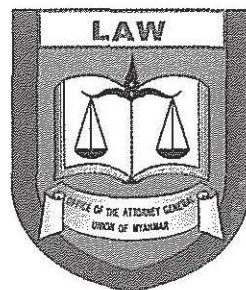


UNION OF MYANMAR

**MYANMAR LAWS  
( 2003 )**

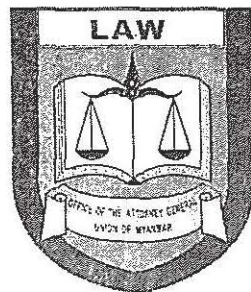


PUBLISHED BY  
OFFICE OF THE ATTORNEY GENERAL



UNION OF MYANMAR

MYANMAR LAWS  
( 2003 )



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**FIRST EDITION**

**FIRST IMPRESSION, JANUARY 2004**

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## **FOREWORD**

The Office of Attorney General has compiled and published Law Year books annually and also published their English version in performance of its duties conferred on it by the Attorney General Law, 2001. Furthermore, it has published various issues of Law Journal and other legal research works including English-Myanmar Law Dictionary.

Up to now, the Office of the Attorney General has published Myanmar laws in English ranging from 1988 to 2002. It will continue publishing Myanmar laws in English every year.

The issuance of Myanmar Law series is intended to help local readers to understand Myanmar laws in correct English and apply them in English wherever circumstances demand. These are valuable reading materials for those who are endeavouring to improve their Legal English. Moreover, it would be beneficial for overseas readers and resident readers of international and foreign institutions, and foreign investors doing businesses in Myanmar.

Myanmar has been increasing its participation in international and regional activities, and so, it has become more important for the various officials of Government and non-governmental organizations to understand Myanmar laws in English so as to make use of their legal knowledge in international and regional English so as to make use of their legal knowledge in international and regional forums. "Myanmar Laws" series may be said that it represents as window of Myanmar laws through which the world may have access to them.

Though English translations of Myanmar laws series are made by the Office of the Attorney General, there may probably be some divergencies and ambiguities between Myanmar and English versions due to the difference of two language systems. In such case, the Myanmar language text, being the original and authentic version, will prevail.

The Office of the Attorney General believes that the Law Yearbooks and Law Journal as well, will bring better understanding of Myanmar laws by local and overseas readers.

**THE OFFICE OF THE ATTORNEY GENERAL**

**YANGON, UNION OF MYANMAR**

**JANUARY, 2004**



# MYANMAR LAWS ( 2003 )

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**LAWS**



**The State Peace and Development Council**  
**The Blood and Blood Products Law**  
( The State Peace and Development Council Law No. 1/2003 )  
The 12th Waning Day of *Pyatho*, 1364 M.E.  
( 29th January, 2003 )

The State Peace and Development Council hereby enacts the following Law :-

**CHAPTER I**  
**Title and Definition**

1. This Law shall be called the Blood and Blood Products Law.
2. The following expressions contained in this Law shall have the meanings given hereunder :-
  - (a) **Blood** means naturally occurring fluid in the human body consisting of red blood cells, white blood cells, platelets, plasma and biochemical substances contained in the plasma.
  - (b) **Blood product** means element of blood such as red blood cells, white blood cells, platelets, plasma and biochemical substances contained in the plasma which is obtained in any manner as a result of processing.

- (c) **Blood transfusion instruments** mean needle, syringe, tube, bottle, bag and other materials used in extracting, injecting or collecting blood and blood products.
- (d) **Sharp instruments** mean needle, knife, and any instrument which can cause bleeding in surgical operation or on contact with any part of the human body,
- (e) **Committee** means of the National Blood and Blood Products Committee formed under section 4.
- (f) **National Blood Centre** means the main centre established by the Ministry of Health for enabling the discharge of functions contained in section 7.
- (g) **Blood Bank** means the establishment for enabling the discharge of functions contained in section 8.
- (h) **Small-Scale Blood Bank** means the establishment for enabling the discharge of functions contained in section 9.
- (i) **Blood transfusion service** means the functions assigned to be performed by the National Blood Centre, Blood Bank and Small-Scale Blood Bank.
- (j) **Disposing of waste** means administering by any means to eliminate blood and blood products unsuitable for use, and used blood transfusion instruments and sharp instruments.
- (k) **Licence** means the permit issued under section 11 to establish and operate private Small-Scale Blood Bank.

## CHAPTER II

### Aims

3. The aims of this Law are as follows : -
  - (a) to enable saving and looking after patients' life by transfusion utilizing quality-assured blood;
  - (b) to prevent transfusion transmissible infection through blood and other dangers, and to enable assuring both mental and physical safety;
  - (c) to enable systematic supervision of extracting, collecting, storing, issuing, distributing, transfusing and disposal of waste of blood and blood products;
  - (d) to carry out implementation of blood donor system on voluntary basis;
  - (e) to contribute towards health care of patients not taking into consideration of profit in performing blood transfusion service;
  - (f) to enable promotion, dissemination and research in respect of blood and blood products and to nurture experts thereof.

## CHAPTER III

### Formation of National Blood and Blood Products Committee and Duties and Functions Thereof

4. The Government : -
  - (a) shall form the National Blood and Blood Products Committee comprising not more than 21 members with the Minister for Ministry of Health as the Chairman, Director-General of the Department of Health as the Secretary, heads of the relevant ministries, government departments and organizations and representatives of the non-governmental organizations as members;

- (b) may, in forming under sub-section (a), determine suitable persons from among the members as the Vice-Chairman and the Joint Secretary;
  - (c) may re-constitute, if necessary, the National Blood and Blood Products Committee formed under sub-section (a).
5. The functions and duties of the Committee are as follows :-
- (a) laying down policy to perform blood transfusion service successfully in accordance with the aims of this Law;
  - (b) giving guidance to carry out measures as may be necessary for the prevention of blood transfusion transmissible infections;
  - (c) issuing licence to establish Small-Scale Blood Bank, refusing to issue licence thereof, suspending the licence subject to a time limit and cancelling thereof;
  - (d) stipulating conditions in respect of extracting, collecting, storing, importing, exporting, issuing, distributing and disposal of waste of blood and blood products;
  - (e) stipulating the conditions that are to be abided by in performing blood transfusion services systematically, and supervising thereof;
  - (f) giving guidance to carry out exhorting and organizing work for increasing the number of voluntary blood donors;
  - (g) giving guidance to stipulate the requirements of voluntary blood donors;
  - (h) giving guidance for sufficiency of required skilled persons and facilities for blood transfusion service;
  - (i) giving guidance to determine conditions that are to be abided by in utilizing blood and blood products, in utilizing blood transfusion instruments and sharp instruments, and in carrying out other tasks that may possibly cause transmissible infections through blood;

- (j) giving guidance on holding seminars and meetings, and conducting of training courses for the promotion and development of knowledge on blood transfusion service, and prevention of transmissible infections through blood;
  - (k) giving guidance to conduct research in respect of transmissible infections through blood and blood products;
  - (l) issuing permit to the government departments and organizations and Red Cross Society desirous of establishing Blood Bank or Small-Scale Blood Bank;
  - (m) communicating and cooperating with the government departments and organizations, international organizations, and local and international non-governmental organizations for effective and successful implementation of blood transfusion service;
  - (n) forming of required State, Divisional, District and Township Blood Bank Committees to supervise the Blood Bank and Small-Scale Blood Banks, and stipulating functions and duties thereof;
  - (o) submitting recommendation to the Ministry of Health to proceed with the conferring of honour by the State to voluntary blood donors who conform to the stipulations including the number of times of blood donation.
  - (p) forming required Sub-Committees and stipulating functions and duties thereof to carry out the functions and duties of the Committee effectively.
6. The Committee may delegate its functions and duties to any organization or department.

**CHAPTER IV**  
**Functions of the National Blood Centre**

7. The functions of the National Blood Centre are as follows : -
- (a) carrying out the functions of extracting, collecting, storing, distributing and disposing of waste of blood and blood products that conform to the standard and are free from micro-organism causing acquired immune deficiency syndrome (AIDS), viral hepatitis, venereal disease, malaria and other transmissible infections through blood ;
  - (b) prescribing norms and standards on matters of skill and technology in respect of blood transfusion service ;
  - (c) carrying out exhorting and organizing work to increase the number of blood donors and to obtain safe blood ;
  - (d) safeguarding the reputation and interests of the voluntary blood donors ;
  - (e) making necessary arrangements for re-vitalization of voluntary blood donor during the process of blood donation ;
  - (f) awarding blood donor badges and certificates of honour to the voluntary blood donors ;
  - (g) submitting to the Committee for enabling conferring of honour by the State to the voluntary blood who conform to the stipulations including the number of times of blood donation ;
  - (h) disseminating and promoting knowledge in respect of blood and blood products ;
  - (i) conducting training courses, holding meetings, conducting research and nurturing experts in respect of blood and blood products ;
  - (j) manufacturing and distributing required reagent to enable grouping and screening of blood and blood products ;
  - (k) performing functions and duties assigned by the Committee from time

## CHAPTER V

### Functions of the Blood Bank and Small-Scale Blood Bank

8. The functions of the Blood Bank are as follows :-
  - (a) Carrying out the functions of the extracting, collecting, storing, issuing, distributing and disposal of waste of blood and blood products in conformity with the conditions as stipulated ;
  - (b) Carrying out exhorting and organizing work to increase the number of blood donors and to obtain safe blood;
  - (c) Carrying out the functions of collecting, storing, issuing, distributing and disposal of waste of blood that conform to the standard and are free from micro-organism causing AIDS, viral hepatitis, venereal disease, malaria and other transmissible infections through blood ;
  - (d) Safeguarding the reputation and interests of the voluntary blood donors ;
  - (e) Making necessary arrangements for re-vitalization of voluntary blood donor during the process of blood donation ;
  - (f) Awarding blood donor badges and certificates of honour to voluntary blood donor ;
  - (g) Submitting to the Committee for enabling conferring of the relevant award of honour to the voluntary blood donors who conform to the stipulations including the number of times of blood donation.
  
9. The Small-Scale Blood Bank shall comply with the conditions stipulated in carrying out the works of storing, issuing and disposal of waste of blood and blood products received from National Blood Centre and Blood Banks, or of blood products imported legally for treatment of the patient.

**CHAPTER VI**  
**Application and Issuance of Licence**

10. A person desirous of establishing a private Small-Scale Blood Bank shall, apply to the organization or department assigned duty by the Committee to obtain a licence, in conformity with the stipulations.

11. The organization or department assigned duty by the Committee under section 10 may, after scrutiny of the application, issue or refuse to issue the licence.

12. The organization or department assigned duty by the Committee may, after scrutiny of the application for renewal of licence in conformity with the stipulations, renew the licence.

13. The Ministry of Health shall determine the tenure of licence, licence fees and licence renewal fees.

**CHAPTER VII**  
**Administrative Action**

14. If the licence holder violates any of the conditions contained in the licence or fails to abide by any notification, order and directive issued under this Law, the organization or department assigned duty by the Committee may pass any of the following administrative orders :-

- (a) warning;
- (b) suspending the licence subject to a time limit;
- (c) cancellation of licence.

## CHAPTER VIII

### Appeal

15. A person dissatisfied with the order or decision passed on him in respect or refusal to issue licence, or suspending the licence subject to a time limit, or cancellation of licence by the organization or department assigned duty by the Committee may file an appeal to the Committee within 60 days from the date on which such order or decision had been passed.

16. The Committee may, in respect of the appeal under section 15, confirm, revise or cancel the order or decision passed by the organization or department assigned duty by the Committee.

17. The decision passed by the Committee under section 16 shall be final and conclusive.

## CHAPTER IX

### Offences and Penalties

18. Whoever, without permission, extracts, collects, stores, issues or distributes blood or blood products shall, on conviction, be punished with imprisonment for a term which may extend to seven years, and may also be liable to a fine.

19. Whoever, without licence, establishes a private Small-Scale Blood Bank shall, on conviction, be punished with imprisonment for a term which may extend to five years, and may also be liable to a fine.

20. Whoever, without consent of the person extracts blood from the said person shall, on conviction, be punished with imprisonment for a term which may extend to five years. and may also be liable to a fine.

21. Whoever, without consent of the person or in the case of a person incapable of giving consent of the person who is capable of giving consent on his behalf transfuses blood or blood products shall, on conviction, be punished with imprisonment for a term which may extend to five years, and may also be liable to a fine.

22. Whoever commits any of the following acts shall, on conviction, be punished with imprisonment for a term which may extend to three years, or with fine or with both :-

- (a) transfusing into any person blood or blood products not obtained from the National Blood Centre, Blood Bank or Small-Scale Blood Bank, or of blood or blood products not imported legally;
- (b) transfusing into any person blood or blood products without grouping and matching the blood and blood products of patient and of donor;
- (c) transfusing of blood or blood products past the expiry date into any person;
- (d) extracting from or transfusing into any person blood or blood products by using blood transfusion instrument past the expiry date or which is not free from micro-organism or which has been utilized once;
- (e) using sharp instrument not in conformity with the stipulations.

