar cane juice making machine	12.5
		2 Surgical tools	12.5
	c	1 Machines used for mechanized farming	20
		2 Cranes	20

## Tax Depreciation Schedule (cont.)

No.	Type of capital asset		Percentage of the original value
8	Other miscellaneous items for work purposes		
a	1	Airplanes	12.5
	2	Machines used for data compilation and calculators	10
	3	Articles used by actors	20
	4	Recording and amplifying apparatuses	10
	5	Bottle cleaners	10
	6	Carton box making machines	6.25
	7	Breweries and distilleries	5
	8	Cameras and photographic items	10
	9	Cement factories	6.25
	10	Chemical substance factories	6.25
	11	Computerized machines	20
	12	Cotton crushing machines	6.25
	13	Condensed milk factories	10
	14	Duplicators and photocopiers	10
	15	Iron smelting machines	5
	16	Glass factories	6.25
	17	Pesticide factories	
	18	Knitting machines	
	19	Laundry and dyeing work	
		- General use equipment	10
		- Washing machines	12.5
	20	Match factories	5
	21	Oil and gas companies	
		- Machines and equipment	5
		- Pipelines	5
		- Drilling equipment	20



## Tax Depreciation Schedule (cont.)

No.	Type of capital asset	Percentage of the original value
	- Drilling platforms	10
	- Geophysical testing equipment	10
	- Seismic monitoring equipment	10
	- Other testing equipment	10
22	Oxygen and acetylene making machines	5
23	Paint and varnish making machines	6.25
24	Chicken meat processing machines	6.25
25	Sewing machines	10
26	Paint spraying machines	10
27	Sugar making machines	6.25
28	Tarpaulin (canvas or plastic) machines	12.5
29	Television	
	- Antennas	2.5
	- Other equipment	12.5
	- Receivers	
	(a) General	10
	(b) Rental	12.5
30	Roof tile machines	10
31	Typewriters (electric and manual)	10
32	Umbrella making machines	10
33	Vacuum cleaners	10
34	Video	
	- Game machines	20
	- Other video machines	10
35	Washing machines	12.5

## Annex 2: Commercial Tax-exempted Goods

No.	Type of goods
<b>Food Stuffs</b>	
1	Paddy, rice, broken rice, fine bran, coarse bran, husk, fine and coarse wheat bran, and wheat seeds, various types of maize and their seeds
2	Varieties of whole and split pulses and beans, and their flour, bran and husks, Groundnuts, shelled and unshelled, Sesame, Niger, residual oil-cake of groundnut, sesame, cotton seed, rice bran etc.
3	Onions, garlic, potatoes, spices (leaves, fruit, seeds, bark) and spice mixtures (masala), chili, chili powder, turmeric and turmeric powder, ginger, ripe tamarind, various types of salt
4	Fresh assorted fruits and vegetables
5	Fresh tea leaves, dried tea leaves, dried shredded tea leaves, processed and packaged dried tea leaves
6	Fresh fish, fresh prawns, fresh meat and various types of eggs (chicken, duck, etc.)
7	Groundnut oil, sesame oil
8	Sugarcane, sugar, jaggery, brown slab sugar, various types of milk and dairy products, condensed milk, evaporated milk, various types of milk powder, yoghurt and soy milk
9	Varieties of fish sauce ( <i>ngan-pya-ye</i> ), Various types of dried fish and dried prawns, Various types of pickled fish and pickled prawns, Coarse fish and prawn powder, Various types of fish paste ( <i>ngapi</i> )
<b>Agriculture and Livestock Related Goods</b>	
10	Mulberry leaves, Silk cocoons
11	Live animals, fish and prawns, terrestrial animals, aquatic animals, amphibians, their eggs, their embryos, their offspring, and specimens from them, aquatic plants and seeds, seedlings, algae, and moss

