



Specific Goods Tax

1. The objective of this publication aims at stating the information of Specific Goods Tax as for businessmen who sells the Specific Goods and the taxpayers who are responsible for paying Specific Goods Tax.
2. Specific Goods Tax is the type of tax that has to be paid for importing the specific goods, exporting the specific goods to abroad and manufacturing the specific goods within the country.
3. All types of Specific Goods are
 - various types of Cigarettes
 - Tobacco
 - Cured Virginia tobacco
 - Cheroot
 - Cigar
 - Pipe Tobaccos
 - Various types of betel chewing preparation
 - various types of Liquor
 - various types of Beer
 - various types of Wine
 - Teak, hardwood logs, 10-square-inch and above cut teak and cut hardwood logs
 - Jade, Ruby, Sapphire, Emerald, Diamond and other precious stones in uncut forms
 - Jade, Ruby, Sapphire, Emerald, Diamond and other precious stones in cut forms and jewellery
 - Engine power 1800 CC vans, saloons, sedans and wagons (Estate wagons) and coupes except Double Cab 4 Door pick up
 - Kerosene, Petrol, Diesel oil, jet fuel
 - Natural Gas

4. Registration for Specific Goods Tax

(A) The manufacturer of the specific goods within the country must apply for the registration to Township Revenue Officer three months before the production. The following documents must be required:

- (1) National registration card or passport copy
- (2) License photos (2)
- (3) Excise license copy
- (4) Industrial Supervisor's license copy
- (5) The Premises or the address where the specific goods will be produced by permit
- (6) Engine Power
- (7) The situation of raw materials, the ratio of raw materials and finished goods
- (8) Specific goods manufacturer or responsible person at the production site of the specific goods
- (9) Type of specific goods
- (10) The number of Staffs where the production of specific goods
- (11) The amount and value of each type of specific goods that will be produced at the approved premises within one financial year that is registered.
- (12) Building, areas and boundaries, the interior structure of building, fence and types of fence that are applied for production

(B) The exporter of the specific goods tax chargeable must register with the following documents to export the specific goods within the financial year before the customs' clearance:

- (1) National registration card or passport copy
- (2) License photos (2)
- (3) Export license
- (4) Purchase order from abroad

- (C) Among the importer of the specific goods, the businessmen who want to offset and refund must register at the assessment office of income tax of the relevant township revenue office.
- (D) The specific goods manufacturers, importers, exporters must apply the approved application form for registration or extension:
 - (1) For the period of financial year (2016-2017), before 31-12-2016.
 - (2) For every financial year after (2016-2017) financial year, before 31th December of the year prior to that financial year.
 - (3) For other affairs, 3 months prior before the date of business commencement.

5. **Return Filing**

- (a) The Manufacturers of specific goods tax chargeable within the country must submit the Specific Goods return to the township revenue officer using the form of IRD (SGT) - 8 within 10 days of this month.
- (b) The importers of specific goods tax chargeable must submit the list of import of specific goods to the Custom Department before the selecting of these good from this using the form of IRD (SGT)-6.
- (c) The exporters of specific goods tax chargeable must submit the export of specific goods to the township revenue officer before the Custom clearance using the form of IRD (SGT) - 8.

6. **Tax Payment**

The specific goods tax chargeable must be paid within the approved time limit.

- (a) For the import of specific goods, specific goods tax chargeable must be paid together with the customs duties before the claiming goods.
- (b) For the manufacture and sale of specific goods within the country, specific goods tax must be paid within 10 days after the selling month.
- (c) For the exporter of specific goods, specific goods tax must be paid after offsetting the specific goods tax regard with the provision while they are buying, exporting and manufacturing within 10 days for exporting abroad.

7. **Keeping Accounts**

Taxpayers have to keep the account with Mercantile System. The accounting period of Specific Goods Tax is the calendar month. Taxpayers put all the income accrued in the account period although they don't get the actual income in this account period. The costs of this income that are not really paid are kept in this accounting period. As taxpayers need to file the return every month and pay tax within the first 10 days of every month, the accounts have to be totaled once a month.

8. **The Evidences of payment of Specific Goods Tax**

- (a) The specific goods that need to be affixed with the tax labels of specific goods tax are three items of manufacture goods (cigarettes, liquor, and wine) and one item of import goods (wine). As a holder of these goods, these goods are already affixed with the tax labels while these were bought.
- (b) The holder of the specific goods which do not need to affix the tax labels of specific goods tax can report the receipt of the payment of specific goods tax while these were bought.

9. **Shifting of Specific Goods from One Place to Another**

The Manufacturer or the importer of specific goods cannot shift these specific goods from the approved premises if these goods are not affixed with the tax labels of specific goods or they do not have any approved evidence given by the Office of Township. The exporter of specific goods cannot export these goods without affixing the tax labels of specific goods that really need to be affixed.

10. **Specific goods which are imported only for re-exporting**

Provisions of customs department must be followed.

11. **Specific goods which are allowed for tax exemption**

The specific goods for exportation are exempted except the following specific goods.

- (1) Natural Gas 8%
- (2) Teak, hardwood logs, 10-square-inch and above cut teak and cut hardwood logs 50%

- (3) Jade, Ruby, Sapphire, Emerald, Diamond and other precious stones in uncut forms 20%
- (4) Jade, Ruby, Sapphire, Emerald, Diamond and other precious stones in cut forms and Jewelry 5%

12. According to the Specific Goods Tax law, production and selling of Tobacco, Cheroot, Cigars among the specific goods tax chargeable within the country from cooperative sectors and private sectors are not assessed if the money that got from the production and selling the above goods is less than twenty million kyats within the financial year.

13. Offences and Penalties

If any person, without sufficient cause-

- (1) Five million kyats for failure to register within the relevant year
- (2) Five million kyats for failure to provide the information timely requested under this law in order to set the market price
- (3) One hundred percent of the value of the goods for possession of untaxed specific goods in addition the goods shall be confiscated.
- (4) Ten percent of the tax to be paid for the failure to pay the tax due under this law within the stipulated time.
- (5) Ten percent of the tax due for the relevant month for failure to file timely
- (6) With regards to the goods to which tax labels are required to affix, fifty percent of the value of the specific goods found for such failure if the Township Revenue Officer finds out the failure to affix the stipulated tax labels.

Must payment fine

If any person is found to have evaded payment of tax or concealed particulars relating to the specific goods, a penalty equivalent to the amount of tax payable on the account of evasion and shall be liable to prosecution. Within the prosecution it is found to have failed to disclose within the stipulated time or have disclosed particulars which are less than the volume of production of specific goods evaded or concealed, he shall be punished, on conviction, with imprisonment for a term not exceeding three years or with a fine not exceeding one million kyats or with both.

If any person who is found to have intentionally filed the incorrect return relating to the production of goods, he shall be paid a penalty which amounts to three times tax due and shall also be liable to prosecution.

If any person within the prosecution on conviction must be punished with imprisonment for a term not exceeding three years or with a fine not exceeding three million kyats or with both.

14. **Appeal**

The taxpayer may appeal within the thirty days if he is not satisfied with any order or any decision of Township Revenue Officer.

15. **Giving Award**

The informer will be awarded 10 % penalty of the holder of untaxed specific goods and the team of arrest will be awarded 20% penalty of the holder of these goods.

16. If you want to know the detail information, please contact the office of townships and head office of Internal Revenue Department:

Internal Revenue Department (Head Office): 067-430009