23. Whoever sells or buys blood with money or other consideration for business purpose shall, on conviction, be punished with imprisonment for a term which may extend to three years, or with fine, or with both.

24. Whoever violates any prohibition or fails to abide by any duty contained in the notification, order and directive issued under this Law in order to prevent the transmissible infection through blood shall, on conviction, be punished with imprisonment for a term which may extend to six months, or with fine, or with both.

25. Whoever abets in the commission of any offence contained in this Law shall be liable to the penalty provided for such offence under this Law.

#### **CHAPTER X Miscellaneous**

26. Prior sanction of the Ministry of Health shall be obtained in prosecuting under this Law.

27. No suit or prosecution shall lie against any medical practitioner or any person who performed under the instruction of the medical practitioner, or any person who is skilled, experienced and competent in transfusing blood and blood products for transfusing blood or blood products in good faith, to save the life of the patient in an emergency case.

28. The Central National Blood Bank and the Blood Banks established by the Ministry of Health prior to the enactment of this Law shall be deemed to be the National Blood Centre and Blood Bank and Small-Scale Blood Bank respectively according to the nature of blood transfusion service, and shall carry on the blood transfusion service as stipulated.

29. The government department or organization and Red Cross Society desirous of establishing the Blood Bank or Small-Scale Blood Bank shall seek the permission of the Committee.

30. On a dispute arising as to whether or not a substance is blood or blood products, the decision shall be made by the Committee. The decision of the Committee shall be final and conclusive.

31. The Ministry of Health -

- (a) shall bear the expenditure of the Committee;

- (b) shall make arrangements for enabling the discharge of the office work of the Committee;
- (c) may grant suitable remuneration to non-governmental members of the Committee.

32. The notifications, orders and directives issued by the Ministry of Health and Department of Health in respect of blood donation, extracting, collecting, storing, issuing, distributing, transfusing and disposal of waste of blood and blood products or utilization of sharp instruments prior to the enactment of this Law may continue to be applicable in so far as they are not inconsistent with this Law.

33. In implementing of the provisions of this Law :-

- (a) the Ministry of Health may, with the approval of the Government, issue such rules and procedures as may be necessary ;
- (b) the Committee, the Ministry of Health and the Department of Health may issue such notifications, orders and directives as may be necessary.

**(Sd.) Than Shwe**  
**Senior General**  
**Chairman**

**The State Peace and Development Council**

**The State Peace and Development Council**  
**The Law Amending the Judiciary Law, 2000**  
( The State Peace and Development Council Law No. 2/2003 )  
The 1<sup>st</sup> Waxing Day of *Tabodwe*, 1364 M.E.  
( 2<sup>nd</sup> February, 2003 )

The State Peace and Development Council hereby enacts the following Law: –

1. This Law shall be called the Law Amending the Judiciary Law, 2000.
2. The expression “2 Deputy Chief Justices” contained in section 3 of the Judiciary Law, 2000 shall be substituted by the expression “3 Deputy Chief Justices” .

**(Sd.) Than Shwe**  
**Senior General**  
**Chairman**  
**The State Peace and Development Council**

The State Peace and Development Council  
The Law Amending the Attorney General Law, 2001  
( The State Peace and Development Council Law No. 3/2003)  
The 1<sup>st</sup> Waxing Day of *Tabodwe*, 1364 M.E.  
( 2<sup>nd</sup> February, 2003 )

The State Peace and Development Council hereby enacts the following Law :-

1. This Law shall be called the Law Amending the Attorney General Law, 2001.
2. In the Attorney General Law ; -
  - (a) the expression "a Deputy Attorney General" contained in section 2 shall be substituted by the expression "three Deputy Attorneys General".
  - (b) the expression "the Deputy Attorney General" contained in sub-section (a) of section 4 shall be substituted by the expression "each Deputy Attorney General".

(Sd.) Than Shwe  
Senior General  
Chairman

The State Peace and Development Council

**The State Peace and Development Council  
The Law Amending the Myanmar  
Registration of Ships Act**

**( The State Peace and Development Council Law No. 4/2003)  
The 12<sup>th</sup> Waxing Day of *Taboung*, 1364 M.E.  
( 14<sup>th</sup> March, 2003 )**

The State Peace and Development Council hereby enacts the following Law :-

1. This Law shall be called the Law Amending the Myanmar Registration of Ships Act.
2. In the Myanmar Registration of Ships Act, the expression "five thousand kyats" contained in sections 2, 15, 16 and 21, the expression "ten thousand kyats" contained in sections 15 and 23 and the expression "one thousand kyats" contained in section 20 shall be substituted by the expressions "Kyats 75,000", "Kyats 150,000" and "Kyats 15,000" respectively.

3. Sections 10 and 11 of the Myanmar Registration of Ships Act shall be substituted as follows :-
10. (a) A Myanmar ship or any share therein shall be transferred by a bill of sale.
- (b) The bill of sale for the transfer of a ship or any share therein to a person qualified to own a Myanmar ship shall be in the prescribed form and shall contain such description of the ship as is contained in the register and shall be executed by the transferor in the presence of and be attested by two witnesses.
- (c) Every bill of sale be produced to the registering-officer and the registering-officer shall thereupon enter in the register the name of the transferee and shall endorse on the bill of sale the fact of that entry having been made with the date and time thereof.
- (d) Bills of sale shall be entered in the register in the order of their production to the registering-officer.
- (e) The registering-officer shall not make an entry under this section in respect of any ship if there is :-
- (1) any unsatisfied mortgage entered in its register, unless, where the ship or any share therein is transferred to a person qualified to own a Myanmar ship, the mortgagee has given his consent in writing;
- (2) any subsisting entry made by an order of the Supreme Court prohibiting any dealing with the ship.
- (f) Sub-section (e) shall not apply in respect of a bill of sale executed pursuant to an order of the Supreme Court for the sale of a Myanmar ship or any share therein.
11. (a) The owner of a Myanmar ship may make a written application to close its registry if there is no :-

- (1) unsatisfied mortgage entered in its register;
    - (2) subsisting entry made by an order of the Supreme Court prohibiting any dealing with the ship.
  - (b) The application shall specify the name of the ship, the intended port and country of registry (if applicable) or otherwise the reason for the closure and shall be submitted to the registering-officer together with the certificate of registry of the ship.
  - (c) On receipt of the application and the certificate of registry, the registering-officer shall, if he is satisfied of the matters mentioned in sub-section (a), close the registry of the ship and make an entry thereof in the register.
4. Section 13 of the Myanmar Registration of Ships Act shall be substituted as follows :-
13. (a) A Myanmar ship or any share therein may be made a security for a loan or other valuable consideration, and the instrument creating the security (referred to in this Act as a mortgage) shall be in the prescribed form or as near thereto as circumstances permit, and on production of that instrument the registering-officer shall record it in the register.
  - (b) Mortgages shall be recorded by the registering-officer in the order in time in which they are produced to him for that purpose, and the registering-officer shall endorse and sign a memorandum on each mortgage stating the date and time of that record.
5. Section 17 of the Myanmar Registration of Ships Act shall be substituted as follows :-
17. (a) Every ship shall, before registry, be marked permanently and conspicuously to the satisfaction of the registering-officer as follows :-

- (1) its name shall be marked on each of its bows, and its name and the name of its port of registry shall be marked on its stern, on a dark ground in white or yellow letters or on a light ground in black letters, such letters to be of a length not less than one decimetre and of proportionate breadth;
  - (2) its official number shall be cut in on its main beam; and
  - (3) a scale of decimetres, or of metres and decimetre, denoting its draught of water shall be marked on each side of its stern and of its stern post : -
    - (i) in figures at two-decimetre intervals, if the scale is in decimetres;
    - (ii) in figures at each metre interval and at intervening two-decimetres intervals, if the scale is in metres and decimetres; and
    - (iii) the capital letter "M" being placed after each metre figure; the top figure of the scale showing both the metre and (except where it marks a full metre interval) the decimetre figure; the lower line of figures, or figures and letters (as the case may be), coinciding with the draught line denoted thereby, the figures and letters being not less than one decimetre in length and being marked by being cut in and painted white or yellow on a dark ground, or in such other way as the Director-General of the Department of Marine Administration may approve.
- (b) The registering-officer may exempt any ship or class of ships from all or any of the requirements of subsection (a).
- (c) If the owner or master of ship or other person having or taking the charge or command of such ship shall permit such ship to begin to take in cargo before the name of such ship has been so

painted as aforesaid, or shall wilfully alter, erase, obliterate or in any wise hide or conceal, or cause or procure or permit the same to be done, or shall in any written or printed paper or other document describe such ship by any name other than that by which she was first registered pursuant to this Act, or shall verbally describe or cause or procure or permit such ship to be described by any other name to any officer of revenue in the due execution of his duty, then and in every such case the certificate of registry shall thenceforth become void, and such owner, or master or other person having or taking the charge or command of such ship shall be liable, on conviction to fine not exceeding Kyats 150,000.

6. Section 19 of the Mayanmar Registration of Ships Act shall be substituted as follows : -
19. (a) If the certificate of registry of any ship shall be lost or mislaid, so that the same cannot be found or obtained for the use of such ship when needful and proof thereof shall be made to the satisfaction of the registering-officer of the port at which the ship is registered, such officer shall, where the certificate shall have been lost or mislaid, permit such ship to be registered *de novo*, and a certificate thereof to be granted.
- (b) The certificate of registry of a ship shall be used only for the lawful navigation of the ship and shall not be subject to detention by reason of any title, lien, charge or interest whatsoever had or claimed by any owner, mortgagee or other person to, on or in the ship.
- (c) If any person, whether interested in the ship or not refuses, without reasonable cause, on request to deliver up the certificate of registry when in his possession or under his control to the person entitled to the custody thereof for the purpose of the

lawful navigation of the ship, or to the registering-officer, or to any other person entitled by law to require such delivery, he shall be guilty of an offence and shall be liable, on conviction, to a fine not exceeding Kyats 75,000.

(d) Where the registry of a ship is closed or deemed to be closed under this Act, the registered owner of the ship at the time of the closure shall deliver up the certificate of registry to the registering-officer for cancellation within 60 days of the closure and if he fails, without reasonable cause, to deliver up the certificate of registry within that period, he shall be guilty of an offence and shall be liable, on conviction, to a fine not exceeding Kyats 75,000.

(e) If any person uses or attempts to use for the navigation of a ship a certificate of registry which is not legally granted in respect of the ship or the registry of which has been closed or deemed to be closed, he shall be guilty of an offence and shall be liable, on conviction, to a fine not exceeding Kyats 75,000.

7. Section 24 of the Myanmar Registration of Ships Act shall be substituted as follows :-

24. In imposing a punishment of fine on the convicted person who is not a citizen of the Union of Myanmar under this Act, it shall be paid in foreign currency equivalent to the amount in Myanmar currency as determined by the Government.

8. Section 25 of the Myanmar Registration of Ships Act shall be substituted as follows :-

25. (a) The fees demandable in respect of the granting any certificate or pass under this Act for a foreign ship, shall be paid according to the rates prescribed for this purpose by the Ministry of Transport by notification.

- (b) The fees for the initial registration or registration anew of a Myanmar ship registered under this Act shall be Kyats 100 per gross ton of the ship.
  - (c) All unpaid fees in respect of any ship due to the registering-officer shall constitute a maritime lien on the ship, subject only to liens for wages.
  - (d) The Ministry of Transport may, with the approval of Government either generally or on specific occasions reduce the fees prescribed under this section.
9. After section 26 of the Myanmar Registration of Ships Act, section 27 shall be inserted as follows :-
27. For the implementation of the provisions of this Act :-
- (a) the Ministry of Transport may, with the approval of the Government issue necessary rules and procedures;
  - (b) the Ministry of Transport and the Department of Marine Administration may issue necessary notifications, orders and directives.

**(Sd.) Than Shwe**  
**Senior General**  
**Chairman**  
**The State Peace and Development Council**

**The State Peace and Development Council**  
**The State Supplementary Appropriation Law, 2003**  
**( The State Peace and Development Council Law No. 5/2003)**  
**The 13th Waxing Day of *Tabaung*, 1364 M.E.**  
**( 15th March, 2003 )**

The State Peace and Development Council enacts the following Law :-

**CHAPTER I**

**Title and Period of Effectiveness**

1. (a) This Law shall be called the State Supplementary Appropriation Law, 2003.
- (b) This Law shall have effect for the 2002-2003 financial year.

