

New Withholding Tax Rates in Myanmar

On 10th January 2017, the Internal Revenue Department (“**IRD**”) of the Ministry of Planning and Finance (“**MPF**”) announced the Notification No. 2/2017 to reduce the withholding tax rates for payments in Myanmar and abroad and replace the Notification No. 41/2010 and the Notification No. 167/2011 of the IRD. The new WHT rates will become effective from 1st April 2017.

No.	Types of Payments	Withholding Tax Rates	
		Payments in Myanmar	Payments Abroad
1.	Interests for loan or indebtedness or transaction of similar nature	-	15%
2.	Royalties for the use of licenses, trademarks, patent rights, etc.	10%	15%
3.	Payment for purchase of goods, work performed or supply of services and hiring within the country under a tender, contract, quotation or other methods.	2%	2.5%

The WHT will be deducted in Myanmar Kyat for payments made in Myanmar and in foreign currency for payment made abroad. It is required to report the WHT within 7 days from the payment date. Agreement for Avoidance of Double Taxation and Prevention of Fiscal Evasion will apply on a case-by-case basis.

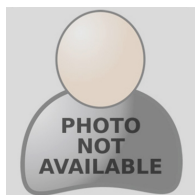
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