

**The Union of Myanmar**

The State Peace and Development Council

**The State Budget Law, 2007**

(The State Peace and Development Council Law No. 4/2007)

The 12<sup>th</sup> Waxing Day of Hnaung Tague, 1368 M.E.

(29<sup>th</sup> March, 2007)

The State Peace and Development Council hereby enacts the following Law:-

**PART I**

**Title and Date of Effectiveness**

1. (a) This Law shall be called the State Budget Law, 2007.  
(b) The provisions of this law shall take effect commencing from 1<sup>st</sup> April, 2007 for the financial year 2007-2008.

## **PART II**

The State Peace and Development Council, Multi-Party Democracy General Election Commission, Government, Chief Justice, Attorney General, Auditor General, Ministries and Departments

### Chapter I

#### Receipts and Expenditures

2. The State Peace and Development Council, Multi-Party Democracy General Election Commission, Government, Chief Justice, Attorney General, Auditor General, Ministries and Departments shall carry out their functions in accordance with the State Budget Programme. In carrying out such functions, all receipts shall be credited to the State Budget and all expenditures payable shall be debited from the State Budget.
3. (a) The respective persons who have been assigned responsibility for the receipts and expenditures of the State Peace and Development Council, Multi-Party Democracy General Election Commission, Government, Chief Justice, Attorney General, Auditor General, Ministries and Departments shall supervise and collect those receipts and administer those expenditures as are shown against them in Schedules (1),(2),(3) and (4).

- (b) The respective persons who have undertaken the responsibility under sub-section (a) may delegate their powers to the respective persons serving under them.
  - (c) Supervision and collection of the receipts and administration of the expenditures shall be in accordance with the provisions of this Law, relevant laws, rules, regulations, bye-laws, orders, directives and procedures.
4. (a) Out of the estimated receipts shown in Schedules ( 1 ) and (3), if foreign aids and loans received under Chapter III exceed the estimated amount, and if expenditures of those works which are to be incurred out of such excess amount received as foreign aids and loans are in excess of the sanctioned expenditures shown in Schedules (2) and (4), the Government may approve after scrutiny. Provided that, if expenditures to be incurred out of the State Budget in Kyats converted from the aforesaid foreign aids and loans are not covered by the sum shown in Schedules (2) and (4), then it may be incurred out of the reserve fund in accordance with the provisions of section 6.
- (b) The Government shall submit matters relating to expenditures in excess permitted under sub-section (a) to the State Peace and Development Council, together with objects and reasons case-wise.

5. In respect of any alterations of sums shown in Schedules (1), (2), (3) and (4) under requirement of work, it shall be shown in the revised estimate budget for the 2007-2008 financial year submitted to the State Peace and Development Council.

## **Chapter II**

### **Reserve Fund**

6. (a) Expenditures incurred by the State Peace and Development Council, Multi-Party Democracy General Election Commission, Government, Chief Justice, Attorney General, Auditor General, Ministries and Departments out of the reserve fund shown in Schedule (4), column 12 shall be effected only in accordance with the following conditions
- (i) being expenditure which cannot be anticipated;
  - (i i) being a case in which expenditure must be incurred within the financial year;
  - (iii) where transfer of budget heads cannot be effected or where there is no allotment for transfer of budget heads under the existing laws, rules, regulations and bye-laws.
- (b) Any expenditure from the reserve fund shall be made only by the decision of the Government.

- (c) The Government shall submit matters relating to expenditure to be incurred out of the reserve fund to the State Peace and Development Council together with objects and reasons case-wise.

7. The State Peace and Development Council, Multi-Party Democracy General Election Commission, Government, Chief Justice, Attorney General, Auditor General, Ministries and Departments shall not be allowed to submit supplementary budget of the State in respect of receipt of amounts in excess of or less than the estimated amount under this Law or appropriation of allotment by transferring budget heads within the sanctioned expenditure or expenditure incurred from the reserve fund or expenditure incurred with the sanction of the Government under section 4. Provided that, if expenditures in conformity with the conditions contained in section 6 are not covered by the reserve fund allowed under this Law, then such expenditures may be submitted to the State Peace and Development Council together with objects and reasons case-wise.

### **Chapter III**

#### **Taking of Loans**

8. For the purpose of projects or for expenditures shown in the State Budget, the Government may take loans by issuing security bonds guaranteed by the State or debentures and by other means, within the country or from abroad. Reasonable rates of interest may be prescribed for such loans. Conditions for repayment, redemption or provision otherwise may also be stipulated.