## Commercial Tax-exempted Goods (cont.)

No.	Type of goods
12	Soil, fertilizers including chemical fertilizers used for growing plants and enhancing fructification in agricultural activities, various types of agricultural insecticides, herbicides, fungus, bacteria, nematodes and other plant protection agrochemicals, various types of fumigations used in livestock farms (mosquito coils and sprays, and rat poison not included), animal, fish and prawn medicines, veterinary preventive medicines (including the medicines and preventive medicines approved by the Ministry of Agriculture, Livestock and Irrigation Development and medicines licensed by Livestock Breeding and Veterinary Department), raw and finished materials for animal, fish and prawn feed (excluding food for pets).
13	Palm oil, sunflower seeds, cotton seeds, pumpkin seeds, melon seeds, cashew nuts, areca (betel) nuts, areca (betel) nuts shells, quality crop and vegetable seeds and plants
14	Raw cotton, cotton (assorted), cardamom, thanakha and agricultural products not specified elsewhere, coconut oil (not palm oil)
15	Coconut yarn
16	Firewood, bamboo, raw and processed cane, fuel block as an alternative to firewood
<b>Goods used in offices and schools</b>	
17	Sealing wax, assorted stamps (including revenue stamps)
18	National flag
19	Slate, slate pencils, and chalk, Graphite (lead) used for the production of pencils
20	Various types of school textbooks, education and technical reference books that can be used by schools, universities and colleges, exercise books and drawing books, literature, magazines, journals and newspapers, and paper for the production of such books (between 40 gsm and 80 gsm only) and all sorts of pencils, various types of rulers, erasers, sharpeners.

## Commercial Tax-exempted Goods (cont.)

No.	Type of goods
<b>Health Related Goods</b>	
21	Medicinal herbal plants
22	Honey, beeswax
23	X-ray film, X-ray paraphernalia, and other medical equipment prescribed by the Health Department, Medical equipment, cotton, cloth, bandages, dressing kits used in hospitals, masks, surgical gloves, masks that are used in prevention of influenza virus various types of household medicine, and other pharmaceuticals and various types of traditional medicines (medicines licensed or registered under the Food and Drug Administration which are not prohibited by any law and regulations including raw materials for medicine including raw materials for traditional medicine).
24	Condom
<b>Religions and Social Use Goods</b>	
25	Rosaries (except for rosaries made with precious gemstones), religious clothes (robes, etc.).
26	Fire engines, search and rescue vehicles and hearses
<b>Transportation Related Goods</b>	
27	Fuel sold to foreign embassies, United Nations organizations and foreign diplomats by the Ministry of Electricity and Energy
28	Jet fuel to be used for both international and domestic flights
29	Airplane and helicopter engines, equipment, accessories, and parts thereof
<b>Industrial Goods</b>	
30	Bleaching substances (only those that use hydrochloride for bleaching), raw materials to produce detergent, raw materials to produce soap and raw soap.
31	jute and other types of fibers, rubber, tragacanth gum

## Commercial Tax-exempted Goods (cont.)

No.	Type of goods
32	Agricultural and livestock equipment; agricultural and livestock machinery and their spare parts; tractors; equipment used together with humans or animals or machine power only for preparing the land and harvesting, threshing and drying; machines and spare parts (except for motor vehicles that are required to be licensed as per the Motor Vehicle Law); various livestock equipment and tools, machinery and spare parts used for livestock; semen (including frozen semen), sperm, and eggs used for artificial insemination for livestock improvement, embryos, and equipment for artificial insemination.
33	Solar panels, solar charger controllers, and solar inverters
34	Raw materials or sub-assemblies; packaging materials for finished goods; machines; and tools and machinery as well as their respective spare and extra parts that are not for resale and sent by clients from abroad for the purpose of producing any finished goods on a contract manufacturing basis.
<b>Defense Related Goods</b>	
35	Weapons, vehicles, machinery, materials, equipment and their spare parts used by defense and security forces of the Union, various types of gunpowder, dynamite and any other materials for civilian purposes (only the products which are permitted by the office of Defense in Chief (Army), goods for the armed forces bought using the allotted budget of the Ministry of Defense
<b>Gemstones and Mineral Resources Related Goods</b>	
36	Blocks of pure gold (standard gold bars, gold blocks and gold coins), raw gemstones and finished gemstones of jade, ruby, sapphire sold at local Myanmar Gems Emporiums held by the Union Government
37	Oil dregs
<b>Miscellaneous Goods</b>	
38	Goods to be sold at duty-free shops to passengers leaving the country.

