

**Republic of the Union of Myanmar**

**State Administration Council**

**The Union Taxation Law, 2023**

**(The State Administration Council Law No.18/ 2023)**

**The 10<sup>th</sup> Waxing Day of Tagu, 1384 M.E.**

**(30 March 2023)**

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

## **Chapter I**

### **Title, Date of Enforcement and Definitions**

1. (a) This Law shall be called **the Union Taxation Law, 2023**.
- (b) This Law shall come into force from 1 April 2023.
2. The following expressions in this Law shall have the same meanings given below:
  - (a) **Tax** means the tax, customs duty, fee, licence fee, permit fee and fine collected for the Union by the Union Government under this law;
  - (b) **Law** means the laws regarding the collection of taxes for the Union promulgated by the Union Government;
  - (c) **Relevant Ministry** means the Ministries of the Union Government and Nay Pyi Taw Council responsible for the collection of taxes collected by the Union Government for the Union;

- (d) **Budget Law** means the Union Budget Law and the Supplementary Appropriation Law promulgated yearly;
- (e) **Tax Rate** means the rates prescribed for the collection of taxes for the Union by the Union Government.

## **Chapter II**

### **Tax Estimate for Collection**

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

## **Chapter III**

### **Prescribing Tax Rates and Reporting**

- 4. Regarding the types of tax in this Law, the relevant Ministry shall collect the estimated tax in relation to the tax rates of this Law.
- 5. The State Administration Council may amend, insert or substitute the tax rates of this Law.
- 6.
  - (a) The relevant Ministry shall send a quarterly report on the condition of collection of the original estimated taxes of the Union in schedule (1) of this Law to the Budget Department.
  - (b) The Budget Department shall compile the lists of tax collection data sent by the relevant Ministries, and submit a quarterly report with comments to the Union Government through the Ministry of Planning and Finance.

7. The Ministry of Planning and Finance shall submit a six-monthly report on the condition of the collection of the original estimated taxes of the Union in schedule (1) of this Law to the State Administration Council.

## **Chapter IV**

### **Duties and Powers of the Relevant Ministry**

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

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

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

## **Chapter V**

### **Specific Goods Tax**

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

### Types of Specific Goods and Tax Rates

(a) In respect of the specific goods in the following schedule, the specific goods tax shall be charged, at the tax rates shown against them:

(i) if the specific goods chargeable on the pricing tier are produced domestically, on the sale price of factory, workshop or workplace, or the sale price estimated by the Director General and the Management Committee of the Internal Revenue Department based on the market price, or whichever is higher;

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

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

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

Sr: No	Description of Specific Goods	Price Tier	Tax Rate
1	(a) Various types of cigarette	up to the sale price of 700 Kyats for a pack of 20 cigarettes	10 Kyats per cigarette

Sr: No	Description of Specific Goods	Price Tier	Tax Rate
	(b) Various types of cigarette	between the sale price of 701 and 900 Kyats for a pack of 20 cigarettes	19 Kyats per cigarette
	(c) Various types of cigarette	between the sale price of 901 and 1100 Kyats for a pack of 20 cigarettes	24 Kyats per cigarette
	(d) Various types of cigarette	the sale price of 1101 Kyats and above for a pack of 20 cigarettes	27 Kyats per cigarette
2	Tobacco		60 percent
3	Cured Virginia tobacco		60 percent
4	Cheroot		1 kyat per cheroot
5	Cigar		80 percent
6	Pipe tobaccos		80 percent
7	Various types of betel chewing preparation		80 percent
8	(a) Various types of liquor	between 200 and 1400 kyats per litre	209 kyats per litre

<b>Sr: No</b>	<b>Description of Specific Goods</b>	<b>Price Tier</b>	<b>Tax Rate</b>
	(b) Various types of liquor	between 1401 and 2600 kyats per litre	550 kyats per litre
	(c) Various types of liquor	between 2601 and 4100 kyats per litre	940 kyats per litre
	(d) Various types of liquor	between 4101 and 5600 kyats per litre	1320 kyats per litre
	(e) Various types of liquor	between 5601 and 7100 kyats per litre	1716 kyats per litre
	(f) Various types of liquor	between 7101 and 8600 kyats per litre	2112 kyats per litre
	(g) Various types of liquor	between 8601 and 10100 kyats per litre	2508 kyats per litre
	(h) Various types of liquor	between 10101 and 11600 kyats per litre	2904 kyats per litre
	(i) Various types of liquor	between 11601 and 13100 kyats per litre	3300 kyats per litre
	(j) Various types of liquor	between 13101 and 14600 kyats	3696 kyats per litre

