



Allocation of taxpayers to the LTO and MTOs

(2/ 2017)

1. The Internal Revenue Department (IRD) has established the Large Taxpayer Office (LTO) and the Medium Taxpayer Offices (MTOs) to provide better service to the taxpayers. IRD has also adopted taxpayers segmentation altogether with setting up criteria. Due to segmentation of taxpayers, each tax office has to take care of different segment of taxpayers and volunteer compliance will be improved through Self-Assessment System (SAS).
2. The criteria have been approved to determine the basis for allocating taxpayers to these offices. **The Director General may amend the criteria annually. The taxpayers who have already been under SAS would be moved only to other offices under SAS as it is needed.**
3. Based on the **2015 Assessment Year**, a report was compiled showing the annual turnover of Myanmar's top taxpayers. Based on the list, these largest taxpayers were then allocated to LTO and MTO offices as follows:

A. Large Taxpayer Office

LTO will have responsibility for 711 taxpayers comprising:

- those taxpayers who conduct the following types of business irrespective of annual turnover:
 - (1) Domestic Airlines and International Airlines which exist in Myanmar
 - (2) Domestic Banking and finance and International Banking and finance which exist in Myanmar
 - (3) Oil and natural gas exploration and production

- (4) Security Exchange Companies
- (5) Telecommunication Operators
- (6) Investment companies in Thilawa Special Economic Zone
- (7) State-owned enterprises assigned as required by the Director General

Furthermore, LTO will have responsibility for relevant taxpayers who may be assigned to LTO from time to time by the Director General.

B. MTOs

Medium Taxpayer Office 1

MTO 1 will have responsibility for the second top 700 taxpayers by way of annual turnover.

Medium Taxpayer Office 2

MTO 2 will have responsibility for the third top 1200 taxpayers by way of annual turnover.

Medium Taxpayer Office 3

MTO 3 will have responsibility for any other companies not administered by the LTO and MTO 1 and 2 and new companies.

4. Where an MTO taxpayer (under SAS) requests to be reassigned to LTO, then such requests will be considered by the Directors MTO and LTO, and decided by the Director General. But to keep 700 taxpayers in MTO 1 and 1200 in MTO 2, the criteria will be changed as required.