



# LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

*CONVENIENCE TRANSLATION - ACCURACY NOT GUARANTEED*

**Government of the Republic of the Union of Myanmar  
Ministry of Planning and Finance  
Notification No. 65/2023  
1385, 4<sup>th</sup> Waning Day of Wagaung  
(4 September 2023)**

**Clarification with regard to types of services that shall not be subject to commercial tax**

1. The Ministry of Planning and Finance, in exercising the powers conferred by section 9 Union Taxation Law, hereby clarifies the meaning with regard to 25 types of services in section 14(d) that shall not be subject to commercial tax, in order to enable clear understanding and compliance.

**Topics**

2. This interpretation statement clarifies how this Ministry interprets 25 types of services for which service providers are not required to collect commercial tax together with the service charges from to the service recipients.

**Affected persons**

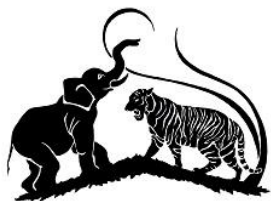
3. This statement affects taxpayers who are service providers, and service recipients.

**Applicable legislation**

4. According to section 5(b) Commercial Tax Law, a taxpayer who is a service provider is responsible for collecting commercial tax together with the service charges regarding the services provided by him for the service recipients.
5. Section 14(d) Union Taxation Law 2023 specifies the types of services that shall not be subject to commercial tax.

**Clarification**

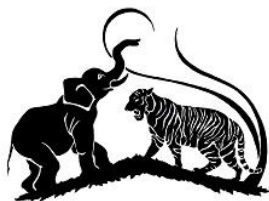
6. The Union Taxation Law 2023 was promulgated on 30 March 2023 as State Administration Council Law No. 18/2023. Commercial tax shall be levied on the remaining services, except for the types of services in section 14(d) of this law.



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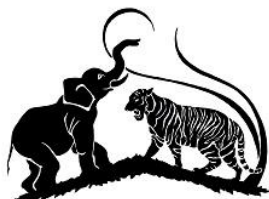
7. Only if the meaning related to the types of services that shall not be subject to commercial tax is clear is it possible to correctly and efficiently collect commercial tax on services that are subject to it.
8. Therefore, in exercising the powers conferred by section 9 Union Taxation Law, the meanings of 25 types of services that need to be clarified among the services in section 14(d) of this law that shall not be subject to commercial tax are explained as follows:

Sr.	No.	Type of service	Explanation
1	4	Culture and art services.	Included are the collection of entrance fees in cultural sites, museums, and libraries, and acting or performing in an art of one's own mastery. (Entertainment businesses are not included.)
2	5	Parking space rental services.	These are services that provide parking space for vehicles such as motor vehicles, motorcycles, or bicycles. (Not included are services that consist in letting space for a vehicle showroom or letting a warehouse for vehicle storage.)
3	6	Goods transportation services (transportation by train, motor vehicles, ships, aircraft and cranes, except transportation by pipeline).	Also included are businesses that transport goods, businesses that transport goods after having packed them, and businesses that load and unload goods onto/from vehicles in airports and ports.
4	7	Home relocation services.	These are home removal businesses, and businesses that move and transport, or pick up and deliver, or allocate a place for, home furniture and appliances.
5	8	Road user fee collection services.	Included are businesses that collect fees for the use of roads and bridges.
6	9	Services that consist in transporting passengers on domestic or international flights for a fee.	Included are businesses that carry out the transport of passengers on domestic or international flights for a fee.
7	10	Public passenger transportation services.	This means the following businesses: - Scheduled passenger transportation business, i.e., a business that transports passengers by motor vehicle or railway



