

**The Law Amending Income Tax Law
(The 2011 Pyidaungsu Hluttaw Law No. 4)
2nd Waxing of Thadingyut, 1373 ME
(29 September, 2011)**

The Pyidaungsu Hluttaw hereby enacts the following law.

1. This law shall be called the Law Amending the Income Tax Law.
2. This law shall come into effect starting 2011-2012 fiscal year.
3. In the Income Tax Law,
 - (a) The word “tax assessment committee” shall be substituted with the word “Head of Township Internal Revenue Department.”
 - (b) The word “First Appellate Tribunal” shall be substituted with the word “Head of Region or State Internal Revenue Department” or the word “Corporation Tax Office.”
 - (c) The word “Second Appellate Tribunal” shall be substituted with the word “Revenue Appellate Tribunal.”
4. In Section 3, the following sub-section shall be inserted as sub-section (j) “(j) A group of persons includes an organization comprising partnership business, joint-venture business, company, individual, an officially registered organization or an association in accord with an existing law, a cooperative society and state-owned business organizations.
5. After Section 3, sub-section (r), sub-section (s) and sub-section (t) shall be inserted as follow:-

“(s) Head of Township Internal Revenue Department is an officer in charge of Township Internal Revenue Department concerned who is assigned duty to levy tax on taxpayer in accord with the law. Duty assigned Staff Officers of Corporation Tax Office are also included in this word.

(t) tax dodger shall be stated as follows:-

 - (i) tax dodger who failed to pay fully or partially tax levied in accord with this law during the prescribed period or extended period.
 - (ii) tax dodger who failed to pay tax deducted from the original source.”
6. In Section 6, sub-section (c) (ii) (cc) of Income Tax Law, the word “taxpayer or life insurance of spouse” shall be substituted with “taxpayer and life insurance of spouse.”
7. In Section 7 of Income Tax Law, “the Union Government” shall be substituted with “the Ministry of Finance and Revenue of the Union Government under the approval of Union Government.”
8. In Section 11 of Income Tax Law, explanation shall be inserted as follows:-

“Explanation: Business includes money-lending certificates, bonds and making investment to receive interest including debenture certificates.”
9. After Section 12, sub-section (a) of Income Tax Law, explanation shall be inserted as follows:-

“Explanation: In renting land or land and building, renting leasehold land or land and building is also included.”

10. The phrase “selling, exchanging or transferring” in Section 13 of Income Tax Law shall be substituted with “selling, exchanging or transferring in any other ways”.

11. Section 15 of Income Tax Law shall be substituted as follows:-

“15.(a) Any person who has taxable income or make profits from property and personal belongings in a year will have the duty to pay income tax at the time the income is received.

(b) Anyone who is assumed, on basis of facts and figures acquired by Head of Township Internal Revenue Department, to have taxable income or make profits from property and personal belongings in a year shall be levied income tax.”

12. In Section 16 of Income Tax Law,

(a) In sub-section (a), the phrase “But, if the income is profits from property and personal belongings, the tax shall be paid within 30 days from selling, exchanging or transferring property and personal belongings in other ways” shall be inserted.

(b) The phrase “issuing notification by the Union Government” in subsection (e) shall be substituted with “issuing notification by the Ministry of Finance and Revenue of the Union Government with the approval of the Union Government”.

(c) In sub-section (g), the phrase “The Ministry of Finance and Revenue of the Union Government shall set fine for such failure by issuing notification” shall be inserted.

(d) The phrase “the amount not exceeded 10 per cent shall be demanded as fine” shall be substituted with the phrase “the amount equal to 10 per cent shall be levied as fine”.

13. Explanations in Sections 19 and 32 shall be revoked.

14. The phrase “the Union Government” in Section 21, sub-section (a), explanation of Section 33, explanation of Section 35, Section 38, subsection (a), Section 47, sub-section (c) and Section 50 of Income Tax Law shall be substituted with the phrase “the Ministry of Finance and Revenue of the Union Government” respectively.

15. The phrase “in accord with Myanmar Revenue Act or in accord with this law” in Section 22 , sub-section (a) of Income Tax Law shall be substituted with “in accord with this law”.