## Commercial Tax-exempted Goods (cont.)

No.	Type of goods
39	Goods to be used under the principle of reciprocity by foreign embassies or consulates, their members, and staff who are not ambassadors which are approved by the Ministry of Planning and Finance by issuance of a Notification as per proposal of the Ministry of Foreign Affairs under the permission of Union Government.
40	Goods purchased with cash donations or contributions given to the State by the local or foreign organizations
41	Goods exempt from taxes as stated by the Pyidaungsu Hluttaw because of State requirements
42	Goods imported under temporary admission or on a drawback basis in accordance with the customs procedures

## Annex 3: Commercial Tax-exempted Services

No.	Type of service
<b>Foreign Affair Sector</b>	
1	Services received under the principle of reciprocity by foreign embassies or consulates, their members, and staff who are not ambassadors which are approved by the Ministry of Planning and Finance by issuance of a Notification as per proposal of the Ministry of Foreign Affairs under the permission of Union Government.
<b>Defense Sector</b>	
2	Publication service by the Security Press of the Ministry of Defense
<b>Religions and Cultural Affairs Sector</b>	
3	Culture and arts services
<b>Transportation Sector</b>	
4	Parking lot rental services
5	Haulage (cargo transportation) services (transportation services by train, motor vehicle, water vehicle, airplane, and crane except transportation via pipelines)
6	Moving services
7	Toll collection services
8	Domestic and international air passenger transportation services
9	Public transport services
10	Postal service provided by the Union Government
<b>Education and Information Sector</b>	
11	Education Services
12	Publishing services for books, magazines, journals, and newspapers
<b>Health Sector</b>	
13	Healthcare services except cosmetic surgery
14	Traditional massage and massage by the blind
15	Animal healthcare services
16	Public toilet entrance fee collection services

## Commercial Tax-exempted Services (cont.)

No.	Type of service
<b>Planning and Finance Sector</b>	
17	Life Insurance Services
18	Microfinance services
19	Capital market services
20	Banking and financial services conducted with the permission of the Central Bank of Myanmar
21	Customs and port clearance services
22	Lottery business
<b>Ministry of Social Welfare, Relief and Resettlement</b>	
23	Catering equipment rental services
24	Funeral services
25	Childcare and nursery services
<b>Industrial and Electrical Sector</b>	
26	Services provided on a contract manufacturing basis
27	Industrial agriculture services
28	Private small-scale electricity production and distribution services provided to regions that are not connected to the national grid yet
<b>Miscellaneous Sector</b>	
29	License fees paid to government organizations in order to obtain any license
30	Services exempt by the Pyidaungsu Hluttaw because of State requirements
31	Services received using donations or contributions to the Union by the local and foreign organizations



## Commercial Tax-exempted Services (cont.)

No.	Type of service
32	Interdepartmental services between the President's Office, Union Government Office, Pyidaungsu Hluttaw Office, Pyithu Hluttaw Office, Amyotha Hluttaw Office, Union Supreme Court Office, Constitutional Tribunal Office, Union Election Commission Office, Union Attorney General Office, Union Auditor General Office, Union Civil Service Board Office, Nay Pyi Taw Council Office, Union Ministries, Central Bank of Myanmar, Social Security Board, Region or State Government Offices, government departments, etc. (except services provided to or received by state-owned economic enterprises)

## Annex 4: Specific Goods Tax rates for local production and importation

No.	Type of Specific goods	Price range	Tax rate
1	(a) Cigarettes, all types	Up to a sales price of MMK 600 per pack of 20 cigarettes	MMK 8 per cigarette
	(b) Cigarettes, all types	For a sales price of MMK601 to MMK 800 per pack of 20 cigarettes	MMK 17 per cigarette
	(c) Cigarettes, all types	For a sales price of MMK 801 to MMK 1,000 per pack of 20 cigarettes	MMK 22 per cigarette
	(d) Cigarettes, all types	For a sales price of MMK 1,001 and above per pack of 20 cigarettes	MMK 25 per cigarette
2	Tobacco		60%
3	Virginia tobacco, cured		60%
4	Cheroot		MMK 75 Pyas per cheroot
5	Cigars		80%
6	Pipe tobacco		80%
7	Betel quid preparations		80%
8	(a) Liquor, all types	MMK 200 to MMK 1,000 per liter	MMK 170 per liter
	(b) Liquor, all types	MMK 1,001 to MMK 2,000 per liter	MMK 424 per liter
	(c) Liquor, all types	MMK 2,001 to MMK 3,000 per liter	MMK 707 per liter
	(d) Liquor, all types	MMK 3,001 to MMK4,000 per liter	MMK 990 per liter

