

Government of the Union of Myanmar

Ministry of Planning and Finance

Union Minister Office

Notification No. 143 / 2020

5th Waxing day of Nattaw, 1382 ME

(22nd December, 2020)

**Interpretation for the Services Business which are allowed to exempt from the
Commercial Tax**

1. In the exercise of the power and authority granted under Section 9 of the Union Taxation Law (2020), the Ministry of Planning and Finance, hereby prescribes this Notification for the interpretation of (12) types of services among the list of types of services which are allowed to exempt from Commercial Tax, listed under the Section 14, Subsection (d) with the view to understand clearly.

Relevant Matter

2. The Ministry, hereby notify this interpretation statement for the (12) types of services, provided by the service provider, which do not need to collect commercial tax together with the service fee from the customers.

Affective Persons

3. This notification will affect the tax payers who are service providers and the service receiver.

The provision of the relevant law

4. In accordance with the Section 5, Subsection (b) of the Commercial tax Law, the tax payer who is a service provider shall have responsibility to collect the commercial tax together with the service fees while the service is providing to the customer.

5. Under the Section 14, subsection (d) of the Union Taxation Law (2020), the types of services, which do not need to pay commercial tax, are prescribed.

Interpretation Statement

6. The Union Taxation Law (2020) was promulgated on 2.9.2020 by the Pyidaungsu Hluttaw Law No. (18). Referring that, all of the services shall pay commercial tax except for those which listed under Section 14, Subsection (d) of the Laws.

7. With the view to collect the commercial tax correctly to those which need to pay the commercial tax and which do not need to pay commercial tax by noting clearly for the interpretation of the types of services.

8. In this regard, in the exercise of the power and authority granted under Section 9 of the Union Taxation Law, the following interpretations shall be made for (12) types of services which were listed among the list of services exempted from commercial tax prescribed under the Section 14, Subsection (d) of the Union Taxation Laws –

Sr.	Sr. No from the Table	Type of Service	Interpretation
1.	4	Cultural and fine art services	It is included for entrance fees collection at the cultural sites, museums, libraries, acting in accordance with the profession, (not included for entertainment services.)
2.	5	Rental service for Car Parking Areas	Parking service for motor vehicles, motor cycles, bicycles, etc. (rental for motor vehicle show room and warehousing service for vehicles are not included)
3.	8	Toll Fees collection service	It is included for the roads and bridges toll fees collections.
4.	9	Domestic and Foreign travelling routes by air transportation service in which passengers are charged the relevant fees.	Businesses included for Domestic and Foreign travelling routes by air transportation service in which passengers are charged the relevant fees.
5.	10	Public Transport Services	<p>The following are included -</p> <ul style="list-style-type: none"> - Passenger transportation for the schedules routes with the motor vehicles by charging fee or receiving any other benefit - Private passenger transportation without the pre- schedules routes by the motor vehicles for one passenger or group of passengers

			with the fare or receiving any other benefit.
6.	11	Postal service done by the Union Government	<ul style="list-style-type: none"> -parcel delivery service for domestic and foreign either normal or registered system; -payment collection for parcels within the country; -money transfer business; -door to door delivery service; -tracking service -post office rental service, storage of parcels service and fees collection for returned parcel; -collection service for telephone bills -fax service; -services provided for the partnership businesses located at the post office building;
7.	12	Education Service	It is included for private schools, trainings, trainings for specific subjects, vocational training schools)
8.	14	Health care service except beauty service for the whole body.	It is included for medication and diagnostic services. (not included for body plastic surgery service and gym service.)
9.	19	Micro-financing Service	It is included for micro-financing service as per existing law and licensed pawn shops.

10	20	Capital Market Service	<p>The following businesses relating to the security exchange services performed at the stock exchange business –</p> <ul style="list-style-type: none"> (1) private trading for security exchange; (2) representative or agent at the security exchange service business; (3) dealership for the security exchange service business; (4) consultancy service for the security exchange service business; (5) acceptance and claims for the security exchange service business; (6) any security exchange service notified by the Security Exchange Administrative Commission.
11	21	Banking and any financial service businesses which is approved by the Central Bank	Financial services performed by the bank and non-banking association with the approval of the Central Bank.
12	28	Farm mechanization services	It is included for the machineries produces for the agricultural use, rental service, handling service, repair and maintenance service, trainings provided for the agricultural machinery, land development for the farm mechanization systematically.

Soe Win

Union Minister