16. Section 31 of Income Tax Law shall be substituted as follows:“31. The Union Government-

(a) shall adhere to agreements in any treaty signed with any other country or any international organizations regardless of other provisions in this law.

(b) may issue this treaty in Myanmar Gazette.”

17. The phrase “appellate tribunal” in Section 32, sub-sections (b) and (d) of Income Tax Law shall be substituted with the phrase “Head of Region or State Internal Revenue Department or Corporation Tax Office” respectively.

18. In Income Tax Law-

(a) The phrase “100 Kyats” in Section 33, sub-section (c) shall be substituted with the phrase “1000 Kyats”.

(b) In Section 33 (a), the phrase “if it is 500 Kyats” shall be substituted with the phrase “if it does not exceed 30,000 Kyats” and the phrase “if it is 10,000 Kyats” with the phrase “if it does not exceed 100,000 Kyats”.

(c) the phrase “up to 10000 kyats” comprised in Sub-Section (b) of Section 38 shall be substituted with the phrase “not more than 100,000 kyats”.

19. The word “the groups assigned duty by the Union government” comprised in Section 42 and Section 44 of the Income Tax Law shall be substituted with “Head of Township Internal Revenue Department, Head of Region or State Internal Revenue Department or Head of Corporation Tax Office, the group formed under Section 7 and the duty-assigned persons and groups” respectively.

20. Section 43 of the Income Tax Law shall be substituted as follows:-

“43. Head of Township Internal Revenue Department, Head of Region or State Internal Revenue Department or Head of Corporation Tax Office, the group formed under Section 7 and the duty-assigned persons and groups shall have authority, entrusted to the court in accord with the civil law, in practising the authority under this law. Moreover, those persons or groups shall be known as court.”

21. In Section 45 of the Income Tax Law-

(a) the word “that group” comprised in the body text shall be substituted with the word “that person”.

(b) after sub-section (b), sub-sections (c) and (d) shall be inserted as follows:-

“(c) in carrying out tasks of sub-section (a) and sub-section (b), Head of Township Revenue Department shall submit Region or State Internal Revenue Department or Corporation Tax Office in advance and seek permission. If urgent case emerges, search warrant shall be demanded from respective township judge for undertaking such task.

In so doing, findings shall be reported to Township Judge and respective Region or State Head of Internal Revenue Department or Head of Corporation Tax Office as quickly as possible.

(d) if any task is carried out in accord with sub-sections (a) and (b), it shall be performed in the presence of taxpayer concerned or representative and two witnesses.”

22. In the Income Tax Law-

(a) the word “or the appellate tribunal” in the sub-section (a) of Section 46 and the word “or of appellate tribunal” in sub-section (a) of Section 47 shall be cancelled,

(b) the word “the group formed under Section 7” in sub-section (b) (i) of Section 46 and the word “the group” in sub-section (b) (ii) of Section 46 of the Income Tax Law shall be substituted with “Head of Township Internal Revenue Department”.

23. Section 51 of the Income Tax Law shall be substituted as follows:-

“51. In implementing the provisions of this law, the Ministry of Finance and Revenue of the Union government shall (a) issue necessary bylaws, rules and regulations in accord with the approval of the Union government, (b) issue necessary notifications, orders, directives and procedures.”

24. Sub-section (b) of Section 52 of the Income Tax Law shall be substituted as follows:-

“(b) the Ministry of Finance and Revenue of the Union government shall prescribe announcement of notification to keep forms of accounts with the content of data for any type of incomes or any type of taxpayers.”

25. “Chapter (XVIII), Effective Assessment Years of Myanmar Revenue Act” involved in the Income Tax Law shall be cancelled, and Section 59 shall be substituted as follows:-

“59. Of the levied tax from individual persons of respective townships, the Union government shall transfer the prescribed percentage for respective townships to the funds of Township Development Affairs Committees concerned.

I sign according to the Constitution of the Republic of the Union of Myanmar.

Sd/ Thein Sein
President
The Republic of the Union of Myanmar

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