## Specific Goods Tax rates for local production and importation (cont.)

No.	Type of Specific goods	Price range	Tax rate
	(e) Liquor, all types	MMK 4,001 to MMK 5,000 per liter	MMK 1,273 per liter
	(f) Liquor, all types	MMK 5,001 to MMK 6,000 per liter	MMK 1,555 per liter
	(g) Liquor, all types	MMK 6,001 to MMK 7,000 per liter	MMK 1,838 per liter
	(h) Liquor, all types	MMK 7,001 to MMK 8,000 per liter	MMK 2,121 per liter
	(i) Liquor, all types	MMK 8,001 to MMK 9,000 per liter	MMK 2,404 per liter
	(j) Liquor, all types	MMK 9,001 to MMK 10,000 per liter	MMK 2,686 per liter
	(k) Liquor, all types	MMK 10,001 to MMK 11,000 per liter	MMK 2,969 per liter
	(l) Liquor, all types	MMK 11,001 to MMK 12,000 per liter	MMK 3,252 per liter
	(m) Liquor, all types	MMK 12,001 to MMK 13,000 per liter	MMK 3,535 per liter
	(n) Liquor, all types	MMK 13,001 to MMK 14,000 per liter	MMK 3,817 per liter
	(o) Liquor, all types	MMK 14,001 to MMK 15,000 per liter	MMK 4,100 per liter
	(p) Liquor, all types	MMK 15,001 and above per liter	60% of the value per liter
9	Beer, all types		60%
10	(a) Wine, all types	Up to MMK 750 per liter	MMK 81 per liter
	(b) Wine, all types	MMK 751 to MMK1,500 per liter	MMK 244 per liter

## Specific Goods Tax rates for local production and importation (cont.)

No.	Type of Specific goods	Price range	Tax rate
	(c) Wine, all types	MMK 1,501 to MMK 2,250 per liter	MMK 406 per liter
	(d) Wine, all types	MMK 2,251 to MMK 3,000 per liter	MMK 569 per liter
	(e) Wine, all types	MMK 3,001 to MMK 3,750 per liter	MMK 732 per liter
	(f) Wine, all types	MMK 3,751 to MMK 4,500 per liter	MMK 894 per liter
	(g) Wine, all types	MMK 4,501 to MMK 6,000 per liter	MMK 1,138 per liter
	(h) Wine, all types	MMK 6,001 to MMK 7,500 per liter	MMK 1,463 per liter
	(i) Wine, all types	MMK 7,501 to MMK 9,000 per liter	MMK 1,788 per liter
	(j) Wine, all types	MMK 9,001 to MMK 10,500 per liter	MMK 2,113 per liter
	(k) Wine, all types	MMK 10,501 to MMK 13,500 per liter	MMK 2,600 per liter
	(l) Wine, all types	MMK 13,501 to MMK 16,500 per liter	MMK 3,250 per liter
	(m) Wine, all types	MMK16,501 and above per liter	50% of the value per liter
11	Timber logs, wood cuttings		5%

## Specific Goods Tax rates for local production and importation (cont.)

No.	Type of Specific goods	Price range	Tax rate
12	(a) 1501 CC to 2000 CC vans, saloons, sedan and Estate Wagon, Coupe, except Double Cab 4 Door Pickup		10%
	(b) 2001 CC to 4000 CC vans, saloons, sedan and Estate Wagon, Coupe, except Double Cab 4 Door Pickup		30%
	(c) 4001 CC and above vans, saloons, sedan and Estate Wagon, Coupe, except Double Cab 4 Door Pickup		50%
13	Kerosene, gasoline, diesel, and jet fuel		5%
14	Natural gas		8%