Sr: No	Description of Specific Goods	Price Tier	Tax Rate
		per litre	
	(k) Various types of liquor	between 14601 and 16350 kyats per litre	4092 kyats per litre
	(l) Various types of liquor	between 16351 and 18100 kyats per litre	4653 kyats per litre
	(m) Various types of liquor	between 18101 and 19850 kyats per litre	5071 kyats per litre
	(n) Various types of liquor	19851 kyats and above per litre	60 percent of the price of a litre
9	Various types of beer		60 percent
10	(a) Various types of wine	Between 1 and 850 kyats per litre	92 kyats per litre
	(b) Various types of wine	between 851 and 1600 kyats per litre	280 kyats per litre
	(c) Various types of wine	between 1601 and 2350 kyats per litre	465 kyats per litre
	(d) Various types of wine	between 2351 and 3100 kyats per litre	653 kyats per litre

<b>Sr: No</b>	<b>Description of Specific Goods</b>	<b>Price Tier</b>	<b>Tax Rate</b>
	(e) Various types of wine	between 3101 and 3850 kyats per litre	839 kyats per litre
	(f) Various types of wine	between 3851 and 4600 kyats per litre	1025 kyats per litre
	(g) Various types of wine	between 4601 and 6100 kyats per litre	1304 kyats per litre
	(h) Various types of wine	between 6101 and 7600 kyats per litre	1676 kyats per litre
	(i) Various types of wine	between 7601 and 9100 kyats per litre	2049 kyats per litre
	(j) Various types of wine	between 9101 and 11500 kyats per litre	2421 kyats per litre
	(k) Various types of wine	between 11501 and 13600 kyats per litre	2979 kyats per litre
	(l) Various types of wine	between 13601 and 16600 kyats per litre	3724 kyats per litre
	(m) Various types of wine	16601 kyats and above per litre	50 percent of the price of a



Sr: No	Description of Specific Goods	Price Tier	Tax Rate
			litre
11	Logs and different types of timber		5 percent
12	(a) Engine power from 1501 CC to 2000 CC vans, saloons, sedans, estate wagons and coupes except pickup and battery electric vehicles including double cab 4 door pickup		10 percent
	(b) Engine power from 2001 CC to 4000 CC vans, saloons, sedans, estate wagons and coupes except pickup and battery electric vehicles including double cab 4 door pickup		30 percent
	(c) Engine power 4001 and above CC vans, saloons, sedans, estate wagons and coupes except pickup and battery electric vehicles including double cab 4 door pickup		50 percent
13	Kerosene, petrol, diesel oil, jet fuel		5 percent
14	Natural gas		8 percent

(b) The person exporting the following specific goods shall pay specific goods tax on the sale proceeds at the tax rates shown against them. Other than above-mentioned specific goods, the specific goods tax for the export of the remaining specific goods shall not be charged. The specific goods tax paid at the time of purchase, importation or production of the goods shall, in accordance with the stipulations,

be set off from the specific goods tax chargeable on the specific good for the export.

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

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

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

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

## Chapter VI Commercial Tax

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

### Schedules of the Commercial Tax Law

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

Sr.No.	Description of Goods
<b>Consumer Goods</b>	
1	Paddy, rice, broken rice, rice bran, chaff, paddy husk, wheat, wheat

