

The State Law and Order Restoration Council
The State Budget Law, 1995.
(The State Law and Order Restoration Council Law No. 3/95)
The 14 th Waning of Tabaung, 1356 ME
(29th March, 1995)

The State Law and Order Restoration Council hereby enacts the following Law:

PART I

Title and Date of Enforcement

1. (a) This Law shall be called the State Budget Law, 1995;
- (b) The provisions applicable to income-tax mentioned in sections 21 to 26 shall be deemed to have come into force on 1st April, 1994, the date on which income in respect of which income-tax is to be assessed for the financial year 1995-96 first accrued. Provided that income under the head salary, accrued commencing 1st April, 1995 shall have effect from 1st April, 1995;
- (c) The remaining sections of the Law shall come into force from 1st April, 1995 for the 1995-96 financial year.

PART II

2. The State Law and Order Restoration Council, Multi-Party Democracy General Election Commission, Government, Chief Justice, Attorney General, Auditor General, Ministries and departments.

Chapter 1

Receipts and Expenditures

3. Law and Order Restoration Council, Multi-party Democracy General Election Commission Government, Chief Justice, Attorney General, Auditor General, Ministries and Departments shall at their functions in accordance with the State Budget Programme, In carrying out such as, all receipts shall be credited the State Budget and all expenditures payable shall be debited State Budget.
4. (a) The respective persons who have been given the responsibility for the receipts and expenditures of the State Law and Order Restoration Council, Multi-Party Democracy General Election Commission, Government, Chief Justice, Attorney General, Auditor General, Ministries and Departments shall supervise and collect those receipts and administer those expenditures as are shown against them in Schedules (1), (2), (3) and (4);
(b) The respective persons who have undertaken the responsibility under sub-section (a) may delegate their powers to the respective persons serving under them;
(c) Supervision and collection of the receipts and administration of the expenditures shall be in accordance with the provisions of this Law, relevant Laws, rules, regulations, bye-laws, orders, directives and procedures.
5. (a) Out of the estimated receipts shown in Schedules (1) and (3). ii foreign aids and loans received under chapter III exceed the estimated amount, and if expenditures or those work which are to be incurred out of such excess amount received as foreign aids and loans are in excess of the sanctioned expenditures shown in Schedules (2) and (4), the Government may approve after security. Provided

that. ii expenditures to be incurred out of the State Budget in kyats converted from the aforesaid foreign aids and loans are not covered by the sum shown in Schedules (2) and (4), then it may be incurred out of the reserve fund in accordance with the provisions of Section 6.

(b) The Government shall submit matters relating to expenditures in excess permitted under sub-section (a) to the State Law and Order Restoration Council together with objects and reasons casewise. Inspection of any alteration of sums shown in Schedules (I), (2), (3) and (4) under requirement shall be shown in the revised estimate budget for the 1995-96 financial year submitted State Law and Order Restoration Council.

Chapter II Reserve Fund

6. (a) Expenditures incurred by the State Law and Order Restoration Council, Multi-Party Democracy General Election Commission, Government, Chief Justice, Attorney General, Auditor General, Ministries and Departments out of the reserve fund shown in Schedule (4), column 12 shall be effected only in accordance with the following conditions:

- (i) being expenditure which cannot be anticipated;
- (ii) being a case in which expenditure must be incurred within the financial year;
- (iii) where transfer of budget heads cannot be effected or where there is no allotment for transfer of budget heads under the existing laws, rules, regulations and bye-laws;

(b) Any expenditure from the reserve fund shall be made only by the decision of the Government;

(c) The Government shall submit matters relating to expenditure to be incurred out of the reserve fund to the State Law and Order Restoration Council together with objects and reasons casewise.

7. The State Law and Order Restoration Council, Multi-Party Democracy General Election Commission, Government, Chief Justice, Attorney General, Auditor General, Ministries and Departments shall not be required to submit supplementary budget of the State in respect of receipt of amounts in excess of or less than the estimated amount under this Law or appropriation of allotment by transferring budget heads the sanctioned expenditure or expenditure incurred from the reserve fund or expenditure incurred with the sanction of the Government under section 4. Provided that if expenditures in conformity with the conditions contained in section 6 are not covered by the reserve fund allowed under this Law, then such expenditures may be submitted to the State Law and Order Restoration Council together with objects and as casewise.

Chapter III Taking Of Loans

8. the purpose of projects or for expenditures shown in the State Budget, the Government may take loans in security bonds guaranteed by Government or deventures or by other means, within the country or abroad. Reasonable rates of interest may be prescribed for such loans. Conditions for repayment, portion or provision otherwise may also be stipulated.