## Annex 5: Specific Goods Tax rates for export

No.	Specific Goods	Tax rate
1	Timber logs, wood cuttings	10%

## Annex 6: Selected Stamp Duty Schedules

### Agreements and Counterparts

Description of Instrument	Proper Stamp-duty
<b>AGREEMENT OR MEMORANDUM OF AGREEMENT :-</b>	
a. if relating to the sale of a bill of exchange;	kyat 50
b. if relating to the sale of a Government security or share in an incorporated company or other body corporate;	Subject to a maximum of kyat 10,000, kyat 25 for every kyat 100,000 or part thereof of the value of the security or share.
c. if relating to joint venture agreement, production or profit sharing contract, construction agreement or other similar agreement or contract;	One per centum on the amount or value of the subject matters. Provided that the maximum duty shall be Kyat 150,000.
d. if not otherwise provided for.	kyat 300
<b>Exemptions</b>	
Agreement or memorandum of agreement:- a. for or relating to the sale of goods or merchandise exclusively, not being a NOTE OR MEMORANDUM chargeable under No.43; b. made in the form of tenders to the Government of the Union of Myanmar for or relating to any loan; c. made under the Land Acquisition Act. <b>d. AGREEMENT TO LEASE See LEASE ( NO .35)</b>	

## Selected Stamp Duty Schedules (cont.)

Description of Instrument	Proper Stamp-duty
<p><b>AGREEMENT RELATING TO DEPOSIT OF TITLE-DEEDS, PAWN OR PLEDGE</b>, that is to say, any instrument evidencing an agreement relating to :-</p> <ol style="list-style-type: none"> <li>the deposit of title-deeds or instruments constituting or being evidence of the title to any property whatever (other than a marketable security) ;or</li> <li>the pawn or pledge of moveable property. Where such deposit, pawn or pledge has been made by way of security for the repayment of money advanced or to be advanced by way of loan or an existing or future debt :-</li> </ol>	
a. if such loan or debt is repayable on demand or more than three months from the date of the instrument evidencing the agreement;	The same duty as a Bill of Exchange [No.13(a)] for the amount secured (if payable on demand, 0.0065% of the amount or value; if payable otherwise than on demand, 0.5% of the amount or value).
b. if such loan or debt is repayable not more than three months from the date of such instrument.	Half the duty payable on a Bill of Exchange [No.13 (a)] for the amount secured.
<b>Exemptions</b>	
Instrument of pawn or pledge of goods if unattested	
<b>COUNTERPART OR DUPLICATE</b> of any instrument chargeable with duty and in respect of which the proper duty has been paid:-	
a. if the duty with which the original instrument is chargeable does not exceed kyat 150;	The same duty as is payable on the original.
b. in any other case.	kyat 100
<b>Exemptions</b>	



## Selected Stamp Duty Schedules (cont.)

Description of Instrument	Proper Stamp-duty
Counterpart of any lease granted to a cultivator when such lease is exempted from duty.	
<b>LETTER OF CREDIT</b> , that is to say, any instrument by which one person authorizes another to give credit to the person in whose favor it is drawn. <b>LETTER OF GUARANTEE.</b> See <b>AGREEMENT</b> (No.5).	kyat 200

## Bond

Description of Instrument	Proper Stamp-duty
<b>BOND</b> as defined by section 2(5), not being a <b>DEBENTURE</b> (No.27), and not being otherwise provided for by this Act or by the Court Fees Act –	0.5 per centum on the amount or value.
See <b>ADMINISTRATION-BOND</b> (No.2), <b>BOT TOMRY BOND</b> (No.16), <b>CUSTOMS BOND</b> (No.26), <b>INDEMNITY-BOND</b> (No.34), <b>RESPONDENTIA BOND</b> (No.56), <b>SECURITY BOND</b> (No.57).	
<b>Exemptions</b>	
Bond, when executed by - Any person for the purpose of guaranteeing that the local income derived from private subscriptions to a charitable dispensary or hospital or any other object of public utility shall not be less than a specified sum per mensem.	

