

VDB | *Loi*

MYANMAR
TAX BOOKLET
2023 - 2024
2024 - 2025

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Contents

Abbreviations	1
Financial year in Myanmar	2
Corporate Income Tax	4
<i>Rates of tax</i>	<i>4</i>
<i>Deductibility</i>	<i>4</i>
<i>Depreciation</i>	<i>5</i>
<i>Losses carry forward</i>	<i>5</i>
<i>2% Advanced Income Tax on importation and exportation.....</i>	<i>5</i>
Withholding Tax.....	6
<i>Overview.....</i>	<i>6</i>
<i>Exemption of WHT.....</i>	<i>7</i>
Capital Gains Tax	8
<i>Overview.....</i>	<i>8</i>
<i>Income threshold for paying CGT</i>	<i>8</i>
<i>Rates of tax</i>	<i>8</i>
<i>Calculation of CGT.....</i>	<i>8</i>
Personal Income Tax.....	9
<i>Overview</i>	<i>9</i>
<i>Residency.....</i>	<i>9</i>
<i>Taxable salary.....</i>	<i>9</i>
<i>Tax reliefs and allowances</i>	<i>10</i>
<i>Rates of tax.....</i>	<i>10</i>
<i>Social Security Contributions.....</i>	<i>11</i>
<i>Rental income.....</i>	<i>11</i>
Undisclosed source of income	12
Double Taxation Agreement	13
Commercial Tax.....	14
<i>Overview.....</i>	<i>14</i>
<i>Taxable and Non-taxable goods & services.....</i>	<i>14</i>
<i>Revenue threshold for charging and paying CT</i>	<i>14</i>
<i>Registration</i>	<i>15</i>
<i>Rates of tax.....</i>	<i>15</i>
<i>Basis of taxation.....</i>	<i>15</i>
<i>Offsetting input and output CT</i>	<i>15</i>

Specific Goods Tax	17
<i>Overview.....</i>	<i>17</i>
<i>SGT exemptions.....</i>	<i>17</i>
<i>Revenue threshold for charging and paying SGT.....</i>	<i>17</i>
<i>Registration.....</i>	<i>17</i>
<i>Rates of tax.....</i>	<i>17</i>
<i>Basis of taxation.....</i>	<i>17</i>
<i>Offsetting input and output SGT.....</i>	<i>18</i>
Jewelry Tax.....	19
<i>Overview</i>	<i>19</i>
Tax Compliance Requirements	20
<i>Compliance timelines and penalties</i>	<i>20</i>
Other Taxes	22
<i>Stamp Duty.....</i>	<i>22</i>
<i>Property Tax.....</i>	<i>22</i>
<i>Customs Duty.....</i>	<i>22</i>
Investment Incentives.....	23
<i>Myanmar Investment Commission incentives</i>	<i>23</i>
<i>Special Economic Zone incentives.....</i>	<i>24</i>
<i>Investment and Free Trade Agreements</i>	<i>25</i>
Annex 1: Tax Depreciation Schedule.....	26
Annex 2: Commercial Tax-exempted Goods.....	32
Annex 3: Commercial Tax-exempted Services.....	37
Annex 4: Specific Goods Tax rates for local production and importation	40
Annex 5: Specific Goods Tax rates for export	44
Annex 6: Selected Stamp Duty Schedules	45
<i>Agreements and Counterparts.....</i>	<i>45</i>
<i>Bond.....</i>	<i>47</i>
<i>Conveyance, lease, mortgage and re-conveyance.....</i>	<i>48</i>
<i>Promissory Note.....</i>	<i>53</i>
<i>Transfer.....</i>	<i>54</i>

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

Financial year in Myanmar

The current financial year is running from 1 April 2024 to 31 March 2025 (“**FY2024-2025**”) and it applies for all private and corporate sectors including government ministries, organizations and state-owned enterprises. Please refer to the following table for the relevant annual tax return filing deadlines for taxpayers.

Income Year	Deadlines for annual tax returns filing	Assessment Year
1 April 2023 to 31 March 2024 (FY2023-2024)	1 July 2024	1 April 2024 to 31 March 2025 (FY2024-2025)
1 April 2024 to 31 March 2025 (FY2024-2025)	30 June 2025	1 April 2025 to 31 March 2026 (FY2025-2026)

The Union Tax Law 2023 (the “**UTL 2023**”) was enacted on 30 March 2023. The UTL 2023 applies to FY2023-2024 starting from 1 April 2023 and ending on 31 March 2024.

The major changes in the UTL 2023 include an increase in specific goods tax rates for liquor; commercial tax exemptions for battery electric vehicles and photovoltaic/solar-related equipment; and an increase in the income tax exemption threshold for newly established small and medium-sized enterprises.