9. Regarding loans obtained by issuing security bonds for covering the deficit in the budget of the previous financial year, new security bonds may be issued when repayment of the loan becomes due.

10. The State Economic Organizations and Cantonment Municipalities may take loans from abroad, for their projects with the approval of the Government.

11. (a) The Government may empower the Minister of the Ministry of Finance and Revenue for carrying out wholly or partly the duties contained in this Chapter III;

(b) The Minister of the Ministry of Finance and Revenue may, on behalf of the State furnish guarantees for the taking of loans under this Chapter III.

12. During the Financial year commencing 1st April 1995 and ending on 31st March 1996. the amount of loans actually received by the execution of loan agreements under this Chapter III shall not exceed kyats thirty thousand million.

PART III

State Economic Organizations

13. The State Economic Organizations shall carry out their functions in accordance with the State Budget Programme. In carrying out such functions, all receipts shall be credited to the State Budget and all expenditures payable shall be debited from the State Budget.

14. (a) The respective persons Who have been given the responsibility for the receipt and expenditure of the State Economic Organizations shall supervise and collect those receipts and administer those expenditures as are shown against them on Schedules (5) and (6);

(b) The respective persons who have undertaken the responsibility under sub-section (a) may delegate their powers to the respective persons serving under them;

(c) Supervision and collection of the receipts and administration of the expenditures shall be in accordance with the provisions of this Law, relevant laws, rules, regulations, bye-laws, orders, directives and procedures.

15. (a) The Government may alter the amounts shown in Schedules (5) and (6), if it becomes necessary for the functions of the State Economic Organizations. Such alterations shall be shown in the revised estimate budget for the 1995-96 financial year submitted to the State Law and Order Restoration Council together with objects and reasons therefore;

(b) The Government may determine the amount of money to be contributed by the State Economic Organizations towards the State.

PART IV

Cantonment Municipalities

16. The Cantonment Municipalities shall subsist on their own funds and shall carry out their functions in accordance with their Budget Programmes.

17. (a) The respective persons who have been given the responsibility for the receipt and expenditure of Cantonment Municipalities shall supervise and collect those receipts and administer those expenditures as are shown against them in Schedules (7) and (8);

(b) The respective persons who have undertaken the responsibility under sub-section (a) may delegate their powers to the respective persons serving under them:

(c) Supervision and collection of the receipts and administration of the expenditure shall be in accordance with the provision of this Law, relevant laws, rules regulations, bye-laws, orders, directives and procedures.

18. (a) The Government may alter the amounts shown in Schedules (7) and (8) if it becomes necessary for the functions of Cantonment Municipalities. Such alterations shall be shown in the revised estimate budget for the 1995-96 financial year submitted to the State Law and Order Restoration Council together with objects and reasons therefore.

(b) The Government may permit Cantonment Municipalities to obtain money required for carrying out their functions or for investment from grants or loans.

19. The Cantonment Municipalities may collect only such rates and taxes permitted by the existing laws, rules, regulations, bye-laws, orders, directives as are relevant to them.

Chapter V Development Committees and Municipalities

20. The Government may grant loans and contributions to the Development Committees and Municipalities.

PART VI Income-tax

21. Income-tax rates and provisions prescribed in this Part shall come into effect from 1995-96 assessment year.

22. Income-tax shall be assessed at rates prescribed in Schedule (9) of this Law.

23. The basic relief allowed under section 6 of the Income-tax Law shall be equivalent to twenty per cent of each class of income. Provided that total relief for a year shall not exceed kyats six thousand.

24. (a) Relief allowed for the wife of an assessee, other than an association of persons under section 6 of the Income-tax Law shall be kyats two thousand five hundred;

(b) Under section 6 of the Income-tax Law relief allowed for the children of an assessee, other than an association of persons shall be as follows:

(1) for each child not over five years of age, shall be kyats five hundred; -

(2) for each child above five years of age, who has not completed ten years shall be kyats six hundred;

(3) for each child above ten years of age, who has not yet completed fifteen years shall be kyats eight hundred;

(4) for each child who is above fifteen years of age, shall be kyats one thousand.

25. In respect of other reliefs allowed under section 6, sub-section (b) of the Income-tax Law, the amount of relief shall be the amount actually paid by the assessee during the relevant assessment year.

26. The expressions contained in this Part and in Schedule (9) of this Law shall have the same meaning as in the Income-tax Law.