	bran, wheat husk, various types of corn and corn seeds.
2	Various types of pulse, various types of split, various types of powdered pea, pea bran, pea shell, shelled and unshelled groundnut, sesame, flower sesame, residual oil-cake of groundnuts, residual oil-cake of sesame, cotton seeds, rice bran etc.
3	Garlic, onion, potato, spicy leaf, fruits, seed and bark, masala, chili, chili powder, turmeric, turmeric powder, ginger, ripe tamarind, and various types of salt
4	Various types of fresh fruits, vegetables
5	Pickled or dried tea leaf, sweet dried tea leaf, various types of dried tea leaf packaging
6	Fresh fish, fresh prawn, fresh meat, various types of eggs such as chicken eggs and duck eggs, etc
7	Groundnut oil, sesame oil
8	Sugarcane, sugar, jaggery, brown slab sugar, soy milk, milk and various types of dairy products, condensed milk, evaporated milk, various types of milk powder, yogurt
9	Creamer
10	Various types of fish sauce, dried fish, various types of dried prawn, various types of pickled fish and pickled prawn, shrimp shell powder, and fish powder, various types of fish paste
<b>Agricultural and Breeding Goods</b>	
11	Mulberry leaf and silk cocoon

12	Live animals, fish, prawn, terrestrial animals, aquatic animals, amphibians, their eggs, embryos, newborns, species, aquatic plants and seeds, seedlings and algae
13	Various types of fertilizer including fertile topsoil and chemical fertilizer; various kinds of insecticide, weed-killer that are used in agriculture, preventative medicine and pesticide that are used in agriculture for not occurring fungi, bacteria, nematodes and other diseases, disinfectant that are used in livestock (not including spray and pesticide), animal, fish and prawn medicines, veterinary vaccine (including veterinary medicines and vaccine approved by the Ministry of Agriculture, Livestock and Irrigation, and veterinary medicines recommended by the Department of Livestock Breeding and Veterinary), raw materials and finished products that are used for animal, fish and prawn feed (excluding pet food)
14	Palm oil, sunflower seed, cotton seed, pumpkin seed, watermelon seed, cashew nut, betel nut, betel nut shell, quality strains, seeds, saplings of crops
15	Raw cotton, various types of cotton, cardamom, thanakha and agricultural and gardening products not elsewhere specified, coconut oil (not palm oil)
16	Coir yarn
17	Firewood, bamboo, unfinished and finished cane, and fuel stick substitute for firewood
<b>Goods Used for Schools and Offices</b>	
18	Lac, various types of stamp (including revenue stamp)
19	State flag

20	Slate, slate pencils, chalk, pencil lead to make a pencil
21	Various kinds of textbooks, various kinds of educational and technical books to be used in each basic school, university and college, various kinds of exercise and drawing books, various types of fiction and non-fiction books, magazine, journal and newspaper, and paper sheets for the production of such books (within 40 gsm to 80 gsm) and all sorts of pencils, rulers, erasers and pencil sharpeners
<b>Goods related to Health</b>	
22	Traditional medicines.
23	Various types of mosquito insecticides
24	Honey and beeswax
25	X-ray film plates, X-ray appliances and pharmaceutical apparatus and equipment that are identified by the Food and Drug Administration Department, absorbent cotton wool, gauze, bandages, hospital sundries to take medicines, disposable surgical mask, cap, surgical glove, masks used to prevent flu infection, various types of household pharmaceutical and other medicines and traditional medicines (the medicines received FDA registration and raw medicines including traditional raw medicines other than medicines restricted by law and rules)
26	Condom
<b>Goods Used for Religious and Welfare</b>	
27	Various types of rosary (not including rosary made of precious

	gemstones), religious clothing
28	Fire engines, rescue vehicles and hearses
<b>Goods related to Transportation</b>	
29	Fuel sold by the Ministry of Energy to foreign embassies, UN organizations and foreign diplomats
30	Jet fuel sold to be used for domestic and international flight itinerary
31	Machine, machinery and equipment and the spare parts of planes or helicopters
<b>Industrial Goods</b>	
32	Bleaching substance (only Hydrochloride using in bleaching), raw material used for making detergent or soap, raw detergent
33	Jute and other fibres, rubber and gum karaya or gum sterculia
34	Farm equipment, machinery and spare parts, tractors, various types of manual or power-driven machines, machinery and spare parts (except vehicles required to be registered under the Motor Vehicle Law) operating from the time for soil preparation to harvest time, livestock appliances, machineries and spare parts, hybrid for sperm liquid, stick and eggs (including frozen sperm liquid, embryo and equipment used for artificial insemination)
35	PV Module/ Solar Module/ PV Panel/ Solar Panel/ Solar Panel 92 Watt CIGS (Copper Indium Gallium Selenide)  PV/ Solar (Hybrid/ Smart Array) Controller, Charge Controller for PV/ Solar ,

