

New Withholding Tax Rates

On 18th June 2018, the Ministry of Planning and Finance (“**MOPF**”) issued the Notification No. 47/2018 to replace the Notification No. 51/2017 on Types and Rates of Withholding Tax (“**WHT**”) effective from 1st July 2018. The new rates of the WHT are as follows:-

Types of Payments	Citizens and Resident Foreigners	Non-Resident Foreigners
Interests on loans	0%	15%
Royalties for the use or licensing of trademarks, patents, copyrights, etc.	10%	15%
Payments under contracts made by state organizations, ministries and state-owned enterprises, local authorities, co-operatives, partnerships, companies, entities formed under any existing laws for procurements and for services render	2%	2.5%
Payments for services and procurements provided in Myanmar	-	2.5%

The minimum amount for deduction of the WHT has been changed to MMK1 million for the total payments within one year. If the WHT has already been paid in Myanmar, a Certificate of Domicile of Non-Resident Foreigner can be obtained from the Tax Office to avoid double taxation in home country of the non-resident foreigner.

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