On 12 September 2023, the amendment to the UTL 2023 (the “**Amended UTL 2023**”) is enacted that is in force within the period from 1 October 2023 to 31 March 2024. Under the Amended UTL 2023, the personal income tax is imposed on the salary income of non-resident Myanmar citizens in foreign countries.

The Union Tax Law 2024 (the “**UTL 2024**”) was enacted on 29 March 2024. The UTL 2024 applies to FY2024-2025 starting from 1 April 2024 and ending on 31 March 2025. The major changes in the 2024 UTL include an increase in specific goods tax rates applied to Cigarettes, liquor and wine, and new commercial tax exemptions for importation of goods after repairs under a repair and return customs procedure.

The major changes in the 2024 UTL also included that all taxpayers are

required to fulfill their income tax obligations in the currency in which they earned their income. This requirement applies to payments for various types of income tax, including corporate income tax, capital gains tax, withholding tax, and personal income tax.

Corporate Income Tax

Rates of tax

The current Corporate Income Tax (“**CIT**”) rate is 22% and it applies to all Myanmar companies, branches registered under the Myanmar Companies Law (“**MCL**”) 2017, and companies operating under an investment license from Myanmar Investment Commission (“**MIC**”) (i.e., foreign-owned resident companies with an investment license from the MIC granted under the Foreign Investment Law 2012 and Myanmar Investment Law 2016).

In the UTL 2023 and 2024, the CIT rate of 22% applied to all business entities and 17% to listed companies on the Yangon Stock Exchange remain unchanged. The CIT rate of 25% applies to companies operating in the oil and gas exploration and production sector. Notification 11/2023 dated 2 February 2023 issued by the MOPF clarifies the meaning in relation to the activities covered by the expression “**oil and natural gas exploration and production sector**” in Myanmar. The income tax exemption threshold for newly established small and medium-sized enterprises is increased from the annual net profit of MMK 10 million to MMK 15 million for three consecutive years, including the year in which the business operation has started.

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. If a taxpayer wishes to use a different tax depreciation rate or a method, a request can be submitted to the IRD starting from FY2019-2020. If the IRD approves, different tax depreciation rate or method can be applied. 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 26>](#) for detailed tax depreciation rates.

Losses carry forward

Under the Income Tax Law 1974 (“ITL”), a tax loss incurred by a company can be carried forward for up to three consecutive years and can be offset against taxable profits in the future, with the exception of capital losses.

2% Advanced Income Tax on importation and exportation

Companies importing or exporting goods must pay a 2% Advance 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 liability.

Withholding Tax

Overview

The MOPFI released Notification 47/2018 (“**Notification 47/2018**”) on 18 June 2018 which revokes the Withholding Tax (“**WHT**”) Notification 51/2017. The current WHT regime is governed by the Notification 47/2018 and the following WHT rates will be applicable for FY2023-2024 and FY 2024-2025.

Type of Income	Notification 47/2018	
	Residents	Non-Residents
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.

With effect from 1 September 2023, the MOPF has introduced a new

WHT applicable category by Notification 63/2023 (“**Notification 63/2023**”) on 29 August 2023, which imposes 2% WHT on the fees received by the private healthcare professionals from their profession by means of providing private healthcare services in private hospitals, clinics, diagnostic centers, nursing homes, maternity homes and other institutions that provide the private healthcare services. However, this 2% WHT is not applicable to the salary payment made to the private healthcare professionals who are employed as permanent staff of the private healthcare institutions.

Regarding the WHT payment, the IRD’s Announcement on 4 May 2023 states that taxpayers must make the WHT payment in foreign currency on interest, royalty or service fees payment to non-resident vendors. This IRD’s Announcement applies to the WHT payment on interest, royalty or service fees payment to non-resident vendors.

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.

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 (apart from 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 the 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 allowable tax 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. Tax 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-resident foreigners are taxed only on their Myanmar-sourced income at the same progressive rates and non-resident Myanmar citizens are taxed on their salary income received in foreign countries under the Amended UTL 2023 and UTL 2024. PIT payment for all taxpayers (both resident and non-resident) are required to be made in the same currency in which they earned their income.

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 from 1 April 2023 to the following 31 March 2024 for FY2023-24 and 1 April 2024 to the following 31 March 2025 for FY2024-25. Accordingly, foreigners who are residing in Myanmar for less than 183 days are considered as 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 types of incomes are exempt from PIT: pensions, gratuities, and money received from the state lottery. According to the UTL 2023 and UTL 2024, anyone whose annual salary income is MMK4.8 million or less is exempt from paying PIT. According to the “Amended UTL 2023 and UTL 2024”, the personal income tax will be imposed on the income received by the non-resident Myanmar citizens in foreign countries. PIT payment must be made in the same foreign currency in which non-resident Myanmar citizens receive the income.