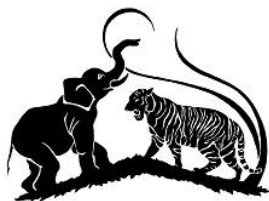
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Sr.	No.	Type of service	Explanation
			<p>on a specified route, for a fee or for any benefit.</p> <ul style="list-style-type: none"> <li>- Charter passenger transportation business, i.e., a taxi business that lets a vehicle to one or more than one passenger and transports them without a specified route, for a fee or for any benefit.</li> </ul>
8	11	Postal services operated by the government.	<ul style="list-style-type: none"> <li>- Business of delivering post and goods that are sent within the country or to a destination abroad by ordinary registered post or express post;</li> <li>- Collecting money for insured post and goods that are sent within the country;</li> <li>- money transfer and money sending businesses;</li> <li>- receiving post and goods for home delivery;</li> <li>- business of collecting money on behalf of someone else;</li> <li>- letting mailboxes; storage of parcels delivered from abroad; collecting money for returned parcels;</li> <li>- delivering and collecting on phone bills [<i>literally, "telephone tax invoices"</i>];</li> <li>- telecommunication businesses;</li> <li>- providing services in businesses carried out as joint ventures with Myanmar Post for the public to be able to easily and conveniently access the land of a post office building.</li> </ul>
9	12	Education services.	Included are schools, training schools, courses for specific subjects, and technical and vocational education and training courses, including those that are private.
10	14	Health services other than	Included are businesses providing medical



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Sr.	No.	Type of service	Explanation
		cosmetics.	treatment and diagnostics businesses. (Not included are businesses that provide cosmetic surgery or health training.)
11	15	Traditional massage services; massage services performed by a blind person.	Included is any business that performs any traditional chiropractic.
12	16	Animal health and care services.	Included are businesses that provide veterinary treatment and veterinary care businesses.
13	18	Life insurance services.	Only covers life insurance services among insurance businesses.
14	19	Microfinance services.	Included are microfinance businesses and licensed pawn shops operating under the laws in force.
15	20	Capital market services.	The term capital market services includes the following activities carried out in stock exchange businesses regarding securities: (1) Private trading of securities; (2) acting as a broker or agent in a securities transaction; (3) underwriting the distribution and sale of securities; (4) advising on investments in securities; (5) securities depository and settlement; (6) conducting a business that is defined as securities business in a notification of the Securities and Exchange Commission.
16	21	Financial services carried out by a bank and with the approval of the Central Bank.	This means financial services carried out by banks and non-bank financial institutions with the approval of the Central Bank.
17	22	Customs services.	This means activities carried out after having obtained a business license for operating a clearing business for the import or export of goods, or after having obtained a business license for the import or export



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Sr.	No.	Type of service	Explanation
			of goods after having been fully qualified.
18	23	Aung Bar Lay lottery services.	Included in these services are the printing and distribution of various lottery tickets and the distribution and sale of Aung Bar Lay lottery tickets with an online system and a point of sale (POS) system.
19	24	Services consisting in the letting of equipment for reception and catering.	Included are only activities related to the letting of equipment for a reception and catering ceremony. (Not included are jewellery rental and businesses that prepare the ceremony.)
20	25	Funeral services.	Covers all funeral services.
21	26	Child care services.	This means the business of raising and caring for children who have not yet reached school age.
22	27	Services provided in a system where raw materials are provided and finished goods are returned.	Included are CMP businesses and <i>nawali</i> businesses. (Covered are only businesses where raw materials are actually provided from which finished products are manufactured. Activities which pay for raw materials are not covered.)
23	28	Agricultural mechanisation services.	This means manufacturing, letting, handling and providing, and preparing and maintaining agricultural equipment as agricultural mechanisation services, giving training regarding agricultural equipment, and identifying and processing agricultural land suitable for the agricultural mechanisation system.
24	30	Battery charging services for battery electric vehicles.	This means services related to the charging of batteries for battery electric vehicles with any electric power for a fee.
25	31	License fee paid to a state organisation for the right to operate a business.	This includes license fees paid to various government departments according to a law in force.



## LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

5. Notification no. 67/2017, notification no. 93/2018, notification no. 23/2020, and notification no. 143/2020, which clarified the types of services that shall not be subject to commercial tax, are repealed by this notification.

Win Shein  
Union Minister

Letter No. Sa Ba / Finance-2 / 1/ 254 (5623 / 2023)

Date: 4 September 2023

Distribution list: *[Omitted.]*

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