**CHAPTER II**  
**Sanctioned Allotment and Administration**  
**of Supplementary Expenditures**

2. (a) The respective persons who have been assigned responsibility for expenditures sanctioned in Schedules (1), (2), (3) and (4) in respect of the State Peace and Development Council, Multi-Party Democracy General Election Commission, Government, Chief Justice, Attorney General, Auditor General, Ministries, Departments, State Economic Organizations and Cantonment Municipalities may incur the relevant expenditures shown against them.
- (b) Appropriation sanctioned under sub-section (a) shall be deemed to be supplementary expenditure in addition to the appropriation sanctioned under the State Budget Law, 2002.
3. (a) The respective persons who have been assigned responsibility under section 2 may delegate the respective officials subordinate to them to administer the expenditures for which they are responsible.
- (b) In administering the expenditure, it shall be in conformity with the provisions of this Law, provisions of the State Budget Law, 2002, relevant laws, rules, regulations, bye-laws, orders, directives and procedures.

**CHAPTER III**  
**Taking of Loans**

4. Kyats one eighty thousand million is further appropriated in addition to the amount of loans actually received after the execution of loan agreements mentioned in section 13 of the State Budget Law, 2002.

**The State Peace and Development Council, Multi-Party  
Government, Chief Justice, Attorney**

Serial Num- ber	Serial Number contained in the State Budget Law, 2002	Subject	Responsible Person	Current Expenditure
1	2	3	4	5
				<b>Kyats</b>
1	1	The State Peace and Development Council	Chairman of the State Peace and Development Council or a person delegated by the Chairman	54,410,000
2	2	Multi-Party Democracy General Election Commission	Chairman of the Multi-Party Democracy General Election Commission or a person delegated by the Chairman	...
3	3	Government	Prime Minister or a person delegated by the Prime Minister	...
4	4	Chief Justice	Chief Justice or a person delegated by the Chief Justice	36,630,000
5	5	Attorney General	Attorney General or a person delegated by the Attorney General	5,100,000
6	6	Auditor General	Auditor General or a person delegated by the Auditor General	21,000,000
		<b>Total</b>		<b>117,140,000</b>

Democracy General Election Commission,  
General and Auditor General

Supplementary Expenditure Sanctioned						
Payment of Interest	Contribution	Capital Expenditure	Debts		Investment in Organizations	Savings
			Disburse- ment of Loans	Repayment of Loans		
6	7	8	9	10	11	12
Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats
	...	121,311,000				
	...	5,000,000				
	...	1,915,000				
	...	11,358,500				
	...	13,170,500				
	...	131,782,000				
	...	284,537,000				

## Ministries and

Serial Number	Serial Number contained in the State Budget Law, 2002	Subject	Responsible Person	Current Expenditure
1	2	3	4	5
				Kyats
1	1	Foreign Affairs	Prime Minister or a person delegated by the Prime Minister	...
2	2	Defence	- ditto -	3,888,680,000
3	4	Progress of Border Areas and National Races and Development Affairs	- ditto -	224,606,000
4	5	Home Affairs	- ditto -	580,781,000
5	6	Immigration and Population	- ditto -	27,830,000
6	7	Religious Affairs	- ditto -	177,376,300
7	8	Social Welfare, Relief and Resettlement	- ditto -	63,930,000
8	9	Information	- ditto -	3,500,000
9	10	Culture	- ditto -	26,468,000
10	11	Education	- ditto -	1,747,464,000
11	12	Health	- ditto -	1,579,725,500
12	13	Sports	- ditto -	41,000,000
13	14	Labour	- ditto -	3,476,000
14	15	Forestry	- ditto -	151,870,000
15	16	Agriculture & Irrigation	- ditto -	2,267,300,000

## Departments

Supplementary Expenditure Sanctioned						
Payment of Interest	Contribution	Capital Expenditure	Debts		Investment in Organizations	Savings
			Disburse- ment of Loans	Repayment of Loans		
6	7	8	9	10	11	12
Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats
	220,000	1,578,900				
	...	21,000,000,000				
	947,336,360	1,362,667,400				
...	58,000	94,000,000				
...	...	52,999,800				
...	6,682,500	26,822,200				
	7,334,000	342,020,000				
	...	1,600,209,200				
	...	378,749,000				
	...	9,302,683,000				
	...	7,831,465,690				
	...	89,000,000				
	...	500,000				
	...	384,000,000				
	...	9,020,354,460				

## Ministries and

Serial Number	Serial Number contained in the State Budget Law, 2001	Subject	Responsible Person	Current Expenditure
1	2	3	4	5
16	17	Livestock Breeding and Fisheries	Prime Minister or a person delegated by the Prime Minister	52,780,000
17	18	Mines	- ditto -	18,557,000
18	21	Science and Technology	- ditto -	101,600,000
19	23	Electric Power	- ditto -	116,200,000
20	24	Construction	- ditto -	9,006,950,000
21	25	Transport	- ditto -	61,355,000
22	26	Rail Transportation	- ditto -	5,425,000
23	27	Communications, Posts and Telegraphs	- ditto -	800,000
24	28	Commerce	- ditto -	18,500,000
25	29	Hotels and Tourism Services	- ditto -	3,200,000
26	30	Co-operatives	- ditto -	765,000
27	31	National Planning and Economic Development	- ditto -	59,858,300
28	32	Finance and Revenue	- ditto -	533,562,000
Total . . .				20,763,559,100

Departments

Supplementary Expenditure Sanctioned						
Payment of Interest	Contribution	Capital Expenditure	Debts		Investment in Organizations	Savings
			Disburse- ment of Loans	Repayment of Loans		
6	7	8	9	10	11	12
...		7,500,000				
...		1,988,700				
...		4,710,000,400				
...		2,698,444,000				
...		7,844,000,000				
6,643,990		11,668,252,500				
...		6,935,200				
...		1,155,000				
...		7,000,000				
...		...				
...		54,660,000				
...	233,000	60,000,000		...		
5,757,000,000	6,628,001,000	...	420,900,000	...	14,302,000	
5,763,643,990	7,589,864,860	78,546,985,450	420,900,000	...	14,302,000	

## State Economic

Serial Number	Serial Number contained in the State Budget Law, 2002	Subject	Responsible Person	Current Expenditure
1	2	3	4	5
1	1	State Economic Organizations	Prime Minister or a person delegated by the Prime Minister	Kyats 98,562,906,890
Total . . .				98,562,906,890

## Organizations

Supplementary Expenditure Sanctioned						
Payment of Interest	Contribution	Capital Expenditure	Debts		Investment in Organizations	Savings
			Disburse- ment of Loans	Repayment of Loans		
6	7	8	9	10	11	12
Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats
...	...	16,245,410,920	...	34,325,100	568,000	
...	...	16,245,410,920	...	34,325,100	568,000	

## Cantonment

Serial Number	Serial Number contained in the State Budget Law, 2002	Subject	Responsible Person	Current Expenditure
1	2	3	4	5
1	1	Cantonment Municipalities under the Ministry of Defence	Prime Minister or a person delegated by the Prime Minister	Kyats 16,169,600
Total ...				16,169,600

## Municipalities

Supplementary Expenditure Sanctioned						
Payment of Interest	Contribution	Capital Expenditure	Debts		Investment in Organizations	Savings
			Disburse- ment of Loans	Repayment of Loans		
6	7	8	9	10	11	12
Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats
...	...	16,200,000	...			
...	...	16,200,000	...			

( Sd. ) Than Shwe  
Senior General  
Chairman  
The State Peace and Development Council

**The State Peace and Development Council**  
**The State Budget Law, 2003**  
( The State Peace and Development Council Law No. 6/2003 )  
The 11<sup>th</sup> Waning Day of *Tabaung*, 1364 M.E.  
( 28<sup>th</sup> March, 2003 )

The State Peace and Development Council hereby enacts the following  
Law : –

**PART I**

**Title and Date of Effectiveness**

1. (a) This Law shall be called the State Budget Law, 2003.
- (b) The provisions relating to commercial tax contained in section 28 to section 33 under Part VI of this Law and the provisions contained in section 36 to section 45, the provisions contained in section 47 and section 48 and the provisions contained in section 51 to section 62 under Part VII shall take effect commencing from the assessment year 2003-2004.

- (c) With the exception of sections contained in sub-section (b) of section 1 of this Law, the provisions of the remaining sections shall take effect commencing from 1<sup>st</sup> April, 2003 for the financial year 2003-2004.

## **PART II**

### **The State Peace and Development Council, Multi-Party Democracy General Election Commission, Government, Chief Justice, Attorney General, Auditor General, Ministries and Departments**

#### **Chapter I**

#### **Receipts and Expenditures**

2. The State Peace and Development Council, Multi-Party Democracy General Election Commission, Government, Chief Justice, Attorney General, Auditor General, Ministries and Departments 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.
3. (a) The respective persons who have been given the responsibility for the receipts and expenditures of the State Peace and Development 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.
4. (a) Out of the estimated receipts shown in Schedules (1) and (3), if foreign aids and loans received under Chapter III exceed the estimated amount, and if expenditures of those works 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 scrutiny. Provided that, if 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 Peace and Development Council together with objects and reasons casewise.
5. In respect of any alterations of sums shown in Schedules (1), (2), (3) and (4) under requirement of work, it shall be shown in the revised estimate budget for the 2003-2004 financial year submitted to the State Peace and Development Council.

## **Chapter II**

### **Reserve Fund**

6. (a) Expenditures incurred by the State Peace and Development 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 Peace and Development Council together with objects and reasons casewise.

7. The State Peace and Development Council, Multi-Party Democracy General Election Commission, Government, Chief Justice, Attorney General, Auditor General, Ministries and Departments shall not be allowed 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 within 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 Peace and Development Council together with objects and reasons casewise.

### Chapter III Taking of Loans

8. For the purpose of projects or for expenditures shown in the State Budget, the Government may take loans by issuing security bonds guaranteed by Government or debentures or by other means, within the country or from abroad. Reasonable rates of interest may be prescribed for such loans. Conditions for repayment, redemption 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 payment 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. The Government may grant permission to any Government Department to borrow money from abroad for any project.
12. (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.
13. During the financial year commencing 1<sup>st</sup> April, 2003 and ending on 31<sup>st</sup> March, 2004 the amount of loans actually received by execution of loan agreements under this Chapter III shall not exceed Kyats two hundred thousand million.

**PART III**  
**State Economic Organizations**

14. 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.
15. (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 in 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.
16. (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 2003-2004 financial year submitted to the State Peace and Development Council together with objects and reasons therefor.
- (b) The Government may determine the amount of money to be contributed by the State Economic Organizations towards the State.

**PART IV**  
**Cantonment Municipalities**

17. The Cantonment Municipalities shall subsist on their own funds and shall carry out their functions in accordance with their Budget Programmes.
18. (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 expenditures shall be in accordance with the provisions of this Law, relevant laws, rules, regulations, bye-laws, orders, directives and procedures.
19. (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 2003-2004 financial year submitted to the State Peace and Development Council together with objects and reasons therefor.
- (b) The Government may permit Cantonment Municipalities to obtain money required for carrying out their functions or for investment from grants or loans.
20. 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.

**PART V****Development Committees and Municipalities**

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

**PART VI****Commercial Tax**

22. In the list of non-taxable goods contained in annexed Schedule (1) of the Commercial Tax Law, serial numbers 66, 67, 68, 69, 70 and 71 shall be inserted respectively after serial number 65, as mentioned in Schedule (9) of this Law.

23. In the list of goods on which tax shall be levied at 5 per cent contained in annexed Schedule (2) of the Commercial Tax Law, serial numbers 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55 and 56 shall be inserted respectively after serial number 31, as mentioned in Schedule (10) of this Law.

24. In the list of goods on which tax shall be levied at 10 per cent contained in annexed Schedule (3) of the Commercial Tax Law, serial numbers 121, 122, 123, 124, 125, 126, 127, 128, 129, 130 and 131 shall be inserted respectively after serial number 120, as mentioned in Schedule (11) of this Law.

25. In the list of goods on which tax shall be levied at 20 per cent contained in annexed Schedule (4) of the Commercial Tax Law, serial numbers 89, 90, and 91 shall be inserted respectively after serial number 88, as mentioned in Schedule (12) of this Law.

26. In the list of goods on which tax shall be levied at 25 per cent contained in annexed Schedule (5) of the Commercial Tax Law, serial numbers 52, 53, 54 and 55 shall be inserted respectively after serial number 51, as mentioned in Schedule (13) of this Law.

27. In the list of services contained in annexed Schedule (7) of the Commercial Tax Law, serial numbers 6,7,8,9 and 10 shall be inserted respectively after serial number 5, as mentioned in Schedule (14) of this Law.

28. Notwithstanding the provisions contained in annexed Schedule (1) to Schedule (6) and in serial number 3 of Schedule (7) of the Commercial Tax Law, if foreign currency is included in the proceeds of sale or total proceeds of sale received by any person from any production and sale of goods in respect of the kinds of goods contained in Schedule (1) to Schedule (6) or from any commercial transaction of purchase and sale of goods contained in serial number 3 of Schedule (7), commercial tax equivalent to 8 per cent of the amount of foreign currency so included shall be paid in such foreign currency.