9. Regarding loans obtained by issuing security bonds for covering the deficit in the budget of the previous financial year, new security bonds may be issued when payment of the loan becomes due.

10. The State Economic Organizations and Cantonment Municipalities may take loans from abroad for their projects, with the approval of the Government

11. The Government may grant permission to any Government Department to borrow money from abroad for any project.

12. (a) The Government may empower the Minister of the Ministry of Finance and Revenue for carrying out wholly or partly the duties contained in this Chapter III.

(bj) The Minister of the Ministry of Finance and Revenue may, on behalf of the State, furnish guarantees for taking of loans under this Chapter III.

13. During the financial year commencing from 1<sup>st</sup> April, 2007 and ending on 31<sup>st</sup> March, 2008 the total amount of loans actually received by execution of loan agreements under this Chapter III shall not exceed Kyats six hundred thousand million.

**PART III**  
**State Economic Organizations**

14. The State Economic Organizations shall carry out their functions in accordance with the State Budget Programme. In carrying out such functions, all receipts shall be credited to the State Budget and all expenditures payable shall be debited from the State Budget.

15. (a) The respective persons who have been assigned responsibility for the receipt and expenditure of the State Economic Organizations shall supervise and collect those receipts and administer those expenditures as are shown against them in Schedules (5) and (6).
- (b) The respective persons who have undertaken the responsibility under sub-section (a) may delegate their powers to the respective persons serving under them.
- (c) Supervision and collection of the receipts and administration of the expenditures shall be in accordance with the provisions of this Law, relevant laws, rules, regulations, bye-laws, orders, directives and procedures.
16. (a) The Government may alter the amounts shown in Schedules (5) and (6), if it becomes necessary for the functions of the State Economic Organizations. Such alterations shall be shown in the revised estimate budget for the 2007-2008 financial year

submitted to the State Peace and Development Council, together with objects and reasons therefor.

- (b) The Government may determine the amount of money to be contributed by the State Economic Organizations towards the State.

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#### **PART IV**

##### **Cantonment Municipalities**

17. The Cantonment Municipalities shall subsist on their own funds and shall carry out their functions in accordance with their Budget Programmes.

18. (a) The respective persons who have been assigned responsibility for the receipt and expenditure of Cantonment Municipalities shall supervise and collect those receipts and administer those expenditures as are shown against them in Schedules (7) and (8).

(b) The respective persons who have undertaken the responsibility under sub-section (a) may delegate their powers to the respective persons serving under them.

(c) Supervision and collection of the receipts and administration of the expenditures shall be in accordance with the provisions of this Law, relevant laws, rules, regulations, bye-laws, orders, directives and procedures.



19. (a) The Government may alter the amounts shown in Schedules (7) and (8), if it becomes necessary for the functions of Cantonment Municipalities. Such alterations shall be shown in the revised estimate budget for the 2007-2008 financial year submitted to the State Peace and Development Council, together with objects and reasons therefor.
- (b) The Government may permit Cantonment Municipalities to obtain money required for carrying out their functions or for investment from grants or loans.
20. The Cantonment Municipalities may collect only such rates and taxes permitted under the existing laws, rules, regulations, bye-laws, orders, directives as are relevant to them.

## **PART V**

### **Development Committees and Municipalities**

21. The Government may grant loans and contributions to the Development Committees and Municipalities.

**(Sd) Than Shwe**

**Senior General**

**Chairman**

**The State Peace and Development Council**

**The State Peace and Development Council,  
Government, Chief Justice,**

Serial Number	Subject	Responsible Person	Receipts from the State Economic Organizations	
			Taxes	
1	2	3	4	5
			<b>Kyats</b>	<b>Kyats</b>
1	The State Peace and Development Council	Chairman of the State Peace and Development Council or a person delegated by the Chairman		
2	Multi-Party Democracy General Election Commission	Chairman of the Multi-Party Democracy General Election Commission or a person delegated by the Chairman		
3	Government	Prime Master or a person delegated by the Prime Minister		
4	Chief Justice	Chief Justice or a person delegated by the Chief Justice		
5	Attorney General	Attorney General or a person delegated by the Attorney General		
6	Auditor General	Auditor General or a person delegated by the Auditor General		
	Total			

**Multi-Party Democracy General Election Commission,  
Attorney General and Auditor General**

Schedule (1)

Receipts

Other Current Receipts	Interest Receipts	Capital Receipts	Receipts from Foreign Aids	Debts		Receipts from Investment in Organizations	Savings
				Recovery of Loans	Drawal of Loans		
6	7	8	9	10	11	12	13
Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats
24200,000							
1,200,000							
16,000,000		150,000	-				
900,000,000							
19,000,000							
25,000,000		1,000					
985,400,000		151,000					