Tax reliefs and allowances

- Basic allowance of 20% of the total annual income, up to a maximum of MMK10,000,000 per year (approximately US\$5,000)
- MMK1,000,000 (approximately US\$500) per annum for one spouse who is not earning assessable income during a financial year and is living with the taxpayer
- MMK500,000 (approximately US\$250) per annum for each child living with the taxpayer who fulfills ALL of the following criteria: (i) is unmarried; (ii) is not earning assessable income; and (iii) is either under 18, or if 18 or over, is in full-time education
- MMK1,000,000 (approximately US\$500) per parent for dependent parents living with the taxpayer (the term “parent” includes a father- or mother-in-law)
- Premium paid for the life insurance of the taxpayer and the taxpayer’s spouse
- Contribution towards the savings fund as prescribed by the Income Tax Rules
- Social security contributions made by employees to the Social Security Board (2% of annual salary, capped at MMK72,000 per annum) (approximately US\$36)

**Using an exchange rate of US\$1 = MMK2,000*

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-resident foreigners; the PIT rates are applied on their Myanmar-sourced salary income without any deduction, and non-resident Myanmar citizens are liable to pay income tax on their salary income on the basis of two different calculation methods as follows:

Method 1 Subtract the tax relief (i.e., 20% basic allowance, parents’ allowance, dependent spouse and dependent child allowance, etc.,) from the total salary amount in accordance with Section 6 of ITL, calculate the income tax payable at the progressive personal income tax rate under Section 19 (c) of the UTL 2023 and UTL 2024 , and as per Clause 8 of the Income Tax Regulation (2018).

Method 2 Calculate the income tax on the total salary income at 2% without subtracting the tax relief under Section 6 and 6-A of the ITL.

Out of two tax amounts computed by Method 1 and Method 2 above, the lesser amount will be the PIT payable by a non-resident Myanmar citizen.

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 = MMK2,000.

No.	Taxable Income Range		Income tax rate
	From MMK (US\$)	To MMK (US\$)	
1	1 (0.0005)	2,000,000 (1,000)	0%
2	2,000,001 (1,000)	10,000,000 (5,000)	5%
3	10,000,001 (5,001)	30,000,000 (15,000)	10%
4	30,000,001 (15,001)	50,000,000 (25,000)	15%
5	50,000,001 (25,001)	70,000,000 (35,000)	20%
6	70,000,001 (35,001) and above		25%

Social Security Contributions

The Social Security Law requires an employer with at least 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.

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.

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. Undisclosed source of income is still subject to income tax at progressive tax amnesty rates ranging from 3% to 30% under the amended UTL 2021; however, the income ranges have been expanded.

From 1 October 2021 to 7 January 2022, the old income range will be applicable. The new income range will be effective 8 January 2022 (FY2021-22) and it is valid until 31 March 2025 (FY2024-2025).

A comparison of old and new income ranges for undisclosed income is shown in the table below.

Tax rate	Old Income Range (MMK) under UTL 2021	New Income Range (MMK) under amended UTL 2021
3%	1 – 100,000,000	1 – 300,000,000
5%	100,000,001 – 300,000,000	300,000,001 – 600,000,000
10%	300,000,001 – 1,000,000,000	600,000,001 – 1,000,000,000
15%	1,000,000,001 - 3,000,000,000	1,000,000,001 - 3,000,000,000
30%	3,000,000,001 and above	3,000,000,001 and above

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 31 March 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

Taxable and Non-taxable goods & services

Under UTL 2023, 46 goods are exempt from CT, and under UTL 2024, 47 goods are exempted from CT, and the majority of the exempted goods are related to food products (see [Annex 2 <Page 32>](#) for details) and 34 types of services are exempted from CT (see [Annex 3 <Page 37>](#) for details).

All kinds of goods sold, and services rendered in Myanmar are subject to CT at 5% except for the following goods and services:

Activities	CT Rate
Hotel and tourism services	3%
The construction, renovation, and sale of buildings (whether by renting state-owned land or a joint venture (“JV”) with the State or on privately-owned land or by entering into a JV with a private landowner)	3%
The importation and sale of gold jewelry	1%
Internet services	15%
Sale of a sim card and sim card activation (effective 8 January 2022, FY2021-2022)	MMK 20,000

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

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%
Services rendered in Myanmar	5% unless exempted
Real estate	
- lease	5%
- sale of building	3%
Importation and sale of jewelries made with gold	1%
Hotel and tourism services	3%
Internet services	15%
Sales of Sim-card and Sim-card activation	MMK 20,000 per sim-card

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. However, 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 advance rental fees, unsold goods and unutilized 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. As per UTL 2023 and UTL 2024, 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 be registered with the relevant IRD.