	<p>PV/ Solar Inverter (String/ Hybrid/ Battery/ Bidirectional/ Central),</p> <p>PV/ Solar Mounted Structure, Solar/ PV Mounted Frames, Solar/ PV Mounted Kits (Roof and Ground Mounted),</p> <p>PV/ Solar Mounted System(Floating),</p> <p>PV/ Solar Controller and Battery Box (Only for importing together with PV/ Solar Controller and Battery)</p>
36	Battery Electric Vehicles including bikes and trikes using battery electric, related items specifically used for Battery Electric Vehicle and their Battery
37	Raw materials or parts of goods provided by non-resident supplier for direct use on a CMP basis, and goods used for packaging the finished product, machine, machinery, equipment and their spare parts (not for sale) imported by the business that operates on a CMP (cut the fabric, make garments, Trim/ Pack the garments)
<b>Goods related to Defence</b>	
38	Weapons, vehicles, machineries, accessory and equipment, spare parts and its accessories used by State Defence and Security Organizations, various kinds of gun powder, various kinds of dynamites and related substances used by civil departments (only the things imported with the permission of Office of the Commander - in - Chief (Army)), goods purchased for the use of defence services and for the consumption of defense services personnel incurred from the expenditure allotted the estimated budget accounts to the Ministry of Defence

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

- (b) Other than the goods mentioned in subsection (a), the commercial tax shall be charged five percent on the sale proceeds if the goods are produced and sold in the country or on the landed value if the



goods are imported. The commercial tax shall be charged five percent on the sale proceeds including specific goods tax if any specific goods in section 11 of this Law is produced and sold in the country or on the landed value including specific goods tax if the good is imported.

(c) Any person shall, other than the goods exempted in accordance with this Law and trading, pay the commercial tax five percent on the sale proceeds for:

- (i) importing goods and reselling them in the country;
- (ii) trading.

including the specific goods in section 11.

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

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

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

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

Sr. No	Types of Service
32	Services exempted by the notification of the Union Government with the approval of the State Administration Council as per the needs of the State
33	Service acquired with the money donated or contributed to the State by the local and foreign organizations
34	Mutual services of the Office of State Administration Council, the Union Government Office, the Office of the Pyidaungsu Hluttaw, the Office of the Pyithu Hluttaw, the Office of the Amyotha Hluttaw, the Office of the Supreme Court of the Union, the Office of the Constitutional Tribunal of the Union, the Office of the Union Election Commission, the Union Ministries, the Office of the Auditor General of the Union, the Office of the Union Civil Service Board , the Office of the Nay Pyi Taw Council, the Central Bank of Myanmar, the Social Security Board, the Office of the Region or State Government and Departments (excluding services provided by State - owned enterprises and services acquired by State-owned enterprises)

- (e) The commercial tax shall be charged five percent on the receipt of the remaining services provided in the country other than the services in subsection (d) and subsection (e 1).
- (e 1) (i) Notwithstanding anything in the Commercial Tax Law, the commercial tax shall be charged twenty thousand kyats per SIM card on the sale and SIM card activation.
- (ii) The commercial tax shall be charged 15 percent on the receipt of the internet service.
- (f) Any person shall pay the commercial tax three percent on the sale proceeds from construction, repair and sale of infrastructure for a

long-term lease of State-owned land or in cooperation with the State or in the private-owned land or in cooperation with the land owner.