29. Notwithstanding the provisions contained in annexed Schedule (1) to Schedule (6) and in serial number 3 of Schedule (7) of the Commercial Tax Law, if Kyat is included in proceeds of export and sale received by any person from production and sale of goods in respect of the kinds of goods contained in Schedule (1) to Schedule (6) or from any commercial transaction of purchase and sale of goods contained in serial number 3 of Schedule (7) in border trade between the Union of Myanmar and the People's Republic of China, the Union of Myanmar and the Republic of India, the Union of Myanmar and Thailand, commercial tax equivalent to 8 percent of the amount of Kyat so included shall be paid in Kyat.

30. The provisions contained in sections 28 and 29 shall not be applicable to proceeds of sale from export items re-exported by the enterprises by cutting,

making and packing (CMP) system. However, if sale is made locally in foreign currency, commercial tax equivalent to 8 per cent of the proceeds of sale shall be paid in such foreign currency.

31. For the avoidance of double tax payments, if any person has previously paid commercial tax for a certain type of goods in foreign currency, no commercial tax shall be assessed again on export sale proceeds in foreign currency for such goods.

32. The provisions contained in sections 28, 29 and 30 shall not be applicable to the exemption and relief from tax permitted by notification issued under section 8 of the Commercial Tax Law.

33. Whoever imports goods in border trade between the Union of Myanmar and People's Republic of China, the Union of Myanmar and Republic of India, the Union of Myanmar and Thailand, and the Union of Myanmar and Bangladesh, using Kyat or foreign currency, as a special case, the commercial tax on the landed cost of goods shall be paid in Kyat if paid in Kyat or foreign currency if paid in such currency according to the rates prescribed in the Commercial Tax Law. The commercial tax to be paid in this manner shall not apply to the goods exempted from commercial tax on imports under any existing law.

## **PART VII Income Tax**

### **Chapter I Definition**

34. The expressions contained in this Part shall have the same meanings as are in the Income-tax Law.

**Chapter II**  
**Income-tax Rate for Private Sector**

35. Any person having income under the head of salary shall be assessed at rates prescribed in the following table : –

Serial Number	Level of taxable salary after deducting the reliefs prescribed		Rate of Income-tax to be assessed
	From	To	
	<b>Kyat</b>	<b>Kyat</b>	
1	1	5000	3 per cent
2	5001	10000	5 per cent
3	10001	20000	7 per cent
4	20001	30000	10 per cent
5	30001	50000	12 per cent
6	50001	70000	15 per cent
7	70001	90000	16 per cent
8	90001	110000	17 per cent
9	110001	150000	18 per cent
10	150001	200000	19 per cent
11	200001	300000	20 per cent
12	300001	500000	22 per cent
13	500001 and above		30 per cent

36. In case of non-resident Myanmar citizens, the income tax shall be 10 per cent on the total income accrued abroad in foreign currency before any reliefs allowed under section 6 of the Income-tax Law are deducted.

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

38. 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 reliefs allowed under section 6 of the Income-tax Law are deducted.

39. In the case of a company establishment in Myanmar under the Myanmar Companies Act or under the Special Company Act of 1950, the income tax shall be 30 per cent of the total income, before any reliefs allowed under section 6 of the Income-tax Law are deducted.

40. In the case of non-resident foreigner the income tax shall be 35 per cent of the total income before any reliefs allowed under section 6 of the Income-tax Law are deducted. (If the income is earned in foreign currency, the income-tax shall be paid in that foreign currency. However, if the Income-tax calculated at the relevant rates mentioned in table under section 41 exceeds the sum calculated at 35 per cent, then the greater sum shall be paid.)

41. Except provisions contained in sections 36, 37, 38, 39 and 40, the income under the heads—profession, business, property, income from undisclosed source and income from other source—shall be assessed at

rates prescribed in the following table : –

Serial Number	The remaining level of income tax to be assessed after deducting reliefs prescribed		Rate of Income-tax to be assessed
	From	To	
	<b>Kyat</b>	<b>Kyat</b>	
1	1	5000	5 per cent
2	5001	10000	10 per cent
3	10001	20000	11 per cent
4	20001	30000	12 per cent
5	30001	40000	14 per cent
6	40001	50000	15 per cent
7	50001	80000	16 per cent
8	80001	110000	17 per cent
9	110001	150000	18 per cent
10	150001	200000	19 per cent
11	200001	300000	20 per cent
12	300001	400000	22 per cent
13	400001	1000000	25 per cent
14	1000001	2000000	35 per cent
15	2000001 and above		40 per cent

### Chapter III Rates for Co-operative Sector

42. Income of Primary Co-operative Society, Co-operative Syndicate, Union of Cooperative Syndicates or Central Co-operative Society formed and registered under the Cooperative Law, shall be assessed income tax at rates prescribed

in the following table : –

Serial Number	The remaining level of income to be assessed income tax after deducting the reliefs prescribed		Rate of Income-tax to be assessed
	From	To	
	<b>Kyat</b>	<b>Kyat</b>	
1	1	5000	3 per cent
2	5001	10000	5 per cent
3	10001	20000	7 per cent
4	20001	30000	10 per cent
5	30001	50000	12 per cent
6	50001	70000	15 per cent
7	70001	90000	16 per cent
8	90001	110000	17 per cent
9	110001	150000	18 per cent
10	150001	200000	19 per cent
11	200001	300000	20 per cent
12	300001	500000	22 per cent
13	500001 and above		30 per cent

#### Chapter IV

#### Income-Tax Rates for State Economic Organizations

43. The income tax on the total income of State Economic Organizations shall be 30 per cent, before any reliefs allowed under section 6 of Income-tax Law are deducted.

#### **Chapter V**

#### **Income-tax Rates on Profits Gained from Capital Assets of Private, Co-operative and State Sectors**

44. The tax on the capital gains shall be 10 per cent before any reliefs allowed under section 6 of the Income-tax Law are deducted. However, for non-resident foreigner, the income tax shall be charged at the rate of 40 per cent.

#### **Chapter VI**

#### **Income-tax Rates of Enterprises of Private and Co-operative Sectors Undertaken by the Permit of the Myanmar Foreign Investment Commission**

45. If the enterprise is formed under the permit issued by the Myanmar Foreign Investment Commission, the income tax rate shall be 30 per cent on its total income before any reliefs allowed under section 6 of the Income-tax Law are deducted.

#### **Chapter VII**

#### **Determination of Assessable Income**

46. Under the head of salary in section 35, no income-tax shall be assessed on a total income of salary which is not more than Kyat 30000.

47. No income-tax shall be assessed under sections 41 and 42, if the total income is not more than Kyat 30000.

48. Capital assets of one or more if sold, exchanged or transferred, and if the total value of such transaction within a year does not exceed Kyat 100000, income tax shall not be paid.

49. In case where, although the income exceeds the amount shown in sections 46, 47 and 48, if the excess is not considerable, the Ministry of Finance and Revenue 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 tax payer.

50. 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.

### **Chapter VIII** **Exemption and Relief from Tax**

51. The basic relief allowed under section 6 of the Income-tax Law shall be equivalent to 20 per cent of each class of income. Provided that total relief for a year shall not exceed Kyat 12000.

52. Reliefs for the spouse of a tax-payer and children, other than an association of persons under section 6 of the Income-tax Law, shall be allowed as follows : –

- (a) Kyat 5000 for tax-payer's spouse ;
- (b) Kyat 1000 for each child not over 5 years of age ;
- (c) Kyat 1200 for each child above 5 years of age, who has not yet completed 10 years ;
- (d) Kyat 1600 for each child above 10 years of age, who has not yet completed 15 years ;
- (e) Kyat 2000 for each child who is above 15 years.

53. Reliefs allowed under sub-sections (b) (3) and (4) of section 6 of the Income-tax Law shall be the amount actually paid by the tax-payer during the relevant assessment year.

### Chapter IX

#### Income-tax Assessment in Kyat and Foreign Currency

54. Notwithstanding the provisions contained in the Income-tax Law, Myanmar citizens, who earn foreign currency for the sale of commodities produced and carrying out of any kind of business, shall pay 2 per cent of the total foreign currency earning as income-tax in such foreign currency.

55. Payment of 2 per cent income-tax for foreign currency earning prescribed in section 54 shall not be applicable to receipts of enterprises doing business under permit issued by the Myanmar Investment Commission.

56. If the enterprises doing business under permit issued under the Myanmar Citizens Investment Law receive foreign currency, the income-tax shall be calculated according to the provisions prescribed in Regulation 5-B of the Income-tax Regulations and income-tax shall be paid in such foreign currency.

57. Notwithstanding the provisions contained in sub-section (n) (1) of section 3 of the Income-tax Law, if resident foreigner earns the following types of income in foreign currency, the income-tax shall be paid at the rate of 15 per cent in that foreign currency earning for the receipts of such total foreign currency : –

- (a) income from renting building, vehicles, machineries and other properties;
- (b) income under the head of salary ;
- (c) except association of persons, the income derived by a person for service rendered as representative, adviser, agent, income under the head of profession and other type of services.

58. Notwithstanding the provisions contained in sub-section(n) (1) and (2) of section 3 of the Income-tax Law, if resident Myanmar citizens and non-resident Myanmar citizens earn any type of income prescribed in section 57 in foreign currency, the income-tax at the rate of 10 per cent shall be paid in such foreign currency for the total foreign currency received.

59. The provisions contained in sections 57 and 58 shall not be applicable to income of enterprises doing business under the permit issued under the Union of Myanmar Foreign Investment Law, the income-tax shall be paid at the same rate which is applicable to Myanmar citizens who earn foreign currency.

60. If resident foreigner earns foreign currency from the sale of commodities produced, doing any kind of business and carrying out of any kind of service, the income-tax on that receipt shall be calculated according to the provisions prescribed in Regulation 5-B of Income -tax Regulations and paid in foreign currency.

61. If Kyat is included in the export sale in border trade between the Union of Myanmar and the People's Republic of China, the Union of Myanmar and Republic of India, the Union of Myanmar and Thailand, the income-tax equivalent to 2 per cent of the amount of Kyat so included shall be paid in Kyat. Provided that it is not applicable to the income of enterprises under permit issued by the Myanmar Citizens Investment Law.

62. If Kyat is included in the income of enterprise doing business under permit issued by the Myanniar Citizens Investment Law, the tax shall be calculated and paid according to the provisions of the Income-tax Law. If both Kyat and foreign currency are included in the income, the tax shall be calculated and paid according to the provisions of Regulation 5-B of the Income-tax Regulations.

**The State Peace and Development Council, Multi-Party  
Government, Chief Justice, Attorney**

Serial Number	Subject	Responsible Person	Receipts		
			Taxes	from the State Economic Organizations	Other Current Receipts
1	2	3	4	5	6
			Kyats	Kyats	Kyats
1	The State Peace and Development Council	Chairman of the State Peace and Development Council or a person delegated by the Chairman			10,610,000
2	Multi-Party Democracy General Election Commission	Chairman of the Multi-Party Democracy General Election Commission or a person delegated by the Chairman			42,000
3	Government	Prime Minister or a person delegated by the Prime Minister			300,000
4	Chief Justice	Chief Justice or a person delegated by the Chief Justice			280,000,000
5	Attorney General	Attorney General or a person delegated by the Attorney General			4,000,000
6	Auditor General	Auditor General or a person delegated by the Auditor General			8,000,000
	Total....				302,952,000

Democracy General Election Commission,  
General and Auditor General

Receipts						
Interest Receipts	Capital Receipts	Receipts from Foreign Aids	Debts		Receipts from Investment in Organizations	Savings
			Recovery of Loans	Drawal of Loans		
7	8	9	10	11	12	13
Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats
	30,000					
	1,000					
	31,000					

The State Peace and Development Council, Multi-Party  
Government, Chief Justice, Attorney

Serial Number	Subject	Responsible Person	Current	Payment
			Expenditure	of Interest
1	2	3	4	5
			Kyats	Kyats
1	The State Peace and Development Council	Chairman of the State Peace and Development Council or a person delegated by the Chairman	764,800,000	
2	Multi-Party Democracy General Election Commission	Chairman of the Multi-Party Democracy General Election Commission or a person delegated by the Chairman	22,000,000	
3	Government	Prime Minister or a person delegated by the Prime Minister	231,000,000	
4	Chief Justice	Chief Justice or a person delegated by the Chief Justice	540,000,000	
5	Attorney General	Attorney General or a person delegated by the Attorney General	273,500,000	
6	Auditor General	Auditor General or a person delegated by the Auditor General	516,000,000	
	Total ...		2,347,300,000	

Democracy General Election Commission,  
General and Auditor General

Expenditures					
Contribution	Capital Expenditure	Debts		Investment in Organizations	Savings
		Disbursement of Loans	Repayment of Loans		
6	7	8	9	10	11
Kyats	Kyats	Kyats	Kyats	Kyats	Kyats
5,000,000	439,404,650				
	37,775,000				
	5,580,000				
	122,001,640				
	44,043,400				
	264,716,130				
5,000,000	913,520,820				