## Selected Stamp Duty Schedules (cont.)

### Conveyance, lease, mortgage and re-conveyance

Description of Instrument	Proper Stamp-duty
<b>CONVEYANCE</b> , as defined by section 2(10) not being a <b>TRANSFER</b> charged or exempted under No.62-	Two per centum on the amount or value (additional 2% if relates to immovable property).
<b>Exemptions</b>	
Assignment of copyright made under the Myanmar Copyright Act. <b>CO-PARTNERSHIP-DEED</b> . See <b>PARTNERSHIP</b> (No.46)	
<b>FURTHER CHARGE:-</b> Instrument of, that is to say, any instrument imposing a further charge on mortgaged property:-	The same duty as a <b>CONVEYANCE</b> (No.23) ( <u>2%</u> ) for a consideration equal to the amount of the further charge secured by such instrument.
a. when the original mortgage is one of the description referred to in Clause (a) of Article No.40 (that is, with possession);	
b. when such mortgage is, one of the description referred to in Clause (b) of Article No.40 ( that is, without possession): -	
i. if at the time of execution of the instrument of further charge possession of the property is given or agreed to be given under such instrument;	The same duty as a <b>CONVEYANCE</b> (No.23) ( <u>2%</u> ) for a consideration equal to the total amount of the charge (including the original mortgage and any further charge already made) less the duty already paid on such original mortgage and further charge.

## Selected Stamp Duty Schedules (cont.)

Description of Instrument	Proper Stamp-duty
ii. if possession is not given.	The same duty as a <b>Bond</b> (No.15) ( <u>0.5%</u> ) for the whole amount payable or deliverable under such instrument.
<b>LEASE</b> , including an under-lease or sub - lease and any agreement to let or sub - let:-	
a. where by such lease the rent is fixed and no premium is paid or delivered:-	
i. where the lease purports to be for a term of less than one year	The same duty as a <b>Bond</b> (No.15) ( <u>0.5%</u> ) for the whole amount payable or deliverable under such lease.
ii. where the lease purports to be for a term of not less than one year but not more than three years;	The same duty as a <b>Bond</b> (No.15) ( <u>0.5%</u> ) for the amount or value of the average annual rent reserved.
iii. where the lease purports to be for a term in excess of three years;	The same duty as a <b>CONVEYANCE</b> (No.23) ( <u>2%</u> ) for a consideration equal to the amount or value of the average annual rent reserved.
iv. where the lease does not purport to be for any definite term;	The same duty as a <b>CONVEYANCE</b> (No.23) ( <u>2%</u> ) for a consideration equal to the amount or value of the average annual rent which would be paid or delivered for the first ten years if the lease continued so long.

## Selected Stamp Duty Schedules (cont.)

Description of Instrument	Proper Stamp-duty
v. where the lease purports to be in perpetuity;	The same duty as a <b>CONVEYANCE</b> (No.23) ( <u>2%</u> ) for a consideration equal to the one-fifth of the whole amount of the rents which would be paid or delivered in respect of the first fifty years of the lease.
b. where the lease is granted for a fine or premium or for money advanced and where no rent is reserved;	The same duty as a <b>CONVEYANCE</b> (No.23) ( <u>2%</u> ) for a consideration equal to the amount or value of such fine or premium or advance as set forth in the lease.
c. where the lease is granted for a fine or premium or for money advanced in addition to rent reserved.	The same duty as a <b>CONVEYANCE</b> (No.23) ( <u>2%</u> ) for a consideration equal to the amount or value of such fine or premium or advance as set forth in the lease, in addition to the duty which would have been payable on such lease if no fine or premium or advance had been paid or delivered. Provided that, in any case when an agreement to lease is stamped with the ad valorem stamp required for a lease, and a lease in pursuance of such agreement is subsequently executed, the duty on such lease shall not exceed kyat 300.
<b>Exemptions</b>	