- (g) The commercial tax shall be charged three percent on the receipt of the hotel and tourism services.
  - (h) The commercial tax shall be charged one percent on the sale proceeds of the jewellery made of gold and its landed value for importation. Provided that the commercial tax paid for the jewellery made of gold at the time of purchase in the country or importation from the foreign country shall not be set off from the commercial tax to be paid for it at the time of selling in the country or exporting to the foreign country.
  - (i) The commercial tax exempted originally shall be returned if the goods imported with the temporary admission or drawback system in accordance with the customs procedures are used in Myanmar without re-exporting within the prescribed period.
15. (a) The Ministry of Planning and Finance may, with the approval of the Union Government, grant exemption or relief from the commercial tax for services being carried out with donation, grant and loans of local and foreign organizations.
- (b) No commercial tax shall be imposed unless it exceeds the following sale proceeds or receipts from service for the cooperative sector and private sector under the Commercial Tax Law:
- (i) the total sale proceeds of 50 million kyats in a financial year for the domestic production and sale of goods chargeable to the commercial tax;

- (ii) the total receipts from service of 50 million kyats in a financial year for providing services chargeable to the commercial tax;
- (iii) the total sale proceeds of 50 million kyats in a financial year for trading;
- (iv) the De-minimis Value Threshold of the Customs Department which may exempt taxes on the goods that convey and take out urgently in accordance with the norms of the Customs procedures.

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

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

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

17. (a) The commercial tax shall be charged eight percent on the exported electricity and five percent on crude oil.
- (b) The commercial tax shall be charged zero percent on the sale proceeds for the export of the goods other than the goods in subsection (a). The commercial tax paid at the time of purchase or production of the goods may, in accordance with the regulations, be set off from the commercial tax for the export of the goods. Notwithstanding anything in the Commercial Tax Regulations, if the chargeable commercial tax paid for the export is less than the commercial tax paid at the time of purchase or production of the goods, a refund may be demanded. However, it shall not apply to the goods that are purchased in the country and brought overseas for personal use.
- (c) The provisions of this section shall not apply to the determination of the amount of sale proceeds or receipts from service which is not taxable.
18. The interpretation of expressions in Chapter VI of this Law shall have the same meanings defined in the Commercial Tax Law.

## **Chapter VII**

### **Income Tax**

19. (a) No income tax shall be levied on any person who earns the income from salary up to 4.8 million kyats per year. As no levy on the above income tax, if the document related to the exempted income is requested, the Internal Revenue Department shall issue it in accordance with the stipulations.
- (b) However, if a person earns income from salary exceeds 4.8 million kyats per year, the income tax shall be charged on total income.

- (c) In order to enhance the development of businesses and investments affected by Coronavirus Disease 2019 (COVID-19), if a person earns income from salary exceeds 4.8 million kyats per year or the income is from professional business, enterprise and other sources, the tax rates to be levied on any person according to the income bracket on the remaining income, after deducting the reliefs under sections 6 and 6A of the Income Tax Law from the total income, are prescribed as follows:

Sr.No	Income Bracket to be levied		Income Tax Rates to be levied
	From	To	
	Kyats	Kyats	
1	1	2,000,000	0 percent
2	2,000,001	10,000,000	5 percent
3	10,000,001	30,000,000	10 percent
4	30,000,001	50,000,000	15 percent
5	50,000,001	70,000,000	20 percent
6	70,000,001 and above		25 percent

- (d) Notwithstanding any provision in the Income Tax Law, the income tax shall be levied separately ten percent on the remaining income of any person after deducting reliefs from the total rental income received from leasing land, building and apartments under section 6 and 6A of the Income Tax Law. The tax shall not be levied again in combination with other income. In the case of State-owned enterprises and businesses, companies and cooperative societies operating with the permission of the Myanmar Investment



Commission, the income tax shall be levied at the specific tax rates prescribed according to the types of taxpayers.

- (e) If it is the partnership, the income tax shall be levied according to the tax rates in subsection (c) after deducting the reliefs under sections 6 and 6A of the Income Tax Law:
- (f) The tax rates in this section shall not apply to the taxpayers for whom the specific income tax rates are prescribed for any person receiving income or any type of income.

