

March 2015

Myanmar Tax Update 2015

Amendment of Income Tax Regulations and Rules



- ▶ Key points of amendment of Income Tax Regulations
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Amendment of income tax regulations

On 21 January 2015, the Ministry of Finance ("MOF") issued a notification (Notification No. 181/2015) to amend the Income Tax Regulations to change rate of depreciation allowance.

The rate of depreciation allowance comparison between prior to 1 April 2014 and effective from 1 April 2014

Asset	Percentage of initial cost per year (%)	
	Prior to 1 April 2014	Effective from 1 April 2014
First class building constructed with selected materials		
▶ Factory building	3	10
▶ Others	1.5	5
Second class fair quality building		
▶ Factory building	5	15
▶ Others	2.5	10
Timber building, roofed with roofed-tile or GI sheet		
▶ Factory building	10	10
▶ Others	5	5
Furniture and fixtures	5	10
Machinery and plant		
▶ General	5	10
▶ Others	2.5-20	10
Vehicles		
▶ Road transport	12.5-20	10-20
▶ Marine transport	5-10	10-20
▶ Aircraft	16	5
Initial depreciation allowance for newly constructed building, machinery and plant		
▶ Buildings	15	15
▶ Machinery and plant	20	20

Effective date

These regulations shall come into force from the fiscal year 2014-2015 (the year ending March 31, 2015).

Amendment of income tax rules

On 21 January 2015, the Ministry of Finance ("MOF") issued a notification (Notification No. 182/2015) to amend the Income Tax Rules.

Relief allowed for children of a taxpayer

A taxpayer may deduct annual relief of MMK 300,000 per child with certain conditions.

Previously the Income Tax Rules did not clearly mention for relief above whether the spouse of tax payer shall not be allowed to claim relief on the same child whom the tax payer has already claimed relief.

By this amendment of the Income Tax Rules, the relief on the same child can be claimed by only one side either tax payer or his/her spouse.

Effective date

These rules shall come into force from the fiscal year 2014-2015 (the year ending March 31, 2015).

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