## Selected Stamp Duty Schedules (cont.)

Description of Instrument	Proper Stamp-duty
a. Lease executed in the case of a cultivator and for the purposes of cultivation (including a lease of trees for the production of food or drink), without the payment or delivery of any fine or premium, when a definite term is expressed and such term does not exceed one year, or when the average annual rent reserved does not exceed kyat 10,000.	
b. Leases of fisheries granted under the existing Laws.	
<b>MORTGAGE-DEED</b> , not being an <b>"AGREEMENT RELATING TO DEPOSIT OF TITLED EEDS, PAWN OR PLEDGE (No.6)", BOTTOMRY BOND (No.16), MORTGAGE OF A CROP (No.41), RESPONDENTIA BOND (No.56), OR SECURITY BOND (No.57):-</b>	
a. when possession of the property or any part of the property comprised in such deed is given by the mortgagor or agreed to be given;	The same duty as a <b>CONVEYANCE (No.23) (2%)</b> (Additional 2% if relates to immovable property) for a consideration equal to the amount secured by such deed.
b. when possession is not given or agreed to be given as aforesaid;	The same duty as a <b>BOND (No.15) (0.5%)</b> for the amount secured by such deed.
<b>Explanation</b>	
A mortgagor who gives to the mortgagee a power-of-attorney to collect rents or a lease of the property mortgaged or part thereof, is deemed to give possession within the meaning of this Article;	

## Selected Stamp Duty Schedules (cont.)

Description of Instrument	Proper Stamp-duty
c. when a collateral or auxiliary or additional or substituted security, or by way of further assurance for the abovementioned purpose, where the principal or primary security is duly stamped:-	
- for every sum secured not exceeding kyat 1,000,000; and	kyat 50
- for every kyat 100,000 or part thereof secured in excess of kyat 1,000,000.	kyat 50
<b>Exemptions</b>	
1. Instruments executed by persons taking advances under the existing relevant Laws, or by their sureties as security for the repayment of such advances.	
2. Letter of hypothecation accompanying a bill of exchange.	
<b>RECONVEYANCE</b> of mortgaged property or instrument of extinguishment of a mortgage.	Subject to the maximum of kyat 10,000 the same duty as a CONVEYANCE (No.23) ( <u>2%</u> ) (Additional 2% if relates to immovable property) for the amount of the consideration for the mortgage.

## Promissory Note

Description of Instrument	Proper Stamp-duty
<b>PROMISSORY NOTE</b> [as defined by section 2(22)]:-	
a. when payable on demand:-	
i. when the amount or value does not exceed kyat 25,000;	kyat 50

## Selected Stamp Duty Schedules (cont.)

Description of Instrument	Proper Stamp-duty
ii. when the amount or value exceeds kyat 25,000 but does not exceed kyat 100,000;	kyat 100
iii. in any other case.	kyat 150
b. when payable otherwise than on demand.	The same duty as a <b>BILL OF EXCHANGE</b> (No.13) for the same amount payable otherwise than on demand (if payable on demand, 0.0065% of the amount or value; if payable otherwise than on demand, 0.5% of the amount or value).

## Transfer

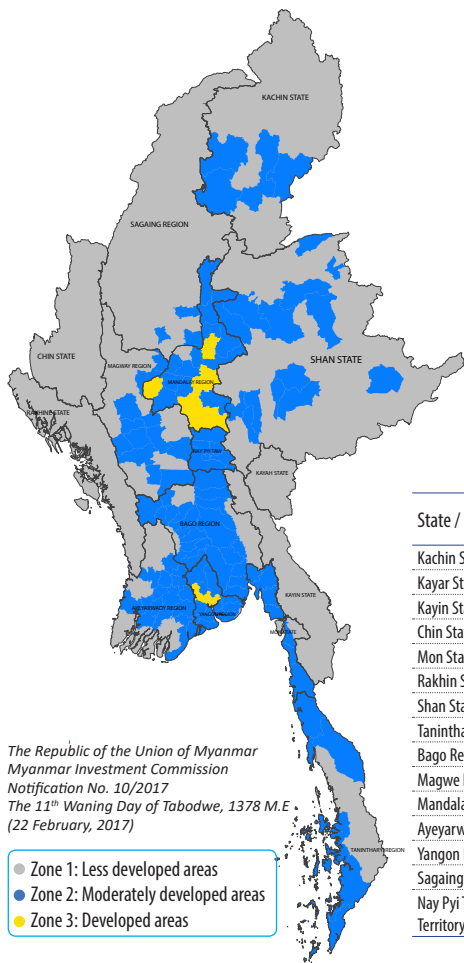
Description of Instrument	Proper Stamp-duty
<b>TRANSFER</b> ( whether with or without consideration ):-	
a. of shares in an incorporated company or other body corporate;	0.1 Per centum on the value of share.
b. of debentures, being marketable securities, whether the debenture is liable to duty or not, except debentures provided for by section 8;	0.1 Per centum on the fix amount of the debentures.
c. of any interest secured by a bond, mortgage-deed or policy of insurance:-	
i. if the duty on such bond, mortgage deed or policy does not exceed kyat 500;	The duty with which such bond, mortgage-deed or policy of insurance is chargeable.
ii. in any other case.	kyat 300
d. of any property under the Administrator General's Act, section 25;	kyat 300