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

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

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

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

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

- (a) The income tax shall be levied 22 percent on the total net profit without deducting the reliefs under section 6 of the Income Tax Law in respect of the following types of taxpayers:

- (i) the company that is registered and established in Myanmar under the Myanmar Companies Law or the Special Companies Act, 1950;
  - (ii) the other income except the salary heading of the non-resident alien;
  - (iii) the business that operates with the permission issued by the Myanmar Investment Commission;
  - (iv) State-owned Economic Organizations.
- (b) The income tax shall be levied 22 percent on the remaining income after deducting reliefs under sections 6 and 6A of the Income Tax Law from the net profit of cooperative societies except the basic cooperative society.
- (c) The income tax shall be levied 17 percent on the total net profit without deducting the reliefs under section 6 of the Income Tax Law from the Public Companies listed on the Yangon Stock Exchange. Moreover, if those companies failed to pay income tax fully in previous financial years, they shall disclosed actual income and pay tax due for the last two financial years before the financial year in which they are listed on the Yangon Stock Exchange. After the tax due is fully paid, they shall be exempt from fine and prosecution under the Tax Administration Law.
24. (a) A person engaged in Myanmar's Oil and Gas Exploration and Production Sector shall be levied 25% income tax on total net profit income without deduction the reliefs under Section 6 of the Income Tax Law.

- (b) If a foreigner is a non-resident, the reliefs under sections 6 and 6A of the Income Tax Law shall not be deducted. In the case of income under the salary head, the income tax shall be levied on total income at the tax rates in subsection (c) of section 19 of this Law.
25. (a) The income tax shall be levied 30 percent on undisclosed income without deducting reliefs under sections 6 and 6A of the Income Tax Law. Provided that, in order to enhance the development of businesses and investments affected by Coronavirus Disease 2019 (COVID-19), the income tax shall be levied according to the following tax rates on the remaining undisclosed income, after deducting if any citizen can show the source of income expended in buying, constructing and acquiring any assets, and establishing the new start-up or expanding the business and on the income expended if he is unable to show the source of income. No income tax shall be levied if the source of income is able to show for all income expended. The levy under this section shall not apply to the possession or trade of properties obtained illegally or matters on which action is taken under the Anti-Money Laundering Law.

No	Income (Kyats)		Income Tax Rates
	From	To	
	Kyats	Kyats	
1	1	300,000,000	3 percent
2	300,000,001	600,000,000	5 percent
3	600,000,001	1,000,000,000	10 percent
4	1,000,000,001	3,000,000,000	15 percent

5	3,000,000,001 and above	30 percent
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- (b) The undisclosed income in subsection (a) means the undisclosed income before 1 April 2024.
- (c) The tax rates in subsection (a) shall can into effect from 1 April 2023 to 31 March 2024.
- (d) The Ministry of Planning and Finance shall submit the tax rates in subsection (a) to the State Administration Council through the Union Government to revise such tax rates if necessary after reviewing the economic condition of the State and international impacts.

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

27. In case of the capital gains from selling, exchanging or transferring by any other means, one or more assets in kyats or foreign currency, without deducting reliefs under sections 6 and 6A of the Income Tax Law:

- (a) if the company operates in Myanmar Oil and Gas Exploration and Protection Sector, the income tax shall be levied in the type of currency earned according to the tax rates shown against the capital gains specified as follows:

<b>Capital gains</b>	<b>Income tax rate to be paid</b>
(i) equivalent up to (100,000) million kyats	40 percent

- |  |            |
|--|------------|
| (ii) equivalent from (100,000) million<br>kyats to (150,000) million kyats | 45 percent |
| (iii) equivalent to (150,000) million kyats and<br>above                   | 50 percent |

- (b) the income tax shall be levied ten percent in kyats or foreign currency on the capital gains of an individual or an association of persons except the companies operating in Myanmar Oil and Gas Exploration and Protection Sector. In case of a non-resident alien, the tax shall be paid in the type of currency earned.

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

29. Notwithstanding anything in the Income Tax Law, the total net profit up to 15 million kyats per year shall be exempted from the income tax within three consecutive years including the year of commencement of the business for new start-up micro, small and medium enterprises, cottage industries or small-scale industry based on domestic production. If the income exceeds the aforesaid amount, the income tax shall be levied on the excess amount.

