

Internal Revenue Department



**INTERNAL REVENUE DEPARTMENT**  
**MYANMAR**

**ANNUAL  
REPORT FOR  
FISCAL YEAR  
2020-2021**

January 1  
**2022**

From October 1, 2020 to September 30, 2021



## MESSAGE FROM THE DIRECTOR GENERAL



During the Fiscal Year 2020-2021, between 1st October 2020 and 30th September 2021, the Internal Revenue Department (IRD) collected total revenues 4745.732 billion kyats that is 92 percent of the estimated revenues though there were many chaos and challenges including COVID-19 global pandemic for the taxpayers and the tax administration.

In this Fiscal Year, as part of the Tax Reform processes, the Internal Revenue Department has extended the Self-Assessment System (SAS) in the

Medium Taxpayers' Office-2 and the Electronic Payment System has been operating in all SAS practicing offices (LTO, MTO-1 and MTO-2) to have a quick and convenient tax payment for the taxpayers.

Moreover, the IRD was currently testing e-Filing Management System progression by arranging to implement that system for tax return submission in all SAS Offices commenced on 1st December 2021 with the purpose to maximize consistency of Tax Reform processes and to deliver better quality services.

The Union Taxation Law (2021) was also enacted to specify the respective tax rates for the period, from October 2021 to March 2022. Likewise, the tax education programs are broadcasting on Myanmar Radio and Television (MRTV), other TV Channels, Newspapers and IRD's Website and Facebook Page to keep up with the times by bringing better services and to make effective enforcement approaches.

The Internal Revenue Department is dedicatedly performing to be a modernized tax administration by continuing the second phase of Reform Journey, at the same time, the staffs from IRD make effort to lawfully collect the right amount of tax revenues for the State along with our vision.

Through this annual report, the Internal Revenue Department appreciates to everyone who performs their tax responsibilities during this hard time with challenges and COVID-19 pandemic, and yet we keep on striving to provide better services and performances to all citizens of Myanmar while making progress our tax reform program towards a modernized tax administration.

Min Htut  
Director General  
Internal Revenue Department

# OUR STRATEGIC PLAN

## Our Vision

"We will be a modern organization that acts with integrity and is recognized internationally as a highly effective tax administration."

## Our Mission

"To make taxpayers willingly pay tax as good citizens, by delivering quality service in order to maximize revenue for the prosperity of the people."

## Our Goals

- Maximize revenue
- Broaden the tax base
- Improve and maintain compliance
- Modernize tax administration

## Our Objectives

- Improve integrity, transparency and accountability
- Update our tax laws
- Improve the structure of IRD for better management
- Improve our communication and change management processes
- Develop our people and recruit qualified staff
- Modernize our processes and procedures
- Improve the services we provide to taxpayers and take strong enforcement action on those who do not comply
- Introduce a modern, world-standard information technology system
- Progressively introduce self-assessment into the Myanmar tax system

## Our Values

 Professionalism

 Integrity

 Collaboration

 Service Delivery

 Valuing people

 Commitment



# OUR ORGANIZATION



## Ministry of Planning and Finance Internal Revenue Department

Director General

Deputy  
Director General  
(Administration)

Deputy  
Director General  
(Operation Management)

Deputy  
Director General  
(Legal & Policy)

Deputy  
Director General  
(Tax Reform)

Director  
(Human  
Resources and  
Support Services)

Director  
(Operation Management)

Director  
(Office of the  
Director  
General)

Director  
(Design and  
Monitoring)

Director  
(Tax Reform)

Director  
(Finance)

Director  
(State Lottery)

Director  
(Inspection)

Director  
(Legal  
Affairs)

Director  
(Statistics)

Director  
(Tax Policy  
and Research)

Tax Reform  
Projects

Director  
(Information  
Technology)

Director  
(Large Taxpayers  
Office)

Director  
(Union Territory,  
Region & State)

Director  
(Training)

Director  
(Medium Taxpayers  
Office)

(District Office)

(Small Taxpayers Office)

## OUR TAX REFORMS

The Internal Revenue Department continues to implement more features of a modern tax system while strengthening its administration. During this Fiscal Year, key achievements were as follows:

- According to the SAS Expansion Project Plan, Medium Taxpayer Office (2) was extended to the Self-Assessment System.
- The e-Registration System which uses Application Programming Interface (API) to get the information of companies registered at the Directorate of Investment and Company Administration (DICA), has been integrated into the Internal Revenue Department's data center and made it available to the tax offices.
- IRD has been trying to provide mobile payment services such as OK\$ and MPT Money in the One Stop Service (OSS) offices, which assess the taxes on the imported vehicles and as the first step, the OK\$ Mobile Wallet Application was started at OSS offices in Yangon.
- An online tax payment system via MPU Debit Card was made available to corporate taxpayers in order to provide a more convenient taxpayer experience.
- According to the expansion of the electronic payment system, the Internet Banking system of Myawaddy Bank Limited and the Mandalay Smart Pay system of Yadanarbon Bank Limited (UNDB Bank) were made available to the taxpayers in order to provide a more convenient tax payment.
- The taxpayers and the staffs of the companies which are assessed from the Large Taxpayers Office and the Medium Taxpayers Offices in Yangon, the electronic payment systems have made it easier and faster and more secure to pay the income tax instead of paying by cash/cheque.
- The Compliance Improvement Strategy Phase (1) is being implemented for the construction sector and conducts on-the-job training for staffs of SAS offices.
- IRD adopted the e-Filing Management System to provide the electronic services to the taxpayers in Large Taxpayer Office and Medium Taxpayer Offices.
- The Centralized Processing Unit was able to timely update the TRMS system in accordance with the revised policies and the input of MTO-2 taxpayers into the system.
- IRD announced the registration, recognition, return filing and the procedures of paying taxes to the Non-Profit Organizations.
- During the Covid-19 period, IRD performed Virtual Online Meetings to clarify about the tax return and the Union Taxation Law (2020) with the taxpayers of MTO-1 and MTO-2.
- Tax Knowledge Sharing Programs were provided through broadcasting on Myanmar Radio and Television, notifying on the newspapers, IRD's website and Facebook page.



## OPERATIONS REVIEW FOR 2020-2021 FY

**Income Tax** is the largest source of tax revenue and collections amounted to 2,081.877 billion kyats accounting for 43.87 percent of IRD's collection in FY 2020-2021.

**Commercial Tax and Specific Goods Tax** accounted for 35.17 percent and 17.33 percent of IRD collection respectively. While collections of commercial tax amounted to 1,669.118 billion kyats and specific goods tax amounted to 822.276 billion kyats in FY 2020-2021.

**Stamp Duty** on documents amounted to 84.17 billion kyats in FY 2020-2021 and accounted for 1.77 percent of IRD's collections.

**Lottery Tax and Gemstone Tax** collections amounted to 85.101 billion kyats and 3.191 billion kyats respectively, contributing 1.79 percent and 0.07 percent of collections in FY 2020-2021.

### Revenue Collected by Tax Type