## Ministries and

Serial Number	Subject	Responsible Person	Receipts from the State Economic Organizations	
			Taxes	
1	2	3	4	5
			Kyats	Kyats
1	<b>Taxes levied on inland productions and public consumption</b>	Prime Minister or a person delegated by the Prime Minister	62,981,879,000	
	1 Excise duty		306,166,000	
	2 Commercial tax		50,896,505,000	
	3 Licence fees on imported goods		310,000,000	
	4 State Lottery		7,050,000,000	
	5 Taxes on Transport		1,080,000,000	
	6 Sales proceeds of stamps		3,339,208,000	
2	<b>Taxes levied on income and ownership</b>	- ditto -	46,921,323,000	
	1 Income-tax		36,163,043,000	
	2 Profit-tax		10,758,280,000	
3	<b>Customs duties</b>	- ditto -	5,000,000,000	
	1 Customs duties		5,000,000,000	
4	<b>Taxes levied on utility of State owned properties</b>	- ditto -	2,098,846,000	
	1 Taxes on land (Land Revenue)		72,034,000	
	2 Water Tax and Embankment Tax		24,630,000	
	3 Tax on extraction of forest products		1,049,500,000	
	4 Tax on extraction of minerals		12,182,000	
	5 Tax on fisheries		940,000,000	
	6 Tax levied on rubber		500,000	



## Ministries and

Serial Number	Subject	Responsible Person		
			Taxes	Receipts from the State Economic Organizations
1	2	3	4	5
5	Receipts from the State Economic Organizations	Prime Minister or a person delegated by the Prime Minister	Kyats	Kyats 91,769,809,000
6	Foreign Affairs	- ditto -		
7	Defence	- ditto -		
8	Progress of Border Areas and National Races and Development Affairs	- ditto -		
9	Home Affairs	- ditto -		
10	Immigration and Population	- ditto -		
11	Religious Affairs	- ditto -		
12	Social Welfare, Relief and Resettlement	- ditto -		
13	Information	- ditto -		
14	Culture	- ditto -		
15	Education	- ditto -		
16	Health	- ditto -		
17	Sports	- ditto -		
18	Labour	- ditto -		
19	Forestry	- ditto -		
20	Agriculture & Irrigation	- ditto -		
21	Livestock Breeding and Fisheries	- ditto -		
22	Mines	- ditto -		

## Departments

Receipts							
Other Current Receipts	Interest Receipts	Capital Receipts	Receipts from Foreign Aids	Debts		Receipts from Investment in Organizations	Savings
				Recovery of Loans	Drawal of Loans		
6	7	8	9	10	11	12	13
Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats
8,200,000							
4,514,464,000							
362,714,900			3,595,700				
171,001,000							
44,900,000							
9,119,000							
26,510,000							
403,001,000							
33,148,000							
3,832,505,000			20,808,000				
1,458,029,600		900,000	48,889,000		11,326,000		
34,010,000		50,000					
4,951,000							
202,002,300			18,368,000				
6,607,900,000		50,850,000	24,865,000				
370,600,000							
49,500,000		50,000					

## Ministries and

Serial Number	Subject	Responsible Person		
			Taxes	Receipts from the State Economic Organizations
1	2	3	4	5
			Kyats	Kyats
23	Industry No. (1)	Prime Minister or a person delegated by the Prime Minister		
24	Industry No. (2)	- ditto -		
25	Science and Technology	- ditto -		
26	Energy	- ditto -		
27	Construction	- ditto -		
28	Transport	- ditto -		
29	Rail Transportation	- ditto -		
30	Communications, Posts and Telegraphs	- ditto -		
31	Commerce	- ditto -		
32	Hotels and Tourism Services	- ditto -		
33	Co-operative	- ditto -		
34	National Planning and Economic Development	- ditto -		
35	Finance and Revenue	- ditto -		
36	Pensions and Gratuities	- ditto -		
		Total . . .	117,002,048,000	91,769,809,000

## Departments

Receipts							
Other Current Receipts	Interest Receipts	Capital Receipts	Receipts from Foreign Aids	Debts		Receipts from Investment in Organizations	Savings
				Recovery of Loans	Drawal of Loans		
6	7	8	9	10	11	12	13
Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats
92,310,000							
280,000							
585,691,000			500,000				
15,000							
3,070,000,000		90,000,000					
465,308,000			200,000				
1,100,070,000							
155,000,000							
402,000,000							
8,205,000							
33,020,350							
32,580,700		170,400,000				41,690,000	
55,823,472,000	26,389,000		197,000,000	85,730,000			
201,000							
79,901,008,850	26,389,000	312,250,000	314,225,700	85,730,000	11,326,000	41,690,000	

## Ministries and

Serial Number	Subject	Responsible Person		
			Current Expenditure	Payment of Interest
1	2	3	4	5
			Kyats	Kyats
1	Foreign Affairs	Prime Minister or a person delegated by the Prime Minister	280,000,000	
2	Defence	- ditto -	50,039,635,900	
3	Tatmadaw Affairs	- ditto -	800,000	
4	Progress of Border Areas and National Races and Development Arrairs	- ditto -	1,121,500,000	
5	Home Affairs	- ditto -	7,222,500,000	
6	Immigration and Population	- ditto -	545,600,000	
7	Religious Affairs	- ditto -	429,800,000	
8	Social Walfare, Relief and Resettlement	- ditto -	455,000,000	
9	Information	- ditto -	802,000,000	
10	Culture	- ditto -	370,000,000	
11	Education	- ditto -	22,933,209,810	
12	Health	- ditto -	5,618,500,000	
13	Sports	- ditto -	444,000,000	
14	Labour	- ditto -	159,400,000	
15	Forestry	- ditto -	1,929,100,000	
16	Agriculture & Irrigation	- ditto -	11,234,500,000	
17	Livestock Breeding and Fisheries	- ditto -	712,000,000	3,050,000
18	Mines	- ditto -	324,000,000	

## Departments

Expenditures						
Contribution	Capital Expenditure	Debts		Investment in Organizations	Savings	Reserve Fund
		Disbursement of Loans	Repayment of Loans			
6	7	8	9	10	11	12
Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats
5,182,000	55,818,700					
...	37,000,000,000					
...						
2,868,228,000	5,736,816,490					
254,751,000	757,604,150					
...	164,005,600					
88,504,600	108,413,420					
58,870,200	621,040,570					
	851,590,770					
58,060	1,526,153,750					
307,500	13,186,248,660					
3,121,000	4,064,827,110					
12,565,000	296,094,560					
166,000	48,533,250					
491,500	892,263,010					
413,000	14,087,153,000					
151,200	333,319,000		21,394,000			
	27,415,450					

## Ministries and

Serial Number	Subject	Responsible Person		
			Current Expenditure	Payment of Interest
1	2	3	4	5
			Kyats	Kyats
19	Industry No. (1)	Prime Minister or a person delegated by the Prime Minister	133,500,000	
20.	Industry No. (2)	- ditto -	66,100,000	
21.	Science and Technology	- ditto -	1,073,500,000	
22.	Energy	- ditto -	35,350,000	
23.	Electric Power	- ditto -	219,300,000	
24	Construction	- ditto -	8,185,000,000	
25	Transport	- ditto -	703,700,000	12,943,130
26.	Rail Transportation	- ditto -	227,900,000	
27.	Communications, Posts and Telegraphs	- ditto -	22,030,000	
28.	Commerce	- ditto -	191,000,000	
29.	Hotels and Tourism Service	- ditto -	42,000,000	
30.	Co-operatives	- ditto -	782,040,000	
31.	National Planning and Economic Development	- ditto -	577,000,000	2,500
32.	Finance and Revenue	- ditto -	1,537,005,000	48,903,318,000
33	Pensions and Gratuities	- ditto -	4,100,000,000	
34.	Gratuities and Commuted Pensions	- ditto -	1,600,000,000	
35	Reserve Fund	Responsible person who is authorized to administer the allotment from this Fund as shown in Schedules 1, 2 & 3 or a person delegated by such responsible such responsible person		
	Total ...		124,166,970,710	48,919,313,630

## Departments

Expenditure						
Contribution	Capital Expenditure	Debts		Investment in Organizations	Savings	Reserve Fund
		Disbursement of Loans	Repayment of Loans			
6	7	8	9	10	11	12
Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats
	71,314,500					
	10,008,400					
175,000	11,265,306,430					
	7,179,330					
	6,201,780,860					
	23,010,702,000					
513,610	9,763,883,660		124,919,690			
680,000	674,080,300					
	26,005,000					
220,000	96,409,000					
134,000	10,185,500					
	205,806,500					
2,116,000	1,000,077,750					
11,862,972,000	132,749,580		376,235,000	17,500,000	30,000	
						100,000,000
15,160,024,670	131,232,786,300		522,548,690	17,500,000	30,000	100,000,000

## State Economic

Serial Number	Subject	Responsible Person		
			Taxes	Receipts from the State Economic Organizations
1	2	3	4	5
			Kyats	Kyats
1	State Economic Organizations	Prime Minister or a person delegated by the Prime Minister		
	Total ...			

## Organizations

Receipts						Receipts from Investment in Organizations
Other Current Receipts	Interest Receipts	Capital Receipts	Receipts from Foreign Aids	Debts		
				Recovery of Loans	Drawal of Loans	
6	7	8	9	10	11	12
Kyats 518,263,294,000	Kyats	Kyats 16,665,000	Kyats 25,450,000	Kyats	Kyats 192,087,000	Kyats
518,263,294,000		16,665,000	25,450,000		192,087,000	

## State Economic

Serial Number	Subject	Responsible Person	Current Expenditure
			4
1	2	3	4
1	State Economic Organizations	Kyats Prime Minister or a person delegated by the Prime Minister	Kyats 557,933,619,000
	Total . . .		557,933,619,000

## Organizations

Expenditures						
Payment of Interest	Contribution	Capital Expenditure	Debts		Investment in Organizations	Savings
			Disburse- ment of Loans	Repayment of Loans		
5	6	7	8	9	10	11
Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats
		58,305,056,770		802,601,000		
		58,305,056,770		802,601,000		

## Cantonment

Serial Number	Subject	Responsible Person		
			Taxes	Receipts from the State Economic Organizations
1	2	3	4	5
1	Cantonment Municipalities under the Ministry of Defence	Prime Minister or a person delegated by the Prime Minister	Kyats	Kyats
	Total . . .			

## Municipalities

Receipts							
Other Current Receipts	Interest Receipts	Capital Receipts	Receipts from Foreign Aids	Debts		Receipts from Investment in Organizations	Savings
				Recovery of Loans	Drawal of Loans		
6	7	8	9	10	11	12	13
Kyats 76,522,000	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats	Kyats
76,522,000							

## Cantonment

Serial Number	Subject	Responsible Person	Current Expenditure
			4
1	2	3	4
1	Cantonment Municipalities under the Ministry of Defence	Prime Minister or a person delegated by the Prime Minister	Kyats 59,000,000
	Total ...		59,000,000

## Municipalities

Expenditures						
Payment of Interest	Contribution	Capital Expenditure	Debts		Investment in Organizations	Savings
			Disburse- ment of Loans	Repayment of Loans		
5	6	7	8	9	10	11
Kyats	Kyats	Kyats 19,060,000	Kyats	Kyats	Kyats	Kyats
		19,060,000				

## Schedule (9)

Goods to be added in the Schedule (1) of The Commercial Tax Law  
that are not to be taxed

Serial Number	Description of Goods
66	Rosaries and prayer beads, all sorts
67	Fuel bar substitute for firewood
68	Rulers, erasers and sharpeners, all sorts
69	Coconut Oil
70	Eggs all sorts such as fowl eggs, duck eggs
71	Seeds of pumpkin, water-melon

## Schedule (10)

Goods to be added in the Schedule (2) of The Commercial Tax Law  
that are to be taxed 5 per cent

Serial Number	Description of Goods
32	Tins for tin-provisions
33	Containers for pure drinking water
34	Cans and containers for food
35	Rice noodle, thick noodle, flat noodle, rice vermicelli, cut noodle, etc.
36	Seeds, tubers or eggs, all sorts, branch seeding, plant seeding, sprouts, all sorts
37	Mosquito repellents, all sorts
38	Rice powder (Nourishment powder for children)
39	Snacks made of rice, all sorts
40	Block, liquid, powder, or solid form of thanakha (Livonia Acidosis) including medicinal thanakha
41	Utensils such as chop-sticks, baskets, mats, sieves, round trays, walls of bamboo matting made of bamboo, cane, rattan or kind of reed
42	Salted fish, all sorts
43	Pickled prawn, pickled fish, all sorts
44	Jiggery, brown slab-sugar
45	Animal feed (other than feed for cattle)
46	Sprays, all sorts (not being insecticides) for plants, fruits, flowers and leaves
47	Fried fish-ball, fried fish-crispiest, fried meat-ball, fried prawn-ball, fried dried prawn, fried fish-paste
48	Pickled mango, pickled ovoid fruit and pickled fruits, all sorts
49	dried prawn / dried prawn powder, dried fish, all sorts
50	Sausages, all sorts such as pork-sausage, chicken-sausage
51	Pea Milk
52	Vermicelli made from beans
53	Joss sticks, incense sticks
54	Sanitation towel and articles for monthly use by women
55	Glazed pot, earthen pot
56	Tubes for tooth-paste