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

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

- (i) total income received from cash award programme whether once or repeatedly lump sum during a year on seizures under the Narcotic Drugs and Psychotropic Substances Law;
  - (ii) total income received from cash award programme whether once or repeatedly lump sum during a year on seizures of illegal properties;
  - (iii) rewards received together with tittle, honorary and medal conferred by the State;
  - (iv) income from the head salary earned in the foreign currency of a citizen residing abroad;
  - (v) lottery rewards received from Aung-bar-lay, Myanmar lottery;
  - (vi) pension received when a civil servant retires, a sum received in commutation of a pension and gratuity;
  - (vii) rewards from the State on finding antiques.
- (b) The Ministry of Planning and Finance may, with the approval of the Union Government, grant exemption or relieve from:
- (i) the income tax matters relating to the businesses operated with money donated or contributed to the State by the local and foreign organizations;
  - (ii) the income tax matters related to the development of the security exchange market.

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

## Chapter VIII

### Royalty

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

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

## Chapter IX

### Other Taxes Rates to be Collected

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

- (a) excise duty;
- (b) import licence fees, permit fees;

- (c) Myanmar lottery;
- (d) fees for vehicle, driving licence and business licence;
- (e) court fees and stamp duty;
- (f) licence fees for tourism licence, hotel and guesthouse licence, tour guide business licence;
- (g) service fees received from providing service for the investments and company registration;
- (h) customs duty;
- (i) land revenue;
- (j) water tax;
- (k) embankment tax;
- (l) forest tax on the forest products;
- (m) tax on production of minerals (excluding minerals for raw industrial materials and decorative stones);
- (n) tax on fisheries;
- (o) tax on production of petroleum and natural gas;
- (p) tax on minerals and extraction royalty;
- (q) tax on communication services;
- (r) free power charges received in term of hydropower resource;
- (s) tax collected from the people who have the right to use vacant, fallow and virgin land.

## **Chapter X**

### **Miscellaneous**

35. The Union Government shall, by notification, form the Revenue Generating Teams.



36. Without contrary to the international agreements signed by the State, in order to sell the goods produced in the State and the goods imported competitively in the market and develop long-term benefit of the domestic agriculture and livestock farming mainly based on the domestic production activities and the current domestic and foreign investment, the Union Government shall:

- (a) arrange to obtain the highest advantages and reliefs as the ASEAN countries within the framework of the World Trade Organization, the World Customs Organization and ASEAN Free Trade Agreement with regard to the permitted amount of import and the customs duty rates;
- (b) make the necessary arrangement in accordance with the provisions of the customs law or import and export procedures and quota allocation.

37. The Union Government may, with the approval of the State Administration Council, grant exemption or relief from income tax, commercial tax, specific goods tax and royalty, by notification.

38. (a) The Internal Revenue Department shall raise awareness of tax reliefs and exemptions that may be enjoyed in accordance with law to the public, calculate and permit in collecting the tax in accordance with the reliefs, recognize the dutiful taxation staff and taxpayers and manage for the due rewards.
- (b) The Ministry of Planning and Finance may, with the approval of the Union Government, permit the current expenditures of the Internal Revenue Department in the Union Budget Law in accordance with the financial procedures implementing the matters in subsection (a)

for the implementation of the transformation process of the tax system effectively.

- (c) The Ministry of Planning and Finance may, in accordance with the financial procedures, expend the expenditures in subsection (b) for offering rewards to the civil servants in collecting the tax.

39. 20 % of the collection of fines imposed for the possession and ownership of the untaxed specific goods shall be awarded to the informer and 30 % of the collection of fines shall be awarded to the person who makes search and seizure. No particulars about the informer shall be disclosed other than the matter of the Government:

- (a) with regard to the specific goods to be sold by affixing the revenue stamp to them, the fines imposed on a person who possesses the untaxed specific goods and a producer of the specific goods who fails to affix the stipulated revenue stamp to them under subsections (c) and (f) of Section 22 of Specific Goods Tax Law;
- (b) with regard to the remaining specific goods, the fines imposed on a person who possesses the untaxed specific goods under subsection (c) of section 22 of the Specific Goods Tax Law.