**The State Peace and Development Council,  
Government, Chief Justice,**

Serial Number	Subject	Responsible Person	
			Current Expenditure
1	2	3	4
			Kyats
1	The State Peace and Development Council	Chairman of the State Peace and Development Council or a person delegated by the Chairman	3,537,628.000
2	Multi-Party Democracy General Election Commission	Chairman of the Multi-Party Democracy General Election Commission or a person delegated by the Chairman	62,000,000
3	Government	Prime Minister or a person delegated by the Prime Minister	500,000.000
4	Chief Justice	Chief Justice or a person delegated by the Chief Justice	3,111,100,000
5	Attorney General	Attorney General or a person •- delegated by the Attorney General	1,877,000.000
6	Auditor General	Auditor General or a person delegated by the Auditor General	3,645,000.000
	Total		12,732,728.000

**Multi-Party Democracy General Election Commission,  
Attorney General and Auditor General**

Schedule (2)

Expenditures

Payment of Interest	Contribution	Capital Expenditure	Debts		Investment in Organi- zations	Savings
			Disbursement of Loans	Repayment of Loans		
5	6	7	8	9	10	11
Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats
	5,000,000	1,969,330,640				
		10,000,000				
		200,094,748.500				
		328,805,000				
		173,391,300				
		829,000,000				
	5,000,000	203,405,275,640				

## Ministries and

Serial Number	Subject	Responsible Person		
			Taxes	Receipts from the State Economic Organizations
1	2	3	4	5
1	Tax levied on inland production and public consumption	Prime Minister or a person delegated by the Prime Minister	Kyats 271,215,785,000	Kyats
	1 Excise duty		4,743,868,000	
	2 Commercial tax		250,512,629,000	
	3 Licence fees on imported goods		450,000,000	
	4 State Lottery		8,771,408,000	
	5 Taxes on Transport		1,620,000,000	
	6 Sales proceeds of stamps		5,117,880,000	
2	<b>Taxes levied on income and ownership</b>	- ditto -	235,598,083,000	
1	Income-Tax		155,331,892,000	
2	Profit-tax		80,266,191,000	
3	<b>Customs duties</b>	- ditto -	<b>15,000,000,000</b>	
1	Customs duties		15,000,000,000	
4	<b>Taxes levied on utility of State owned properties</b>	- ditto -	120,497,000	
1	Taxes on land (Land Revenue)		93,612,000	
2	Water Tax and Embankment Tax		26,885,000	

## Departments

### Schedule (3)

[illegible]



## Ministries and

Serial Number	Subject	Responsible Person		
			Taxes	Receipts from the State Economic Organizations
1	2	3	4	5
			Kyats	Kyats
3	Tax on extraction of forest products		4,289,700,000	
4	Tax on extraction of mineral		20,187,000	
5	Tax on Fisheries		3,400,000.000	
6	Tax levied on rubber		300,000	
5	Receipts from the State Economic Organizations	Prime Minister or a person delegated by the Prime Minister		501,478,615,000
6	Foreign Affairs	-ditto -		
7	Defence	-ditto -		
8	Progress of Border Areas and National Races and Development Affairs	-ditto-		
9	Home Affairs	- ditto -		
10	Immigration and Population	-ditto -		
11	Religious Affairs	-ditto -		
12	Social Welfare, Relief and Resettlement	- ditto -		
13	Information	-ditto -		
14	Culture	-ditto -		
15	Education	-ditto -		
16	Health	- ditto -		
17	Sports	-ditto -		
18	Labour	-ditto -		
19	Forestry	-ditto-		
20	Agriculture & Irrigation	-ditto -		
21	Livestock Breeding and Fisheries	-ditto -		
22	Mines	- ditto-		

## Departments

Continuation of Schedule (3)

Receipts							
Other Current Receipts	Interest Receipts	Capital Receipts	Receipts from Foreign Aids	Debts		Receipts from Investment in Organizations	Savings
				Recovery of Loans	Drawal of Loans		
6	7	8	9	10	11	12	13
Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats
8,200,000							
18,108,980.000							
94,712,200							
1,086,525,000							
618,560,000							
51,215,000							
106,420,000							
772,004,000							
70,467.000							
5,487,038.000			56,353.000				
4,667,254,190		1,200,000	91,466.000				
125,015.000		50.000					
71,005,200							
710,000.000			1,080,000			22,000,000	
8,735,425.000		50,850,000					
754,800.000							
133,700.000		100.000					