Rates of tax

SGT rates are announced on a yearly basis in the UTL. Please refer to [Annex 4 <Page 40>](#) for current SGT rates imposed on local production and importation as per the UTL 2023 and UTL 2024.

The SGT rates for exportation are mentioned in [Annex 5 <Page 44>](#).

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.

The UTL 2023 removed the jewelry tax exemption of raw gemstones of diamonds and emeralds. Therefore, the sale of raw gemstones of diamonds and emeralds are now subject to jewelry tax at 9%.

Please refer to the below table regarding Jewelry Tax rates according to the UTL 2023 and UTL 2024.

No.	Type of gems	Tax rate
1.	Raw gemstones of jade	11%
2.	Raw gemstones of ruby, sapphire and other precious raw gemstones	9%
3.	Finished gemstones of jade, ruby, sapphire and other finished precious gemstones; and finished jewelry made with jade, ruby, sapphire, and other precious gemstones	5%
4.	Goods made with gemstones	5%

Tax Compliance Requirements

The financial year in Myanmar is now from 1 April to following 31 March.

Compliance timelines and penalties

Tax	Payment	Filing	Penalty
CIT	Payments quarterly, within 10 days after the end of each quarter	Annual return within three months after the income year-end (i.e., 30 June)	<ul style="list-style-type: none"> - Late payment - 10% of unpaid tax due - Late return filing - the higher of either: <ul style="list-style-type: none"> - 5% of payable tax and 1% of payable tax for each or part of the month during which the failure to file continues; or - MMK 100,000
WHT	Payment within 15 days of payments to suppliers. In practice, the returns and payments can be done on a monthly basis.		<ul style="list-style-type: none"> - Late payment – 10% of payable WHT amount - Failure to deduct WHT – the IRD will consider the payer as a defaulter and will recover payable WHT amount from the payer
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 three months after the income year end (i.e., 30 June)	<ul style="list-style-type: none"> - Late payment - 10% of unpaid tax due - Late return filing - the higher of either: <ul style="list-style-type: none"> - 5% of payable tax and 1% of payable tax for each or part of the month during which the failure to file continues; or - MMK100,000

Tax	Payment	Filing	Penalty
PIT	Payments within 15 days after disbursement of salary	Annual return within three months after the income year end (i.e., 30 June)	<ul style="list-style-type: none"> - Late payment - 10% of unpaid tax due - Late return filing - the higher of either: <ul style="list-style-type: none"> - 5% of payable tax and 1% of payable tax for each or part of the month during which the failure to file continues; or - MMK100,000
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"> - Late payment - 10% of unpaid tax due - Late return filing - the higher of either: <ul style="list-style-type: none"> - 5% of payable tax and 1% of payable tax for each or part of the month during which the failure to file continues; or - MMK 100,000
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"> - Late payment - 10% of unpaid tax due - Late return filing - the higher of either: <ul style="list-style-type: none"> - 5% of payable tax and 1% of payable tax for each or part of the month during which the failure to file continues; or - MMK 100,000

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 <Page 45>](#) for 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 any similar type of business
3	Depreciation	Higher depreciation rates may be allowed to start from the date of commercial operation
4	R&D deduction	Right to deduct R&D costs related from the investment from assessable income. It is capped at maximum 10% of the assessable income
5	Tax 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 i.e., maximum 2 years
6	Exemption for raw materials and semi-finished goods	Exempt from customs duty and other local taxes for export-oriented businesses (only on raw materials and semi-finished goods used for the purpose of manufacturing of exports)

No.	Advantage	Description
7	Refund of taxes and custom 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 used for manufacturing of export goods

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 [†]	Promotion Zone [†]
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 CIT on the profits exempted for the next 5-year period (requires reinvestment of profits within 1 year as a reserve fund)	50% of CIT on the profits exempted for the third 5-year period (requires reinvestment of profits within 1 year as a reserve fund)

Exemptions & Relief	Free/Exempt Zone [#]	Promotion Zone [#]
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

[#] 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, Japan and India. Therefore, Myanmar has FTA with five countries.

Myanmar has Bilateral Investment Treaties (“**BIT**”) with 11 countries which include Israel, South Korea, Singapore, 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	
25	Electric appliance factories	6.25	

Tax Depreciation Schedule (cont.)

No.	Type of capital asset		Percentage of the original value	
	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

Tax Depreciation Schedule (cont.)

No.	Type of capital asset		Percentage of the original value
	c	Ice-cream makers	10
	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

Tax Depreciation Schedule (cont.)

No.	Type of capital asset		Percentage of the original value		
	c	1	Machines used for mechanized farming	20	
		2	Cranes	20	
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		

Tax Depreciation Schedule (cont.)