## Schedule (11)

Goods to be added in the Schedule (3) of The Commercial Tax Law  
that are to be taxed 10 per cent

Serial Number	Description of Goods
121	Charcoal stoves, all sorts, spare parts and accessories thereof
122	Diesel stoves, all sorts, spare parts and accessories thereof
123	Gas Stoves, all sorts, spare parts and accessories thereof
124	Sleepers
125	Tooth-paste, all sorts
126	Pure drinking water
127	Cashew nut
128	Walnut
129	Utensils made of silk cotton, sponge, cork, coconut fibre, spring, etc.
130	Fabrics and utensils made of gold and silver embroidery
131	Shampoos, all sorts

## Schedule (12)

Goods to be added in the Schedule (4) of The Commercial Tax Law  
that are to be taxed 20 per cent

Serial Number	Description of Goods
89	Pure gold, gold, platinum
90	Mixed concrete
91	Formica, all sorts

## Schedule (13)

Goods to be added in the Schedule (5) of The Commercial Tax Law  
that are to be taxed 25 per cent

Serial Number	Description of Goods
52	Decorating materials for cars
53	Utensils made of fibre
54	Utensils made of aluminium
55	Computers, parts and accessories thereof

## Schedule (14)

The types of services and tax rates to be added in the Schedule(7) of the Commercial Tax Law that are to be taxed shown against them

Serial Number	Type of Services	The amount based upon which computation is to be made	Tax Percent (%)
6	Tourism business (including business of tourist guide)	Total amount of proceeds obtained from tourists	5
7	Cleaning and oiling of motor vehicles	Total amount of proceeds including the cost of materials	10
8	Insurance business except life assurances business	Total amount of premium	5
9	Beautifying and physical exercise business including hairdressing	Total amount of proceeds including the cost of materials	5
10	Printing	Total amount of proceeds for printing	5

(Sd.) Than Shwe  
 Senior General  
 Chairman  
 The State Peace and Development Council

**The State Peace and Development Council  
The Law Amending the Myanmar Maternal and Child  
Welfare Association Law**

**( The State Peace and Development Council Law No. 7/2003 )  
The 6<sup>th</sup> Waning Day of *Tagu*, 1365 M.E.  
( 22<sup>nd</sup> April, 2003 )**

The State Peace and Development Council hereby enacts the following Law :-

1. This Law shall be called the Law Amending the Myanmar Maternal and Child Welfare Association Law.
2. In the Myanmar Maternal and Child Welfare Association Law -
  - (a) The expression "a representative each from the respective State and Division, total (14)" contained in sub-section (c) of section 7 shall be substituted by the expression "a representative each from the respective State and Division, total (16)".
  - (b) The expression "three members of the Executive Committee" contained in section 9 shall be substituted by the expression "7 members of the Executive Committee".
  - (c) The expression "5 members" contained in sub-section (c) of section 29 shall be substituted by the expression "7 members".

**(Sd). Than Shwe  
Senior General  
Chairman**

**The State Peace and Development Council**

**The State Peace and Development Council**  
**The Law Amending the Myanmar Gemstone Law**  
( The State Peace and Development Council Law No. 8/2003 )  
The 2<sup>th</sup> Waning Day of *Nayon*, 1365 M.E.  
( 16<sup>th</sup> June, 2003 )

The State Peace and Development Council hereby enacts the following Law :-

1. This Law shall be called the Law Amending the Myanmar Gemstone Law.
2. After section 15 of the Myanmar Gemstone Law, section 15-A, section 15-B and section 15-C shall be inserted as follows ; -

"15-A. The Ministry of Mines may designate the place for disposal of the loose soil for public use within a gemstone tract in carrying out gemstone production by the company, society or person holding a permit for gemstone production.

15-B. If the company or society holding a permit to carry out work on gemstone block or a person holding a permit to carry out work on

discovered block is desirous of using any work-place to build temporary buildings, warehouses, huts and barracks, or to keep vehicles, machineries, raw gemstone and gemstone bearing soil, or to wash the loose soil, break the rock and dispose of the loose soil, break the rock and dispose of the loose soil, insider or outside his block in the gemstone tract, applicatin shall be made to the Ministry of Mines to obtain permission.

15-C. The Ministry of Mines -

- (a) may, after scrutinizing the application submitted under section 15-B, grant permission stipulating terms and conditions.
- (b) shall, when granting permission under sub-section (a), stipulate the tenure of permission and land use premium for any work-place outside the premitted block.
- (c) may extend the tenure when the tenure of permission stipulated under sub-section (b) expires."

3. Sub-section (b) of section 34 of the Myanmar Gemstone Law shall be substituted as follows ; -

"(b) tendering advice to the Ministry of Mines regarding designation of gemstone tract, determination of gemstone block and floor price, determination of discovered block, designation of place for disposal of the loose soil for public use under section 15-A, granting of permission for workplace contained in section 15-B and stipulatino of land use premium."

4. In section 36, sub-section (a) of the Myanmar Gemstone Law; -

- (a) the expression "permit or licence" shall be substituted by the expression "permission, licence or permit."
- (b) the expression "holders of the permit or licence" shall be substituted by the expression "holders of the permission, licence or permit."

5. In section 38 of the Myanmar Gemstone Law; -
  - (a) the expression "fails to comply with any order or directive issued under this law" shall be substituted by the expression "fails to comply with any rules, procedures, orders and directives issued under this law."
  - (b) the expression "permit or licence" shall be substituted by the expression "permission, licence or permit."
  
6. In section 43 of the Myanmar Gemstone Law the expression "fails to comply with the rules, procedures, orders and directives of section 16 subsection (f)" shall be substituted by the expression "fails to comply with the rules and orders issued under this Law."

**(Sd.) Than Shwe**  
**Senior General**  
**Chairman**  
**The State Peace and Development Council**



**RULES**



**The Government of the Union of Myanmar**  
**Ministry of Home Affairs**  
**Notification No. 1/2003**  
**The 12th Waxing Day of *Nadaw*, 1365 M.E.**  
**( 25<sup>th</sup> December, 2003 )**

In exercise of the power conferred by sub-section (a) of section 41 of the Control of Money Laundering Law, the Ministry of Home Affairs issues the following Rules with the approval of the Government : –

**Chapter I**  
**Title and Definition**

1. These Rules shall be called the Control of Money Laundering Rules.
2. The expressions contained in these Rules shall have the same meanings as are assigned to them in the Control of Money Laundering Law. In addition, the following expressions shall have the meanings given hereunder : -
  - (a) **Law** means the Control of Money Laundering Law ;

- (b) **Money Laundering Offence** means an offence of illegally converting, transferring, concealing, obliterating or disguising of money and property obtained from the commission of any of the following offences to legalize the same : -
- (1) offences committed under the Narcotic Drugs and Psychotropic Substances Law ;
  - (2) trafficking in and smuggling of women and children ;
  - (3) undertakings of a financial institution without the licence to operate issued by the Central Bank of Myanmar ;
  - (4) theft and smuggling out of the country of antiques and articles of cultural heritage ;
  - (5) illegal trafficking of arms, ammunitions and explosives ;
  - (6) counterfeiting money, using and possessing thereof ;
  - (7) hijacking of aircraft, vessel or any type of vehicle ;
  - (8) cyber crimes committed by electronic means ;
  - (9) offences committed by act of terrorism ;
  - (10) offences prescribed by the Government by notification from time to time ;
  - (11) transnational crimes of offences mentioned above in sub-rules (1) to (10).
- (c) **Investigation Body** means the Investigation Body formed by the Central Control Board under sub-section (a) of section 9 of the Law and Rule 14 ;
- (d) **Preliminary Scrutiny Body** means the Preliminary Scrutiny Body formed by the Central Control Board under section 13 of the Law and Rule 26 ;
- (e) **Financial Intelligence Unit** means the body formed and assigned duty by the Central Control Board under sub-rule (d) of Rule 4 and Rule 5 ;

- (f) Central Bank means the Central Bank of the Union of Myanmar;
- (g) Person having beneficial interest in the exhibit means any person other than the person under investigation who has suggested that the money and property obtained by illegal means have been transferred and obtained by any means, with consideration and in good faith.

## Chapter II

### Duties and Powers of the Central Control Board

3. The Central Control Board : -
  - (a) may liaise with the States Parties of the United Nations conventions, international and regional organizations and neighbouring countries in respect of exchange of information, investigation, taking legal action and adjudication relating to the control of money and property obtained by illegal means;
  - (b) shall co-ordinate and co-operate with the relevant government departments and organizations so as not to enable the owner or possessor of money and property obtained by illegal means to operate economic enterprises or to establish and operate banks and financial institutions and other economic organizations by using such money and property or to use the same as legal money or property;
  - (c) shall, to increase technical know-how in investigating and exposing arrange, supervise and guide the responsible persons from the banks and financial institutions, members of Financial Intelligence Unit and responsible persons from the relevant government departments and organizations for conducting necessary training courses, holding workshops and exchanging of local and foreign knowledge.

4. The Central Control Board : -
- (a) shall prescribe the amount and value of money and property against which action can be taken as the money laundering offences under sub-section (c) of section 5 and sub-section (a) of section 8. Such provision may be amended from time to time;
  - (b) shall , with the approval of the Government, prescribe the amount and value of money and property which shall be reported to the Central Control Board under sub-section (c) of section 8, sub-section (b) of section 19, sub-section (b) of section 20 and section 21 of the Law. Such provision may be amended from time to time with the approval of the Government;
  - (c) shall inform the prescribed amount and value of money and property to the relevant government departments and organizations as confidential;
  - (d) shall form the Staff Office comprising experts to assist its functions and duties. The Financial Intelligence Unit shall be formed, with suitable expert members out of the members of Staff Office for detecting money laundering offences;
  - (e) shall, on receiving the information that money laundering offence has been committed, form the necessary Investigation Bodies in accordance with the Law and assign duty to carry out investigation, entering, inspecting ,searching and seizing;
  - (f) shall, when duty has been assigned under sub-rule (e) with respect to money and property obtained by illegal means, issue in Form (1) the order granting permission to the Investigation Body to investigate, enter and make inspection, search and seize;
  - (g) may, issue order under sub-section (f) of section 8 of the Law to the responsible persons from the banks and financial institutions to

grant permission to the Investigation Body to seize temporarily as exhibit the money and property obtained by illegal means deposited in the relevant banks and financial institutions to inspect financial records and if necessary, to make copy thereof, and seize temporarily as exhibit;

- (h) shall, if order is passed to return the property seized temporarily in Form (2) as exhibit, under a bond, cause to the bond to be entered into in Form (4); if there is violation of the bond, the order returning the property under the said bond may be revoked;
- (i) may issue a prohibitory order in Form(3) under sub-section (g) of section 8 of the Law to the relevant departments, organizations and persons not to convert, transfer by any means, conceal, obliterate and disguise the money and property obtained by illegal means during the period in which investigation is being made under these Rules. In addition, if necessary, may direct the sealing of the immoveable property;
- (j) Under the report of findings of the Investigation Body : —
  - (1) if it is necessary to make further investigation of the supporting evidences, directive may be issued to the Investigation Body to make such investigations and submit thereof ;
  - (2) if evidence is found that a money laundering offence is likely to be committed, the Preliminary Scrutiny Body shall be formed and assigned functions and duties thereto for enabling to conduct hearing of the said matter and to submit remark thereof ;

- (3) if it is found clearly that no money laundering offence has been committed, the case under investigation shall be closed; in addition, the money and property seized temporarily shall be returned in Form(7) to the person under investigation or the person whose property has been seized;
  - (4) if it is necessary to take action against the offender under section 22 or 23 of the Law, the Investigation Body shall be directed to file the information report at the relevant police station and to proceed further.
- (k) may, under the report of findings of the Investigation Body and submission of the Preliminary Scrutiny Body, pass the order confiscating or not confiscating the money and property seized temporarily. If prior sanction has been granted or is to be granted to prosecute the offender, under section 22 or 23 of the Law postponement shall be made without passing the confiscation order on the money and property seized temporarily as exhibit, and necessary order shall be passed in conformity with the order and judgment of the relevant Court which is final and confirmed;
- (l) may, if it is evident that, after committing the money laundering offence the person under investigation is absconding or cannot be found or has died or has gone abroad for good, with respect to money and property involved in the money laundering offence, pass the confiscation order under the report of findings of the Investigation Body and submission made by the Preliminary Scrutiny Body;
- (m) may, before or after passing the order confiscating the exhibit, if the person under investigation applies within 90 days after hearing is made by the Preliminary Scrutiny Body for review of

the case, submitting witnesses, document and evidence that he was not able to submit at all in the previous investigation, direct the Investigation Body to investigate again or the Preliminary Scrutiny Body to conduct the hearing again.