## Ministries and

Serial Number	Subject	Responsible Person		
			Taxes	Receipts from the State Economic Organizations
1	2	3	4	5
23	Industry No.(1)	Prime Minister or a person delegated by the Prime Minister	Kyats	Kyats
24	Industry No.(2)	- ditto -		
25	Science and Technology	- ditto -		
26	Energy	- ditto -		
27	Electric Power No.( 1)	- ditto -		
28	Electric Power No.(2)	- ditto -		
29	Construction	- ditto -		
30	Transport	- ditto -		
31	Rail Transportation	- ditto -		
32	Communications, Posts and Telegraphs	- ditto -		
33	Commerce	- ditto -		
34	Hotels and Tourism Services	- ditto -		
35	Co-operative	- ditto -		
36	National Planning and Economic Development	- ditto -		
37	Finance and Revenue	- ditto -		
38	Pensions and Gratuities	- ditto -		
	Total		529,644,552,000	501,478,615,000

## Departments

Schedule (3) end

Other Current Receipts	Interest Receipts	Capital Receipts	Receipts from Foreign Aids	Debts		Receipts from	
				Recovery of Loans	Drawal of Loans	in Organizations	Savings
6	7	8	9	10	11	12	13
Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kvats
528,583,300							
380.000							
951.958,000			500,000				
100.000							
10,001500					52,142,000		
5,632.000.000		10,000,000					
1.016.036.000							
1.690.532.000							
300,000,000							
1,723,446,400							
214.785,000							
202,436,600			6,511,000				
535,683,650		250,400,000					
5,033,174,100	14,810,000			58,019,000			
505,000							
59,440,945,140	14,810,000	312,600.000	155,910,000	58.019,000	52,142,000	22,000.000	

## Ministries and

Serial Number	Subject	Responsible Person	
			Current Expenditure
1	2	3	4
1	Foreign Affairs	Prime Minister or a person delegated by the Prime Minister	Kyats 944,038,000
2	Defence	- ditto -	256,368,575,300
3	Tatmadaw Affairs	- ditto -	
4	Progress of Border Areas and National Races and Development Affairs	- ditto -	5,411,509,000
5	Home Affairs	- ditto -	45,328,975,000
6	Immigration and Population	- ditto -	4,360,900,000
7	Religious Affairs	- ditto -	2,111,520,000
8	Social Welfare, Relief and Resettlement	- ditto -	2,695,000,000
9	Information	- ditto -	3,522,000,000
10	Culture	- ditto -	1,837,841,940
11	Education	- ditto -	151,772,258,000
12	Health	- ditto -	34,282,000,000
13	Sports	- ditto -	<b>2,335,200,000</b>
14	Labour	- ditto -	840,063,000
15	Forestry	- ditto -	<b>10,504,336,600</b>
16	Agriculture & Irrigation	- ditto -	49,081,411,000
17	Livestock Breeding and Fisheries	- ditto -	3,840,346,000

## Departments

Schedule (4)

Expenditures							
Payment of Interest	Contribution	Capital Expenditures	Debts		Investment in Organizations	Savings	Reserve Fund
			Disbursement of Loans	Repayment of Loans			
5	6	7	8	9	10	11	12
Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats
	8362.000	371,483,420					
		95,764,920,000					
	5301,491,000	16.816362.830					
	524,770	2.000.001.070					
		249,936,000					
	100379,600	130,137,600					
	71.450.000	2699,999,990					
		7,767,990,920					
	58,060	2^51,765,800					
		17,364,785,620					
	3321.000	9.900.000.050					
	21.400.000	1.207.000.250					
	187.000	139,588,500					
	645,400	3,711,088,000					
	413.000	69.623.858.830					
	474.000	1,908,651,890					

## Ministries and

Serial Number	Subject	Responsible Person	
			Current Expenditure
1	2	3	4
18	Mines	Prime Minister or a person delegated by the Prime Minister	Kyats 1,141,000,000
19	Industry No.( 1)	- ditto -	875,028,800
20	Industry No.(2)	- ditto -	409,300,000
21	Science and Technology	- ditto -	8,949,800,000
22	Energy	- ditto -	187,000,000
23	Electric Power No.(1)	- ditto -	5,699,000,000
34	Electric Power No.(2)	- ditto -	14,000,000
25	Construction	- ditto -	16,347,500,000
26	Transport	- ditto -	4,307,210,000
27	Rail Transportation	- ditto -	1,652,000,000
28	Communications, Posts and Telegraphs	- ditto -	122,700,000
29	Commerce	- ditto -	1,222,007,000
30	Hotels and Tourism Services	- ditto -	187,579,000
31	Co-operatives	- ditto -	4,378,268,000