No.	Type of capital asset	Percentage of the original value
	- Drilling equipment	20
	- 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
Food Stuff	
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 fruit, Vegetables
5	Fresh tea leaves, dried tea leaves, dried shredded tea leaves, processed and packaged dried tea leaves
6	Fresh fish, fresh prawns, and fresh meat, Various types of eggs (chicken, duck, etc.)
7	Groundnut oil, sesame oil
8	Sugarcane, sugar, jaggery, and brown slab sugar, various types of milk and dairy products, condensed milk, evaporated milk, various types of milk powder, yoghurt and soy milk
9	Creamers
10	Varieties of fish sauce (ngan-pya-ye), 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 (ngapi)
Agriculture and Livestock Related Goods	
11	Mulberry leaves, Silk cocoons
12	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
13	Soil and 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).
14	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
15	Raw cotton, cotton(assorted), cardamon, Thanakha, agricultural products not specified elsewhere, Coconut oil (not palm oil)
16	Coconut yarn
17	Firewood, bamboo, Raw and processed cane, fuel block as an alternative to firewood
Goods used in offices and schools	
18	Sealing wax, Assorted stamps (including revenue stamps)
19	National flag
20	Slate, slate pencils, and chalk, Graphite (lead) used for the production of pencils
21	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
Health Related Goods	
22	Medicinal herbal plants
23	Various types of mosquito repellent for home use
24	Honey, beeswax
25	X-ray film, X-ray paraphernalia, and other medical equipment prescribed by the Health Department, Medical cotton, cloth, bandages, hospital outfits, masked, surgical gloves, masks that are used in prevention of influenza virus and miscellaneous items, Various types of household medicine and other pharmaceuticals and various types of traditional medicine (medicines given licensed or registered under Food and Drug Administration which are not been prohibited by any law and regulations), Raw materials for medicine including raw materials for traditional medicine.
26	Condom
Religions and Social Use Goods	
27	Rosaries (except for rosaries made with precious gemstones), Religious clothes (robes, etc.).
28	Fire engines, search and rescue vehicles and hearses
Transportation Related Goods	
29	Fuel sold to foreign embassies, UN organizations and foreign diplomats by the Ministry of Electricity and Energy
30	Jet fuel to be used for both international and domestic flights
31	Airplane and helicopter engines, equipment, accessories, and parts thereof
Industrial Goods	
32	Bleaching substances (only those that use hydrochloride for bleaching), Raw materials to produce detergent, Raw materials to produce soap and raw soap
33	Jute and other fibers, Oil dregs and gum tragacanth

Commercial Tax-exempted Goods (cont.)

No.	Type of goods
34	Agricultural and livestock tools; agricultural and livestock machinery and equipment, and their spare parts; tractors; equipment used for preparing the land and harvesting, threshing and drying together with humans or animals; 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.
35	Photovoltaic ("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, PV/Solar Inverter (String/Hybrid/Battery/Bidirectional/ Central), PV/Solar mounted structure, Solar/PV mounted frames, Solar/PV mounted kits (Rodd and Ground mounted), PV/Solar mounted system (Floating), PV/Solar Controller and Battery box (only if the PV/Solar controller and battery are imported together).
36	Battery electric Vehicles ("BEVs"), and its associated batteries and accessories to be used particularly for BEVs
37	Raw materials or sub-assemblies or packaging materials for finished goods, machines, tools and machinery and 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.
Defense Related Goods	
38	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

Commercial Tax-exempted Goods (cont.)

No.	Type of goods
Gemstones and Mineral Resources Related Goods	
39	Blocks of pure gold (Standard gold bars and gold coins), Raw gemstones and finished gemstones of jade, ruby, sapphire sold at local Myanmar Gems Emporiums held by the Government
40	Oil dregs
Miscellaneous Goods	
41	Goods to be sold at duty-free shops to passengers leaving the country.
42	Goods under the principle of reciprocity to be used by foreign embassies or consulates, their members and staff who are not ambassador which are approved by the Ministry of Planning and Finance by issuing the notification as per proposal of the Ministry of Foreign Affairs under the permission of Union Government.
43	Goods purchased from local or foreign sources under the name of any local United Nations entity.
44	Goods purchased with cash donations or contributions given to the State by local or foreign benefactors.
45	Goods exempt from taxes by notification of the Union Government with the approval of the State Administration Council according to State requirements.
46	Goods imported under temporary admission or on a drawback basis subject to customs procedures.
47	Importation of goods after repairs under a repair and return customs procedure.