**The State Law and Order Restoration Council
Commission, Government, Chief Justice, Multi-Party Democracy General Election Attorney
General and Auditor General
Schedule (1)**

***table at Page 26-27 at law 95-96

The State Law and Order Restoration Council, Multi-Party Democracy General Election Commission, Government, Chief Justice, Attorney General and Auditor General
Schedule (2)

***table at Page 28-29 at Law 95-96

Ministries and Departments

Schedule (3)

***table at Page 30-31-32-33-34-35 at Law 95-96

Ministries and Departments

Schedule (4)

***table at Page 36-37-38-39 at Law 95-96

* * table at page - 34-35

* * Draw the table –page -36-37-38-39

* * table at page 40-41 Sc (5)

* * table at page -42-43 Sc (6)

* * table at page -44-45 Sc (7)

* * table at page -46-47 Sc (8)

* * table at page -48 Sc (9)

(b) Professions, business, property, income from undisclosed sources and income from other sources-

* * table at page -49-

2. In the case of non-resident Myanmar citizens shall be 10 percent on the total income accrued abroad before any relief allowed under section 6 of the Income-tax Law is deducted.

3. Resident Myanmar citizens in the Union of Myanmar and non-resident Myanmar citizens who earn the following type of income in foreign currency shall pay 10 per cent (ten per cent) of the total income earned during the income earning period in such foreign currency as income tax:

(a) persons who earn income in foreign currency by renting buildings, vehicles and other property;

(b) persons who earn income under the heading of “Salaries” such as salary, wage, pension and annuity in the foreign currency;

(c) persons who earn” income in foreign currency for services rendered as representatives and for other types of services:

4. In the case of a foreigner engaged in a State enterprise or a State sponsored project, enterprise or in and transaction with the approval of the Ministry concerned shall be 20 per cent of the total income, before any relief allowed under section 6 of the Income-tax Law is deducted.

5. In the case of an association of persons formed in a foreign country, which is engaged in a State enterprise or State sponsored project, enterprise, or in any transaction with the approval of the Ministry concerned the tax shall be 30 per cent of the total income, before any relief allowed under section 6 of the Income-tax Law is deducted.

6. In the case of a company established in Myanmar under the Myanmar Companies Act or under any existing law shall be 30 per cent of the total income before any relief allowed under section 6 of the Income-tax Law is deducted.

7. In the case of a non-resident foreigner, shall be 35 per cent of the total income before any relief allowed under section 6 of the Income-tax Law is deducted. If the income is earned in foreign currency, income-tax is to be paid only in such foreign currency. Provided that if the income-tax calculated at the relevant rate of the rates mentioned in the above sub-clause (b) of clause I exceeds the sum calculated at 35 per cent, then the greater sum shall be paid.

Co-operative Sector

8. For the income of the Basic Co-operative Society, group of Co-operative Societies, Headquarters of the group of Co-operative Societies or Central Cooperative Societies formed and registered under the Co-operative Law-

* * table at page-51

State-owned Sector

9. The tax on the total income of State Economic Organizations shall be 30 per cent before any relief allowed under section 6 of the Income-tax Law is deducted.

Rates applicable to the three Sectors

10. The tax on the Capital gains shall be 10 per cent, before any relief allowed under section 6 of the Income-tax Law is deducted. Provided that if Capital gains have accrued to a non-resident foreigner the tax shall be 40 per cent on such Capital gains before any relief allowed under section 6 of the Income-tax Law is deducted.

11. If the enterprise is formed under the Union of Myanmar Foreign Investment Law the rate shall be 30 per cent on its total income before any relief allowed under section 6 of the Income-tax Law is deducted.

Determination of assessable Income

12. No income-tax shall be paid on a total income of salary which is not more than Kyats 25,000 (Kyats twenty five thousand only) shown in sub-clause (a) of clause I under the Private Sector of this Schedule.

13. No income-tax shall be paid on the total income shown in sub-clause (b) of clause 1 under the Private Sector and the Co-operative Sector of this Schedule which is not more than Kyats 25,000 (Kyats twenty five thousand only).

14. Capital assets of one or more if sold, exchanged or transferred, and if the total value of such transactions within a year does not exceed Kyats 50,000 (Kyats fifty thousands only) income-tax shall not be paid.

15. In cases where, although the income exceeds the amount shown in the above clauses 12,13 and 14, if the excess is not considerable, the Minister of the Finance and Revenue Ministry may, by notification prescribe special modes of calculating the assessment of income-tax as required, so that there shall be fairness in assessment and without burdening the assessed.

16. Notwithstanding anything contained in sub-section (b) of section 4 of the Income- tax Law, no additional income-.tax shall be paid other than the taxes shown above.

**Sd./ Than Shwe
Senior General
Chairman
The State Law and Order Restoration Council**

http://web.archive.org/web/20110902222319/http://www.blc-burma.org/html/Myanmar%20Law/lr_e_ml95_03.html