**Chapter III**  
**Formation of the Financial Intelligence Unit**  
**and Functions and Duties thereof**

5. The Central Control Board shall, in forming the Financial Intelligence Unit under sub-rule (d) of Rule 4, form with suitable, competent persons from the relevant government departments and organizations who are included in the Office Staff.

6. The Financial Intelligence Unit shall carry out the following functions and duties in accordance with the directive of the Central Control Board : -

- (a) with respect to matters on exchange of information relating to money and property obtained by illegal means, liaising mutually with international organizations, regional organizations and neighbouring countries ;
- (b) with respect to matters to be carried out by the banks and financial institutions under these Rules, reporting to the Central Control Board, if no reporting is made on matters that are to be investigated and reported, or if unusual or suspicious information is received ;
- (c) reporting to the Central Control Board, if information has been received on illegal financial transactions, not through the banks and financial institutions ;
- (d) reporting to the Central Control Board, if responsible persons of the Department of Settlements and Land Records and State, Divisional,

District and Township Land Records Offices and Registration Offices subordinate to it fail to give information after undertaking intelligence measures under section 20 of the Law on the registration of documents relating to the transfer of immovable property or obtaining information that is unusual or suspicious ;

- (e) reporting to the Central Control Board, if responsible persons from relevant government department and organization fail to report on matters that are to be reported or obtain the unusual and suspicious information after investigation relating to money which has been brought in or brought out by any person entering or leaving Myanmar ;
- (f) advising and submitting to the Central Control Board to conduct training courses for the responsible persons from the banks and financial institutions, and government departments and organizations to assist in increasing the necessary technical know-how.

#### **Chapter IV Duties to Report**

7. For the purpose of these Rules, the responsible persons from the banks and financial institutions –

- (a) shall, notwithstanding anything contained in the existing laws regarding bank secrecy, with respect to depositing, withdrawing and transferring of money, if any of the following points is found, determine the accounts of the person who has made deposit and withdrawal of money as confidential, and , without delay, report to the Central Control Board in the Form specified by directive of the Central Control Board, and a copy shall be sent to the Central Bank : -
  - (1) exceeding of the amount and value of money prescribed by the Central Control Board ;

- (2) being unusual or suspicious although it does not exceed the amount and value of money prescribed by the Central Control Board ;
  - (b) may continue to perform according to the procedures of the banks and financial institutions to deposit, withdraw and transfer of money, if no prohibition is made by issuance of order by the Central Control Board although information is made under sub-rule(a).
8. The Central Bank shall, with respect to matters of suspicious nature out of the information sent by copy to it under sub-rule (a) of Rule 7, call for information as may be required from the banks and financial institutions, scrutinize and submit to the Central Control Board matters that are required to be detected and exposed.
9. For the purpose of these Rules, the responsible persons of the Department of Settlements and Land Records and State, Divisional, District and Township Settlements and Land Records Offices and the Registration Offices:-
- (a) shall, if any of the following points is found in performing registration with respect to sale , gift, charity, disowning and exchanging of immoveable property, classify the names of transferor and transferee and the value of property as confidential, and report, without delay, to the Central Control Board in Form (5), and send a copy to the Department of Settlements and Land Records : –
    - (1) Exceeding of the value of property mentioned in the instrument over the amount and value of property determined by the Central Control Board ;
    - (2) Although the value of property mentioned in the instrument does not exceed the amount and value of money determined by the Central Control Board, under field inspection, the value of

property being in excess of the amount and value of property determined by the Central Control Board ;

(3) Transferring of property which is unusual or of suspicious nature.

(b) may , if no prohibition is made by issuance of order by the Central Control Board, although it has been reported under sub-rule (a), continue the registration of instruments in accordance with the procedures relating to registration of instruments.

10. The Department of Settlements and Land Records shall, out of the information sent by copy to it under sub-rule(a) of Rule 9 regarding matters of suspicious nature, call for necessary information from the relevant State, Division, District and Township Department of Settlements and Land Records, Registration Offices, scrutinize and submit to the Central Control Board matters that are required to be detected and exposed.

11. Out of the matters which are to be reported, responsible persons under Rules 7 and 9 shall not have the duty to report the matter which is not related to a money laundering offence and in respect of which supporting evidence can be submitted that it is a deposit, withdrawal and transfer of money or transfer of property under any existing law or any customary law and which is in accordance with the right of inheritance.

12. For the purpose of this Law any responsible person from the Customs Department and relevant government department and organization shall, in respect of foreign currency brought into, imported into the country or carried and sent abroad from a port, airport or any border area or by money order by post which exceeds the prescribed amount of the Central Control Board classify as confidential and without delay report to the Central Control Board in Form 6 and shall send a copy to the Head of his department.

13. The Head of a department shall, out of information a copy of which was sent under Rule 12, regarding suspicious matters, call for necessary information from his subordinate department and organization and after scrutinizing the same submit to the Central Control Board for the necessary exposure and investigation.

**Chapter V**  
**Formation of the Investigation Body and Functions**  
**and Duties thereof**

14. The Central Control Board shall, on obtaining information and data relating to money laundering offence, form the Investigation Body comprising not less than three suitable persons from the relevant government departments, organizations and experts for enabling investigation and exposure. In so forming, the members of the Investigation Body shall not be retained permanently, but shall be assigned duty case-wise or subject to a time limit by changing the composition thereof.

15. The Investigation Body shall, only after obtaining the sanction of the Central Control Board commence carrying out investigation and exposure, entering and inspecting, searching and seizing as exhibits.

16. The Investigation Body, in carrying out under Rule 15 with respect to money laundering offence : -

- (a) shall open the case and conduct the necessary investigation;
- (b) shall, in investigating, show to the person under investigation the sanction of the Central Control Board initially and explain for which matter investigation is going to be conducted;

- (c) may call for and examine the documents and other supporting evidence as are required from the person under investigation, the relevant government departments and organizations, and banks and financial institutions;
- (d) may summon and obtain statements from the person under investigation or other persons as are required.

17. The Investigation Body, in carrying out under Rule 15, with respect to money laundering offence : –

- (a) has the right to enter and inspect the building, land and work-site of the person under investigation ;
- (b) shall, if it is required to seize the diamond, gold, silver, gems, jewellery, ornaments, money and valuables, seal the same and seized temporarily. The said properties shall be deposited in the bank determined by the Central Control Board under a safe custody system ;
- (c) shall seize temporarily different kinds of vehicles such as motor-car, vessel, engine-propelled vehicle, vehicle without engine and slow-moving vehicles, different kinds of accessories thereof and documents. If the Central Control Board grants permission during the period of investigation to return the property seized temporarily under a bond, a bond with sufficient security shall be entered into in Form (4) and the said properties shall be re-entrusted to the person whose property has been seized ;
- (d) shall, if it is required to seize animals such as elephant, horse and cattle, seize the same temporarily. During the period of investigation, a bond with sufficient security shall be entered into in Form (4), and the said animals shall be re-entrusted to the person whose animals have been seized ;

- (e) shall, if it is required to seize moveable properties such as furniture, musical instruments and electrical goods, seize the same temporarily, and during the period of investigation, a bond with sufficient security shall be entered into in Form (4), and the said properties shall be re-entrusted to the person whose property has been seized ;
- (f) shall, with respect to properties that will be re-entrusted under a bond under sub-rules (c),(d) and (e), re-entrust the same under a bond to the person whose property has been seized,only when the prohibitory order in Form (3) of the Central Control Board has been obtained.
- (g) shall, in entering and inspecting, searching and seizing temporarily of money and property under the duties and powers mentioned in sub-rules (a) to (e), seizing shall be made in the presence of two search witnesses by making three copies of temporarily seizing of property Form (2).The said Form shall be signed by the person under investigation or the person whose property has been seized, search witnesses and the Head of the Investigation Body. One copy of the temporarily seizing of property Form(2) shall be given to the person under investigation or the person whose property has been seized.

18. The Investigation Body shall, if there arises a cause to pass any of the following orders and directive during the period of investigation with respect to money and property seized temporarily as exhibit, submit to the Central Control Board giving remark : –

- (a) order to return under a bond of sufficient security,on the application made by the person under investigation, person whose property has been seized or person who has beneficial interest in the exhibit to return the property under a bond;

- (b) prohibitory order that prohibits converting, transferring, concealing, obliterating and disguising of property in any manner;
- (c) directive to seal the land and building.

19. The Central Control Board shall : –

- (a) after scrutiny on the matter submitted under Rule 8, pass any suitable order and directive ;
- (b) if the property permitted to be seized temporarily as exhibit are arms and ammunitions, narcotic drugs and psychotropic substances, controlled precursors or other properties not permitted by any existing law, direct the Investigation Body to hand over systematically to the relevant government department and organization.

20. The Investigation Body shall, after conducting investigation, submit the report on findings to the Central Control Board together with the case proceedings. In the said report, the following points with respect to money laundering offence shall be included as may be necessary : –

- (a) type of offence committed and summary of the case ;
- (b) name, father's name, occupation and address of persons involved in the commission of the offence ;
- (c) date of ownership or enjoyment of benefit in respect of money and property located locally or abroad by the person under investigation ;
- (d) the manner and the date on which deposit, withdrawal or transfer was made ;
- (e) type of property, the means by which the said property was owned and date of ownership or transfer ;

- (f) estimate current value of properties, location thereof and if the property does not exist at the time of investigation, the reason why that property does not exist ;
- (g) type of property which is under the control or not under the control of the person under investigation; type of property transferred to other person's name under pretence; type of property transferred to other person, type of property mingled with property owned by another person, which is easy or not easy to separate and current value of each item of property ;
- (h) income and business of the person under investigation ;
- (i) submission made by the person who has beneficial interest in the exhibit ;
- (j) summary of one's activities under the orders and directives issued by the Central Control Board ;
- (k) list of evidential documents and witnesses ;
- (l) the findings of the investigation and review.

#### **Chapter VI**

#### **Inspecting , Making copies and Seizing as Exhibits of Financial Records of Banks and Financial Institutions**

21. The Investigation Body shall, during the period of investigation, for enabling the issue of prohibitory order not to withdraw or transfer money and property relating to money laundering offence that are maintained in banks or financial institutions, and for obtaining permission to inspect and, if necessary, to make copy and to seize temporarily as exhibit of financial records, submit the following points to the Central Control Board in a confidential manner : –

- (a) summary of the offence committed known through investigation and exposure ;

- (b) findings on commission of the offence ;
- (c) matter desired to be carried out and duration of time ;
- (d) name and address of the bank or financial institution relating to the matter desired to be carried out.

22. The Central Control Board : –

- (a) may, after scrutinizing the submission made under Rule 21 by the Investigation Body, during the period of investigation, pass any of the following order : –
  - (1) prohibitory order prohibiting withdrawal and transfer of money and property ;
  - (2) order permitting inspection of the financial records and order permitting copies thereof to be made ;
  - (3) order permitting seizure temporarily of the financial records and money and property as exhibit.
- (b) when passing any order under sub-rule (a) shall issue the said order to the responsible persons of the banks and financial institutions and send a copy of the order to the Governor of the Central Bank and Head of the relevant bank and financial institution.

23. The Investigation Body : –

- (a) shall, in accordance with the order issued by the Central Control Board, carry out in accordance with sub-rule (g) of Rule 17 inspection, copying, seizing temporarily as exhibit the financial records, seizing temporarily as exhibit the money and property deposited, or transferred by the person under investigation ;

- (b) shall deposit the diamond, gold, silver, gems, jewellery, ornaments, money and valuables seized temporarily as exhibit in the bank and financial institution determined by Central Control Board for safe custody system.

### Chapter VII

#### Measures to be Taken for Passing the Prohibitory Order and Directing to Seal in Respect of Exhibits

24. During the investigation period, when the Central Control Board issues the prohibitory order or directs to seal the immovable property to the relevant government department, organization and persons, so as not to convert, transfer, conceal, obliterate or disguise money and property obtained by illegal means to be legal, the Investigation Body : –

- (a) shall affix the said order or directive in a conspicuous place at the site where the property in respect of which a prohibitory order or a directive to seal was issued is situated and also at the relevant offices of the Township, Ward and Village-Tract Peace and Development Council;
- (b) may, with respect to the sealed immovable property if the person under investigation, the person whose property has been seized or the person having beneficial interest in the exhibit applies for return of the property under a bond submitting valid evidence during the investigation period cause a bond to be entered into in Form(4) with sufficient security by order of the Central Control Board and return the sealed immovable property;
- (c) shall, if the sealed immovable property is not returned under a bond, remove the residents from there, lock and seal the property ;

- (d) shall assign duty to the relevant Township Police Force Commander to keep the sealed immovable property in safe custody.