Annex 3: Commercial Tax-exempted Services

No.	Type of service
Foreign Affair Sector	
1	Services used by foreign embassies or consulates and members and staff thereof under the principle of reciprocity, recommended by the Ministry of Foreign Affairs, notified by the Ministry of Planning, Finance and Industry under the permission of Union Government.
2	Local services used under the name of the country offices of United Nations organizations
Defense Sector	
3	Publications by the Security Press of the Ministry of Defense
Religions and Cultural Affairs Sector	
4	Culture and arts services
Transportation Sector	
5	Parking lot rental services
6	Haulage (cargo transportation) services (transport services by train, car, watercraft, airplane, and crane, except transport through pipelines)
7	Moving services
8	Toll collection services
9	Domestic and international air passenger transportation services with fares
10	Public transport services
11	Postal service provided by Union Government
Education and Information Sector	
12	Education Services
13	Publishing services for books, magazines, journals, and newspapers

Commercial Tax-exempted Services (cont.)

No.	Type of service
Health Sector	
14	Healthcare services except from cosmetic surgery
15	Traditional massage and massage by the blind
16	Animal healthcare services
17	Public toilet entrance fee collection services
Planning and Finance Sector	
18	Life Insurance Services
19	Microfinance services
20	Capital market services
21	Banking and financial services conducted with the permission of the Central Bank of Myanmar
22	Customs and port clearance services
23	Lottery business
Social Welfare, Relief and Resettlement Sector	
24	Catering equipment rental services
25	Funeral services
26	Childcare and nursery services
Industrial and Electrical Sector	
27	Services provided on a contract manufacturing basis
28	Industrial agriculture services
29	Private small-scale electricity production and distribution services provided to the regions that are not connected to the national grid yet
30	Battery charging services for battery electric vehicles
Miscellaneous Sector	
31	License fees paid to government organizations in order to obtain any license

Commercial Tax-exempted Services (cont.)

No.	Type of service
32	Services exempt by the notification of the Union Government because of State requirements with the approval of the Pyidaungsu Hluttaw
33	Services received via donations or contributions by local and foreign organizations to the Union
34	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 Ministries, Union Attorney General Office, Union Auditor General Office, Union Civil Service Board Office, Nay Pyi Taw Council Office, 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 MMK800 per pack of 20 cigarettes	MMK13 per cigarette
	(b) Cigarettes, all types	For a sales price of MMK801 to MMK1100 per pack of 20 cigarettes	MMK26 per cigarette
	(c) Cigarettes, all types	For a sales price of MMK1,101 and above per pack of 20 cigarettes	MMK29 per cigarette
2	Tobacco		60%
3	Virginia tobacco, cured		60%
4	Cheroot		MMK1 per cheroot
5	Cigars		80%
6	Pipe tobacco		80%
7	Betel quid preparations		80%
8	(a) Liquor, all types	MMK400 to MMK2,000 per liter	MMK237 per liter
	(b) Liquor, all types	MMK2,001 to MMK 3,600 per liter	MMK624 per liter
	(c) Liquor, all types	MMK3,601 to MMK 5,400 per liter	MMK 1,065 per liter
	(d) Liquor, all types	MMK5,401 to MMK 7,200 per liter	MMK1,496 per liter
	(e) Liquor, all types	MMK7,201 to MMK 9,000 per liter	MMK1,944 per liter

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

No.	Type of Specific goods	Price range	Tax rate
	(f) Liquor, all types	MMK9,001 to MMK10,800 per liter	MMK2,393 per liter
	(g) Liquor, all types	MMK10,801 to MMK12,600 per liter	MMK2,841 per liter
	(h) Liquor, all types	MMK12,601 to MMK14,400 per liter	MMK3,290 per liter
	(i) Liquor, all types	MMK14,401 to MMK16,200 per liter	MMK3,739 per liter
	(j) Liquor, all types	MMK16,201 to MMK18,000 per liter	MMK4,188 per liter
	(k) Liquor, all types	MMK18,001 to MMK20,000 per liter	MMK4,637 per liter
	(l) Liquor, all types	MMK 20,001 to MMK22,000 per liter	MMK5,272 per liter
	(m) Liquor, all types	MMK22,001 to MMK24,000 per liter	MMK 5,745 per liter
	(n) Liquor, all types	MMK24,001 and above per liter	60% of the value per liter
9	Beer, all types		60% of the value per liter
10	(a) Wine, all types	MMK1 to MMK1,400 per liter	MMK176 per liter
	(b) Wine, all types	MMK1,401 to MMK2,600 per liter	MMK440 per liter
	(c) Wine, all types	MMK2,601 to MMK4,100 per liter	MMK737 per liter
	(d) Wine, all types	MMK4,101 to MMK5,600 per liter	MMK1,067 per liter
	(e) Wine, all types	MMK5,601 to MMK7,100 per liter	MMK1,397 per liter
	(f) Wine, all types	MMK7,101 to MMK8,600 per liter	MMK1,727 per liter

