New Public Ruling under Tax Administration Law

On 27th January 2020, the Internal Revenue Department ("**IRD**") issued its public ruling ("**PR**") related to tax assessments, fines, criminal actions and applicable penalties for failures to pay relevant taxes during the transitional period under the Tax Administration Law 2019 ("**TAL**"), which became effective retroactively since 1st October 2019.

According to the PR, the IRD will proceed with tax assessment, imposing fines/penalties and/or criminal actions against any taxpayer who fails to pay relevant taxes under the relevant tax laws.

The time limit of tax assessment is generally three years from the end of the tax assessment year under the Income Tax Law and three years from the assessment date under the Special Commodity Law. The Director General of IRD may extend the time limit of tax assessment to up to six years after end of relevant tax assessment year under TAL. However, these time limits will not apply for the assessment of the income tax and the commercial tax for the financial year ended 2019 to 2020.

The fines as prescribed under the TAL will be imposed on taxpayers who violated the TAL from 1st October 2019 by concealing facts in tax returns, failure to submit an annual tax return or a quarterly tax return, failure to maintain relevant tax documents of the previous year, wrongfully calculating tax for the previous tax assessment, etc. Criminal actions will also be taken against taxpayers for the offences under the TAL and other relevant tax laws.



AUTHOR



Khin Khin Zaw Partner | Yangon khinkhinzaw@lawplusltd.com

LawPlus Ltd. Unit 1401, 14th Floor, Abdulrahim Place 990 Rama IV Road, Bangkok 10500, Thailand Tel: +662 636 0662 Fax: +662 636 0663

LawPlus Myanmar Ltd.

The information provided in this article is general in nature and may not apply to any specific situation. Specific advice should be sought before taking any action based on the information provided. Under no circumstances shall LawPlus Ltd. or any of its directors, partners and lawyers be liable for any direct or indirect, incidental or consequential loss or damage that results from the use of or the reliance upon the information contained in this article. Copyright © 2016 and 2018 LawPlus Ltd.

Unit No. 520, 5th Floor, Hledan Centre Corner of Pyay Road and Hledan Road, Kamayut Township, Yangon, Myanmar Tel: +95 (0)92 6111 7006 and +95 (0)92 6098 9752

The information provided in this article is general in nature and may not apply to any specific situation. Specific advice should be sought before taking any action based on the information provided. Under no circumstances shall LawPlus Ltd. or any of its directors, partners and lawyers be liable for any direct or indirect, incidental or consequential loss or damage that results from the use of or the reliance upon the information contained in this article. Copyright © 2016 and 2018 LawPlus Ltd.