## Selected Stamp Duty Schedules (cont.)

Description of Instrument	Proper Stamp-duty
e. of any trust -property without consideration from one trustee to another trustee or from a trustee to a beneficiary	300 kyat or such smaller amount as may be chargeable under clauses (a) to (c) of this Article
<b>Exemptions</b>	
Transfers by endorsement:-	
a. of a bill of exchange, cheque or promissory note; b. of a bill of lading, delivery order, warrant for goods, or other mercantile document of title to goods; c. of a policy of insurance; (d) of securities of the Government of the Union of Myanmar. <i>See also section 8.</i>	



## Annex 7: Classification of zones under Myanmar Investment Law



State / Region	Zone 1	Zone 2	Zone 3
Kachin State	14	4	
Kayah State	7	3	
Kayan State	7	7	
Chin State	8		
Mon State	2	8	
Rakhin State	17		
Shan State	41	14	
Tanintharyi Region	4		
Bago Region	7	23	
Magwe Region	13	12	
Mandalay Region	2	13	14
Ayeyarwaddy Region	10	17	
Yangon Region		13	32
Sagaing Region	34	3	
Nay Pyi Taw Union Territory		8	



# TAX CALENDAR 2019-2020

IRD

INTERNAL REVENUE DEPARTMENT

## TAXPAYERS ACTION

MONTHLY PAYMENT (COMMERCIAL TAX - CT)

MONTHLY PAYMENT (SPECIFIC GOODS TAX - SGT)

QUARTERLY PAYMENT (INCOME TAX - IT)

QUARTERLY RETURN (SGT)

QUARTERLY RETURN (CT)

ANNUAL RETURN (CT)

ANNUAL RETURN (IT)

## TIMELINE

CT, SGT monthly payment due - within 10 days after the end of the month

IT quarterly payment due - within 10 days after the end of the quarter

SGT quarterly return due - within 10 days after the end of the quarter

CT quarterly return due - within 1 month after the end of the quarter

CT, IT annual return due - within 3 months after the end of the financial year

OCTOBER		2019		NOVEMBER		2019		DECEMBER		2019		JANUARY		2020		FEBRUARY		2020		MARCH		2020						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	
	1	2	3	4	5		1	2	1	2	3	4	5	6	7		1	2	3	4		1	2	3	4	5	6	7
6	7	8	9	10	11	12	3	4	5	6	7	8	9	10	11	2	3	4	5	6	7	8	9	10	11	12	13	14
13	14	15	16	17	18	19	10	11	12	13	14	15	16	17	18	9	10	11	12	13	14	15	16	17	18	19	20	21
20	21	22	23	24	25	26	17	18	19	20	21	22	23	24	25	16	17	18	19	20	21	22	23	24	25	26	27	28
27	28	29	30	31			24	25	26	27	28	29	30	31		23	24	25	26	27	28	29	30	31				
APRIL		2020		MAY		2020		JUNE		2020		JULY		2020		AUGUST		2020		SEPTEMBER		2020						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	
	1	2	3	4			1	2	1	2	3	4	5	6		1	2	3	4		1	2	3	4	5			
5	6	7	8	9	10	11	3	4	5	6	7	8	9	10	11	2	3	4	5	6	7	8	9	10	11	12		
12	13	14	15	16	17	18	10	11	12	13	14	15	16	17	18	9	10	11	12	13	14	15	16	17	18	19		
19	20	21	22	23	24	25	17	18	19	20	21	22	23	24	25	16	17	18	19	20	21	22	23	24	25	26		
26	27	28	29	30			24	25	26	27	28	29	30			23	24	25	26	27	28	29	30					
							31									30	31											

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