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

No.	Type of Specific goods	Price range	Tax rate
	(g) Wine, all types	MMK8,601 to MMK10,100 per liter	MMK2,057 per liter
	(h) Wine, all types	MMK10,101 to MMK11,600 per liter	MMK2,387 per liter
	(i) Wine, all types	MMK11,601 to MMK13,100 per liter	MMK2,717 per liter
	(j) Wine, all types	MMK13,101 to MMK16,100 per liter	MMK3,212 per liter
	(k) Wine, all types	MMK16,101 to MMK19,100 per liter	MMK3,872 per liter
	(l) Wine, all types	MMK19,101 to MMK22,100 per liter	MMK4,532 per liter
	(m) Wine, all types	MMK22,101 and above per liter	50% of the value per liter
11	Timber logs, wood cuttings		5%
12	(a) 1,501 CC to 2,000 CC vans, saloons, sedan and Estate Wagon, Coupe, except Pickup and electric cars including Double Cab 4 Door Pickup		10%
	(b) 2001 CC to 4000 CC vans, saloons, sedan and Estate Wagon, Coupe, except Pickup and electric cars including Double Cab 4 Door Pickup		30%

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

No.	Type of Specific goods	Price range	Tax rate
	(c) 4,001 CC and above vans, saloons, sedan and Estate Wagon, Coupe, except Pickup and electric cars including 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
AGREEMENT OR MEMORANDUM OF AGREEMENT :-	
a. if relating to the sale of a bill of exchange;	MMK50
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 MMK10,000, MMK25 for every MMK100,000 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 MMK150,000.
if not otherwise provided for.	MMK300
Exemptions	
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. d. AGREEMENT TO LEASE See LEASE (NO .35)	

Selected Stamp Duty Schedules (cont.)

Description of Instrument	Proper Stamp-duty
<p>AGREEMENT RELATING TO DEPOSIT OF TITLE-DEEDS, PAWN OR PLEDGE, that is to say, any instrument evidencing an agreement relating to :-</p> <ol style="list-style-type: none"> 1. the deposit of title-deeds or instruments constituting or being evidence of the title to any property whatever (other than a marketable security); or 2. 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: - 	
<p>a. if such loan or debt is repayable on demand or more than three months from the date of the instrument evidencing the agreement;</p>	<p>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).</p>
<p>b. if such loan or debt is repayable not more than three months from the date of such instrument.</p>	<p>Half the duty payable on a Bill of Exchange [No.13 (a)] for the amount secured.</p>
<p>Exemptions</p>	
<p>Instrument of pawn or pledge of goods if unattested</p>	
<p>COUNTERPART OR DUPLICATE of any instrument chargeable with duty and in respect of which the proper duty has been paid:-</p>	
<p>a. if the duty with which the original instrument is chargeable does not exceed MMK150;</p>	<p>The same duty as is payable on the original.</p>
<p>b. in any other case.</p>	<p>MMK100</p>

Selected Stamp Duty Schedules (cont.)

Description of Instrument	Proper Stamp-duty
Exemptions	
Counterpart of any lease granted to a cultivator when such lease is exempted from duty.	
LETTER OF CREDIT , that is to say, any instrument by which one person authorizes another to give credit to the person in whose favor it is drawn. LETTER OF GUARANTEE. See AGREEMENT (No.5).	MMK200

Bond

Description of Instrument	Proper Stamp-duty
BOND as defined by section 2(5), not being a DEBENTURE (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 ADMINISTRATION-BOND(No.2) , BOT TOMRY BOND (No.16) , CUSTOMS BOND (No.26) , INDEMNITY-BOND (No.34) , RESPONDENTIA BOND (No.56) , SECURITY BOND (No.57) .	
Exemptions	
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
CONVEYANCE , as defined by section 2(10) not being a TRANSFER charged or exempted under No.62-	Two per centum on the amount or value (additional 2% if relates to immovable property).
Exemptions	
Assignment of copyright made under the Myanmar Copyright Act. CO-PARTNERSHIP-DEED . See PARTNERSHIP (No.46)	
FURTHER CHARGE :- Instrument of, that is to say, any instrument imposing a further charge on mortgaged property:-	The same duty as a CONVEYANCE (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 descriptions referred to in Clause (a) of Article No.40 (that is, with possession);	
b. when such mortgage is, one of the descriptions referred to in Clause (b) of Article No.40 (that is, without possession): -	

Selected Stamp Duty Schedules (cont.)

Description of Instrument	Proper Stamp-duty
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 CONVEYANCE (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.
ii. if possession is not given.	The same duty as a Bond (No.15) (<u>0.5%</u>) for the whole amount payable or deliverable under such instrument.
LEASE , 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 Bond (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 Bond (No.15) (<u>0.5%</u>) for the amount or value of the average annual rent reserved.

