



## TAX E-PAYMENT OPTIONS IN MYANMAR DURING THE COVID-19 CRISIS

The Internal Revenue Department (“**IRD**”) implemented an online tax payment system in 2018, supporting taxpayers who have obtained a Tax Identification Number (“**TIN**”) from the Large Taxpayers’ Officer (“**LTO**”) and the Medium Taxpayers’ Office-1 (“**MTO-1**”) in second phase.

As a third wave of Self-Assessment System (“**SAS**”) implementation, the IRD is now transforming the Medium Taxpayers’ Office-2 (“**MTO-2**”) from the Official Assessment System (“**OAS**”) to the SAS; the system will be in effect from 1 October 2020 onwards. During the transaction period, the IRD has introduced a TIN application procedure to all MTO-2 taxpayers.

In response to the coronavirus 2019 (“**COVID-19**”) outbreak, we understand the public’s anxiety and concern regarding the impacts of the pandemic. Paying taxes electronically is a convenient way of avoiding over-the-counter payment procedures.

There are three advanced payment options accepted by the IRD.

### (1) Tax payment using MPU e-commerce

This is the most convenient way for all taxpayers who have registered their corporate information with the IRD. The relevant tax information is applicable on the IRD’s online tax payment system for taxpayers who have obtained TIN numbers.

It is possible to use an MPU e-commerce Card with a one-time transfer limit up to MMK5,000,000 per transaction or an MPU corporate debit card for payments over MMK5,000,000 per transaction.

The payment on the IRD website will be confirmed by the IRD’s auto reply email to the applicant and a transaction fee of MMK2,000 will be charged per transaction.

A successful payment transaction shall be cleared by bank reconciliation between the IRD, Myanmar Economic Bank (“**MEB**”), and the Central Bank of Myanmar (“**CBM**”) within two working days.

Confirmation of tax payment shall be approved by the tax authority by sending E-payment Form-2 via an official email addressed to taxpayers and a copy sent to the relevant tax office’s processing department.

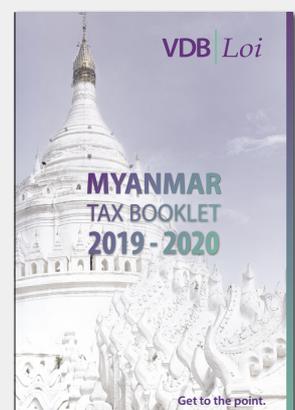
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Nay is an accomplished Manager in our tax team. She advises clients on planning, compliance and controversy of the full range of Myanmar taxes. Nay is also experienced in corporate and investment licensing.

### DOWNLOAD



<http://bit.ly/3276KA1>

### (2) CB Bank Business iBanking (“CB Pay”)

In a similar way as mentioned above, CB Bank has been cooperating with the IRD to introduce CB Bank’s Business Internet Banking for taxpayers, starting from 27 January 2020. It is applicable for taxpayers who opened bank accounts with CB Bank.

CB Bank will review the payment transaction and issue proof of the successful online tax payment completion. After payment clearance between the IRD, MEB, CB Bank, and the CBM, E-payment Form-2 shall be sent by the IRD to taxpayers and relevant tax offices’ processing departments for the notification of payment evidence.

The bank charges are provided as follows:

AMOUNT PER TRANSACTION (MMK)		BANK CHARGES (MMK)
From	To	
1,000	10,000,000	5,000
10,000,001	100,000,000	10,000
100,000,001	1,000,000,000	15,000
	1,000,000,001 and above	30,000

### (3) Tax payment with CBM Net

This involves over-the-counter payment transactions provided by an integrated network of CBM and authorized local banks.

The taxpayer must have an MMK bank account with at least one local bank, and payment will be completed by the IRD’s Registration Form for online tax payment (“Registration Form”).

Bank reconciliation will be conducted between the IRD, CBM, and the relevant bank and confirmed by Customer Credit Transfer Completion Notification, with a transaction fee of MMK2,000 charged per transaction. Successful payment approval shall be confirmed by the IRD with E-payment Form-1 via an official email to taxpayers and relevant tax offices’ processing departments.

### Conclusion

These options are available for Corporate Income Tax, Commercial Tax, Withholding Tax, Capital Gains Tax, Specific Goods Tax, and Stamp duty only; Personal Income Tax (PAYE) is available only for the Thilawa Special Economic Zone at this moment.

VDB Loi will continue to assist you with compliance matters in order to overcome the period of hardship, as remaining compliant with legal and tax obligations remains a priority for all companies at present. Please do not hesitate to contact us for more information.

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## VDB LOI COVID-19 CONTINGENCY PLANS

**VDB LOI COVID-19 CONTINGENCY PLANS**

VDB Loi remains fully operational during the COVID-19 outbreak, but we are taking a wide range of appropriate measures to protect our staff and our clients. We have put in place business continuity measures and contingency plans to ensure we can keep supporting our clients in this difficult time while protecting our staff and our community in this unprecedented temporary situation.

These are some of the measures we have taken:

- We reassess the use of our already existing document and information sharing systems. All our client documents and operating systems are shared through cloud technology. Working from home and collaborating to observe with clients is made as easy as possible. VDB Loi is prepared to ensure continuity even if local authorities would order a temporary closure of offices in the country.
- Clients and other business partners are encouraged to use our video-conferencing and conference call facilities whenever possible, and to avoid physical meetings. All offices are fit out with excellent video conference facilities.
- All our team members are wanted to work from home when they have a temperature or other symptoms, or if they were in or in contact with persons from hot zones.
- Those who do work from the offices agreed out so that their work place is at least 2 meter from the nearest colleague. Hand sanitiser is available throughout the office. Those who feel more comfortable wearing a face mask may do so.
- The offices undergo daily special disinfecting cleaning procedures. Our office buildings are asked to take extra cleaning measures for bathrooms and elevators.
- Our team is encouraged and granted paid leave to help out of colleagues who self-isolate, to support helping to deliver services with appropriate safety measures.
- All visitors are checked for temperature. Visitors and deliveries are received outside the office with appropriate safety measures.
- During these times, please bring our colleagues for not shaking hands, but offering the culturally familiar greeting whereby two palms of the hands are placed together with fingers towards a prayer like gesture (Tha Naik).

VDB Loi is fully prepared to keep supporting our clients even if the situation would call for additional measures, including temporary closure of physical offices in the meantime. It is important as a community to stick together and help our others when possible.

Do not hesitate to let us know if there are any questions.

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