40. (a) Notwithstanding anything in subsection (f) of section 21 of the Commercial Tax Law, if the Township Revenue Officer finds that there is the failure to give a receipt or voucher to a customer or service receiver although a receipt or voucher is kept, the failure to affix the revenue stamp to the receipt according to the chargeable tax stipulated by the Commercial Tax Regulations although a receipt is given, 100% of the tax to be paid additionally on the value of a receipt or voucher for such failure shall be paid as a fine and

the following amount shall be paid as a fine for the number of failure:

- (i) one million kyats for the failure of the first time;
  - (ii) two million kyats for the failure of the second time;
  - (iii) three million kyats for the failure of the third time;
  - (iv) six million kyats for the failure of the third time over.
- (b) If the Township Revenue Officer finds that the goods are sold without affixing the revenue stamp to them, with regard to the goods to be sold by affixing the revenue stamp to them, a person who possesses the goods to which the revenue stamp is affixed shall pay 100% of the value of the goods as a fine.

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

- (a) notwithstanding anything in the Commercial Tax Law, the fine imposed under subsection (a) of section 40 of this Law, for the failure to give a receipt or voucher to a customer or service receiver although a receipt or voucher is kept, or for the failure to affix the revenue stamp equivalent to the chargeable tax to the receipt although giving a receipt;
- (b) the fine imposed under subsection (b) of section 40 of this Law, for selling the good without affixing the revenue stamp to them as the manner prescribed with regard to the goods stipulated to affix the revenue stamp to them.

42. Notwithstanding anything in the relevant law for the change of fiscal year, the relevant Ministry may issue the necessary procedures for the facilitation of the tax collecting processes in the transitory period.

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

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I hereby sign under section 419 of the Constitution of the Republic of the Union of Myanmar.

Sd/Min Aung Hlaing

Senior General

Chairman

State Administration Council

## Original Estimate for Collection of the Union Tax

(Kyats in Million)

Sr. No.	Responsible Ministries of the Union Government	Description	2023 Estimate
1		Taxes collected on local production and consumption of the public	3,783,566.240
	1 Ministry of Home Affairs	Excise duty	1,474.860
	2 Ministry of Planning and Finance	Commercial tax	2,303,375.608
	3 Ministry of Commerce	Import licence fees, permit fees	6,265.000
	4 Ministry of Planning and Finance	Myanmar lottery	44,181.720
	5 Ministry of Transport and Communications	Fees for vehicle, driving licence and business licence	166,557.114
	6 Ministry of Planning and Finance	Court fees and Stamp duty	98,203.586
	7 Ministry of Hotel and Tourism	Licence fee for tourism licence, hotel and guesthouse licence, tour guide business licence	505.184

Sr. No.	Responsible Ministries of the Union Government	Description	2023 Estimate
8	Ministry of Planning and Finance	Specific goods tax	1,138,320.906
9	Ministry of Planning and Finance	Royalty Tax	17,682.262
10	Ministry of Investment and Foreign Trade	service fees received from providing services for the investments and company registration;	7,000.000
<b>2</b>		<b>Tax on income and ownership</b>	3,000.767.918
1	Ministry of Planning and Finance	Income tax	3,000,767.918
<b>3</b>		<b>Customs duty</b>	460,000.000
1	Ministry of Planning and Finance	Customs duty	460,000.000
<b>4</b>		<b>Taxes collected on the extraction and consumption of State- owned resources</b>	807,771.297
1	Ministry of Home Affairs	Land revenue	43.098

Sr. No.	Responsible Ministries of the Union Government	Description	2023 Estimate
2	Nay Pyi Taw Council	Water tax	51.113
3	Ministry of Home Affairs	Embankment tax	0.336
4	Ministry of Natural Resources and Environmental Conservation	Forest tax on the forest products	3,844.708
5	Ministry of Home Affairs	Tax on production of minerals (excluding minerals for raw industrial materials and decorative stones)	56.650
6	Ministry of Agriculture, Livestock and Irrigation	Tax on fisheries	5,003.300
7	Ministry of Energy	Tax on production of petroleum and natural gas	626,175.624
8	Ministry of Natural Resources and Environmental Conservation	Tax on minerals and extraction royalty	31,363.000
9	Ministry of Transport and Communications	Tax on communication services	126,704.830
10	Ministry of Electricity	Free power charges received in term of hydropower resource.	12,758.472

Sr. No.	Responsible Ministries of the Union Government	Description	2023 Estimate
11	Ministry of Agriculture, livestock and Irrigation	Tax collected from the persons who have the right to use vacant, fallow and virgin land	1,770.166
		<b>Total</b>	8,052,105.455