Selected Stamp Duty Schedules (cont.)

Description of Instrument	Proper Stamp-duty
iii. where the lease purports to be for a term in excess of three years;	The same duty as a CONVEYANCE (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 CONVEYANCE (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.
v. where the lease purports to be in perpetuity;	The same duty as a CONVEYANCE (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 CONVEYANCE (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.

Selected Stamp Duty Schedules (cont.)

Description of Instrument	Proper Stamp-duty
<p>c. where the lease is granted for a fine or premium or for money advanced in addition to rent reserved.</p>	<p>The same duty as a CONVEYANCE(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 MMK300.</p>
<p>Exemptions</p>	
<p>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 MMK10,000.</p>	
<p>b. Leases of fisheries granted under the existing Laws.</p>	

Selected Stamp Duty Schedules (cont.)

Description of Instrument	Proper Stamp-duty
<p>MORTGAGE-DEED, not being an “AGREEMENT RELATING TO DEPOSIT OF TITLEDEEDS, PAWN OR PLEDGE (No.6)”, BOTTOMRY BOND (No.16), MORTGAGE OF A CROP (No.41), RESPONDENTIA BOND (No.56), OR SECURITY BOND (No.57):-</p>	
<p>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;</p>	<p>The same duty as a CONVEYANCE (No.23) (2%) (Additional 2% if relates to immovable property) for a consideration equal to the amount secured by such deed.</p>
<p>b. when possession is not given or agreed to be given as aforesaid;</p>	<p>The same duty as a BOND (No.15) (0.5%) for the amount secured by such deed.</p>
<p>Explanation</p>	
<p>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;</p>	
<p>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:-</p>	
<p>- for every sum secured not exceeding MMK1,000,000; and</p>	<p>MMK50</p>
<p>- for every MMK100,000 or part thereof secured in excess of MMK1,000,000.</p>	<p>MMK50</p>

Selected Stamp Duty Schedules (cont.)

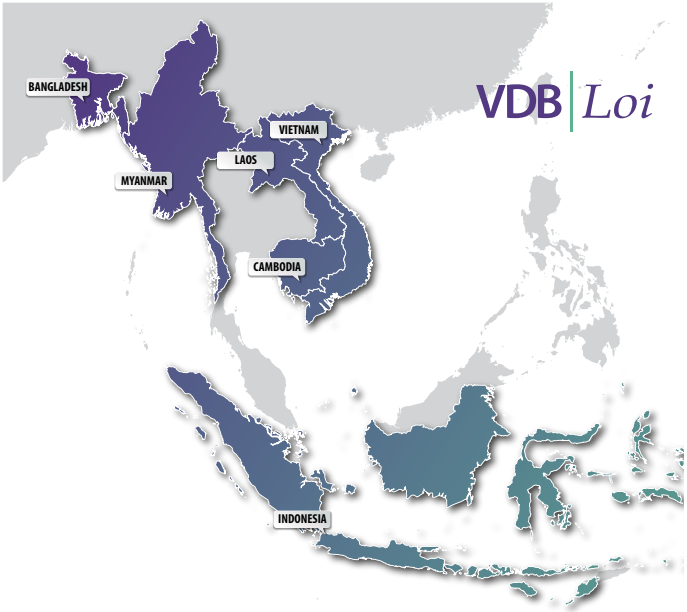
Description of Instrument	Proper Stamp-duty
Exemptions	
1. Instruments executed by persons taking advances under the existing relevant Laws, or by their sureties as security for the repayment of such advances.	
2. Letter of hypothecation accompanying a bill of exchange.	
RECONVEYANCE of mortgaged property or instrument of extinguishment of a mortgage.	Subject to the maximum of MMK10,000 the same duty as a CONVEYANCE (No.23) (2%) (Additional 2% if relates to immovable property) for the amount of the consideration for the mortgage.

Promissory Note

Description of Instrument	Proper Stamp-duty
PROMISSORY NOTE [as defined by section 2(22)]:-	
a. when payable on demand:-	
i. when the amount or value does not exceed MMK25,000;	MMK50
ii. when the amount or value exceeds MMK25,000 but does not exceed MMK100,000;	MMK100
iii. in any other case.	MMK150
b. when payable otherwise than on demand.	The same duty as a BILL OF EXCHANGE (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
TRANSFER (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 MMK500;	The duty with which such bond, mortgage-deed or policy of insurance is chargeable.
ii. in any other case.	MMK300
d. of any property under the Administrator General's Act, section 25;	MMK300
e. of any trust -property without consideration from one trustee to another trustee or from a trustee to a beneficiary	MMK300 or such smaller amount as may be chargeable under clauses (a) to (c) of this Article
Exemptions	
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. See also section 8.	



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