## Departments

Schedule (4)

Expenditures							
Payment of Interest	Contribution	Capital Expenditure	Debts		Investment in Organizations	Savings	Resene Fund
			Disbursement of Loans	Repayment of Loans			
5	6	7	8	9	10	11	12
Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats
		135.330.000					
		132.647.000					
		85,660,050					
	200,000	25,951,000,070					
		2800,000					
800,000		6^372,848,000					
		23,000,000					
		84,177,100,840					
4,415,250	870.000	35,026351,600		105,00a000			
		762,875,110					
	1300,000	29.970.000					
	320.000	203,439,500					
	60,000	45,511,100					
	2,366,220	205,418,970					



## Ministries and

Serial Number	Subject	Responsible Person	
			Current Expenditure
1	2	3	4
32	National Planning and Economic Development	Prime Minister or a person delegated by the Prime Minister	Kyats 4,296,300,000
33	Finance and Revenue	- ditto -	6,406,755,000
34	Pensions and Gratuities	- ditto -	6,033,235,000
35	Gratuities and Commuted Pensions	- ditto -	15,001,500,000
36	Reserve Fund	Responsible person who is authorized to administer the allotment from this Fund as shown in Schedules 1, 2 & 3 or a person delegated by such responsible person	
	Total		652,566,156,640

Departments

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Expenditures							
Payment of Interest	Contribution	Capital Expenditure	Debts		Investment in Organizations	Savings	Reserve Fund
			Disbursement of Loans	Repayment of Loans			
5	6	7	8	9	10	11	12
Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats
		2,578,980,720					
113,148,587,000	180,000	1,301,983,970		277839,000	17,500,000	30,000	100,000,000
113,153,802,255	5,514,002,050	448,942,487,700		382,839,000	17,500,000	30,000	100,000,000

State Economic

Serial Number	Subject	Responsible Person		
			Taxes	Receipts from the State Economic Organizations
1	2	3	4	5
1	Stale Economic Organizations	Prime Minister or a person delegated by the Prime Minister	Kyats	Kyats
	Total			

## Organizations

### Schedule (5)

Other Current Receipts	Interest Receipts	Capital Receipts	Receipts from Foreign Aids	Debts		Receipts from Investment in Organizations
				Recovery of Loans	Drawal of Loans	
6	7	8	9	10	11	12
Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats
2,084.609,389,000		4,325.000			1,065,834,000	
2,084,609,389,000		4325,000			1,065334,000	

## State Economic

Serial Number	Subject	Responsible Person		
			Current Expenditure	Payment of Interest
1	2	3	4	5
1	State Economic Organizations .	Prime Minister or a person delegated by the Prime Minister	Kyats	Kyats
			2,071,421.090.000	
	Total		2,071,421,090,000	

## Organizations

Schedule (6)

Expenditures					
Contribution	Capital Expenditure	Debts		Investment in Organizations	Savings
		Disbursement of Loans	Repayment of Loans		
6	7 ;	8	9	10	11
Kyats	Kyats  226,778,171,000	Kyats	Kyats  670,396,000	Kyats	Kyats
	<b>226,778;! 71,000</b>		670,396,000		' _____

## Cantonment

Serial Number	Subject	Responsible Person		
			Taxes	Receipts from the State Economic Organisations
1	2	3	4	5
1	Cantonment Municipalitiesd under the Ministry of Defence	Prime Minister or a person delegated by the Prime Minister	Kyats	Kyats
	Total			

## Municipalities

Schedule (7)

Receipts							
Other Current Receipts	Interest Receipts	Capital Receipts	Receipts from Foreign Aids	Debts		Receipts from Investment in Organizations	Savings
				Recovery of Loans	Drawal of Loans		
6	7	8	9	10	11	12	13
Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats
253,233,700							
252,233,700							



**Cantonment**

Serial Number	Subject	Responsible Person	
			Current Expenditure
1	2	3	4
1	Cantonment Municipalities under the Ministry of Defence	Prime Minister or a person delegated by the Prime Minister	Kyats
			214,352,000
	</		

Municipalities

Schedule (8)

Expenditures						
Payment of Interest	Contribution	Capital Expenditure	Debts		Investment in Organizations	Savings
			Disbursement of Loans	Repayment of Loans		
5	6	7	8	9	10	11
Kyats	Kyats	Kyats  54,050,000	Kyats	Kyats	Kyats	Kyats
		54,050,000				