25. The person under investigation or the person to whom the property is returned under a bond, shall not sell, mortgage, lease, transfer by any other means or give right of residence and occupancy to a third person in respect of property and money on which a prohibitory order is issued or which is directed to be sealed by the Central Control Board.

### **Chapter VIII**

#### **Formation of the Preliminary Scrutiny Body and Functions and Duties thereof**

26. The Central Control Board shall, from the report of findings of the Investigation Body, if there is supporting evidence that a money laundering offence has been committed by any person, form the Preliminary Scrutiny Body comprising not less than three suitable persons to scrutinize and submit as to whether or not the property seized temporarily should be confiscated. In such body, one Deputy Minister shall be assigned duty as the Chairman.

27. The Preliminary Scrutiny Body shall : –

- (a) carry out and open the preliminary proceeding when assigned duty by the Central Control Board ;
- (b) inform the person under investigation, the person whose property has been seized or person having beneficial interest in the exhibit, personally or by representative or by lawyer to appear and defend within 30 days ;
- (c) submit with remarks to the Central Control Board, if the persons concerned fail to appear for defence although informed under sub-

rule (b), after summoning and examining witnesses who have been examined by the Investigation Body and other necessary witnesses whether the money and property seized temporarily as exhibit shall be confiscated or not.

28. The Preliminary Scrutiny Body shall, when the person informed under sub-rule (b) of Rule 27 appears and clarifies : –

- (a) explain to the person under investigation, person whose property has been seized or person having beneficial interest in the exhibit to clarify and defend showing the reason why the money and property seized temporarily as exhibit should not be confiscated;
- (b) submit to the Central Control Board with remarks that the money and property seized temporarily as exhibit should be confiscated, if the person under investigation, person whose property has been seized or person having beneficial interest in the exhibit admits that he has committed the money laundering offence.

29. If the person under investigation, person whose property has been seized or person having beneficial interest in the exhibits denies that he has not committed any money laundering offence, the Preliminary Scrutiny Body : –

- (a) shall first hear and examine the witnesses examined by the Preliminary Scrutiny Body ;
- (b) after hearing the person under investigation, person whose property has been seized and person having beneficial interest in the exhibit and scrutinizing the documentary evidences submitted by them, may accept as exhibit or refuse to accept as exhibit ;
- (c) shall hear and examine the witnesses submitted by the person under investigation, person whose property has been seized and person having beneficial interest in the exhibit ;

- (d) may, if necessary, summon and examine the persons who have been exposed during the course of investigation and examine again witnesses who have been examined;
- (e) If it is found that certain evidence is required to be examined from the report of findings of the Investigation Body or from the defence of the person under investigation, person whose property has been seized and person having beneficial interest in the exhibit shall direct the Investigation Body to make further investigation and submit the findings.
- (f) shall read out the statements, and cause the person under investigation to sign on each page of the statements, and the members of the Preliminary Scrutiny Body shall also put their signatures.
- (g) shall, after scrutiny of the report of findings of the Investigation Body and the statements made by the person under investigation, person whose property has been seized, person having beneficial interest in the exhibit and the statements of witnesses of both sides, and exhibit documents submit to the Central Control Board together with remark as to whether or not the money and property seized temporarily as exhibit should be confiscated.

30. The Preliminary Scrutiny Body shall, on being directed by the Central Control Board to make investigation again on the submission made under sub-rule (g) of Rule 29, submit again, examine again the witnesses as may be required, obtain more evidences, and submit again with remark.

31. The Preliminary Scrutiny Body shall, on being directed by the Central Control Board to scrutinize the application made by the person whose property

has been seized or person having beneficial interest in the exhibit stating that the money and property seized temporarily as exhibit have been obtained through transfer by certain means, with consideration and in good faith, obtain necessary statements and evidences in accordance with Rules 28 and 29, and submit to the Central Control Board with remark as to whether or not the right applied for by the said person should be given.

### Chapter IX Confiscation

32. The Central Control Board, with respect to money and property seized temporarily by the Investigation Body as exhibit : —

- (a) may, if it is required to obtain statements of witnesses and evidences, again direct the Preliminary Scrutiny Body to obtain and submit the same again;
- (b) shall, on finding out that a money laundering offence has been committed according to the report of findings of the Investigation Body and submission made by the Preliminary Scrutiny Body, pass an order confiscating the money and property seized temporarily as exhibit. If it is found that the said offence has not been committed, it shall pass an order to return the money and property seized temporarily as exhibit to the original person whose property has been seized;
- (c) shall, in carrying out under sub-rule (b), if prior sanction has been granted or is to be granted to prosecute the offender, postpone passing the order confiscating the money and property seized temporarily as exhibit and pass the order as may be required in conformity with the order and judgment of the relevant Court which is final;

- (d) shall send the order passed under sub-rules(b) and (c) to the person under investigation, or person whose property has been seized or person having beneficial interest in the exhibit within 30 days from the date of passing the order.

33. The Central Control Board shall, if it is clearly evident that the money and property seized temporarily as exhibit has been obtained through transfer by certain means, with consideration and in good faith by the person whose property has been seized or person having beneficial interest in the exhibit according to the report of findings of the Investigation Body and submissions made by the Preliminary Scrutiny Body –

- (a) if all the said money and property have been transferred and obtained, return all such money and property to the said person ;
- (b) if part of the said money has been transferred, obtained and in possession, return such part of the said money to the said person ;
- (c) if part of the property transferred and obtained is not jointly owned by the person under investigation and is easy to separate, return such part of the said property to the said person ;
- (d) if the property transferred and obtained is jointly owned by the person under investigation and is not easy to separate, such property shall be sold by auction. Out of the proceeds of the sale, the money proportionate to possession of that person shall be returned to him, and the money proportionate to possession of the person under investigation shall be confiscated.

34. When the Central Control Board returns the money and property seized temporarily as exhibit to the person under investigation, person whose property has been seized or person having beneficial interest in the exhibit, the Investigation Body shall return the same in Form (7) in the presence of witnesses.
35. The Central Control Board shall : –
- (a) pay the money confiscated to the accounts head prescribed by the Government;
  - (b) administer the properties confiscated in accordance with the decision of the Government or transfer to the relevant government department and organization.
36. With respect to properties transferred under sub-rule (b) of Rule 36, the relevant government department and organization shall administer the same in accordance with the directive of the Government.
37. The Central Control Board : –
- (a) shall, if it is found that the person under investigation, person whose property has been seized or person having beneficial interest in the exhibit has transferred, obliterated, destroyed or caused destruction, of the property involved in the money laundering offence and which is seized temporarily as exhibit during the period of investigation, pass the confiscation order without making further investigation with regard to the said property;
  - (b) shall, if it is found that the person under investigation, person whose property has been seized or person having beneficial interest in the exhibit has transferred, obliterated, destroyed or caused destruction to the money and property entrusted under a bond, and no exposure and seizure have been made of to the

said money and property, pass an order on the said person to pay the said money and value of the said property as indemnity without making further investigation with regard to the said money and property. If the said person fails to pay the same, a person from the relevant government department and organization may be assigned duty to recover the amount as if they were arrears of land revenue;

- (c) may direct the Investigation Body to take action under section 26 or 27 of the Law against the person violating the provisions contained in sub-rules (a) and (b).

### **Chapter X**

#### **Functions and Duties of the Central Bank and the Financial Institutions**

38. The Central Bank, to enable the successful performance of the functions and duties of the banks and financial institutions contained in these Rules :—

- (a) shall inspect, supervise and control the banks and financial institutions that transact business under the licence to operate issued by it.
- (b) may request to submit financial and economic information and data and records of deposit and withdrawal by sending a notice to the relevant banks and financial institutions.
- (c) shall, with respect to money and property obtained by illegal means in the relevant banks and financial institutions, when order is issued by the Central Control Board to the responsible persons of the relevant banks and financial institutions to grant permission for seizing temporarily as exhibit, for inspection of financial records, and if necessary, for making copy thereof, supervise the

relevant banks and financial institutions by issuing necessary directives.

- (d) may contact with local and foreign organizations to give technical know-how to the responsible persons and staff of the relevant banks and financial institutions.

39. The relevant banks and financial institutions : –

- (a) shall compile detailed records of the name, address, occupation, Citizenship Scrutiny Card number, National Registration Certificate number, Foreigners Registration Certificate number, and if it is a foreigner residing abroad, the nationality, passport number and visa number of the person who opens accounts, the person who deposits and withdraws money and the person who transfers money, and the information and data relevant to the said persons.
- (b) shall, in carrying out under sub-rule (a), inspect and scrutinize necessary evidences and documents. If it is found that the data are incorrect or if it is doubtful that a false name has been used, shall not continue further but shall inform the Central Bank;
- (c) shall, keep the accounts and records for at least five years from the date of commencing transactions;
- (d) shall, grant the Investigation Body permission to inspect the financial records, make copy thereof to seize temporarily as exhibit and to seize the money and property obtained by illegal means as exhibit in accordance with the order issued by the Central Control Board. In granting such permission, if financial transactions and records are carried out and kept in store using cyphers making use of electronic technology, the original meaning shall be deciphered and exposed ;

- (e) shall receive and keep the money and property entrusted by the Investigation Body under sub-rule (b) of Rule 23 safely, in accordance with the directive issued by the Central Control Board ;
- (f) with respect to money and property obtained by illegal means, shall not issue or transfer the said money and property during the period of investigation, without permission of the Central Control Board ;
- (g) shall not obliterate, change or amend the financial records relevant to the investigation;
- (h) shall, provide necessary assistance when financial records relevant to offences of money laundering are being examined by the Investigation Body or Financial Intelligence Unit;
- (i) shall, during the period prescribed report to the Central Bank their administrative matters and business situation, compiling and completing fully in the Forms prescribed by the Central Bank for the purpose of these Rules.
- (j) shall submit to the inspection of investigators of the Central Bank and auditors appointed by the Central Bank and show them the necessary accounts, record books and documents.

## **Chapter XI**

### **Appeal and Revision**

40. If the person under investigation, person whose property has been seized or person having beneficial interest in the exhibit, is dissatisfied with any of the following order or directive of the Central Control Board in respect of money and property obtained by illegal means, he may appeal to the Government within 90 days from the date on which the said order or directive is

received : —

- (a) order granting permission to seize temporarily as exhibit ;
- (b) prohibitory order in respect of the exhibit money and property ;
- (c) order for not returning the exhibit money and property under a bond ;
- (d) order revoking the order for returning the exhibit money and property under a bond ;
- (e) directive to seal the immoveable property ;
- (f) confiscation order.

41. An appeal filed under Rule 40 by the person under investigation, person whose property has been seized or person having beneficial interest in the exhibit shall be attached with the following documents and supporting evidences ; —

- (a) certified copy of order or directive passed by the Central Control Board ;
- (b) documentary evidence and other valid supporting documents relied upon ;
- (c) existing laws, rules, procedures, orders and directives which are desired to be referred ( if any ) ;

42. The Office of the Government, shall scrutinize the petition for appeal attached with documents and supporting evidences, and if it is complete, submit the same to the Government and shall abide by the decision.

43. The Government may, upon an appeal submitted by the aggrieved person or in its discretion, call for the proceedings on any order passed by the Central Control Board and pass any suitable order for confirmation, revision or setting aside the said order or if necessary for re-investigation to be made.

44. The order of the Government under Rule 43 shall be final and conclusive.

**Chapter XII**  
**Miscellaneous**

45. In respect of the money and property obtained by illegal means, the person whose property has been seized or the person having beneficial interest in the exhibit shall : –

- (a) be exempted from action being taken any offence contained in the Law, if valid supporting evidence can be furnished that such money and property were transferred by certain means with consideration and in good faith. In addition, in accordance with section 33, he shall have the right to receive the money and property seized.
- (b) have action taken against him, under section 32 of the Law if it is found that such money and property were transferred by certain means with or without consideration and not in good faith or if it is found that a false submission that such money and property were transferred with consideration and in good faith was made.

46. The Central Control Board shall keep secret the name of an informant in respect of the money and property obtained by illegal means and shall arrange measures to give lawful protection as necessary. In addition, depending on the severity of offence, it may arrange for rewarding the following persons with the approval of Government : –

- (a) an informant regarding the commission of any offence under the Law ;
- (b) secret hardcore informant ;

- (c) persons who make brilliant investigation and search to enable seizure of money and property involved in the offence and arrest of the offender.

47. In the absence of express provisions in these Rules regarding the issue of search warrant, search, arrest, or seizure as exhibits for any offence contained in the Law, the provisions of the Code of Criminal Procedure shall be complied with.

48. (a) The Central Control Board may, in exercising its powers and duties, form the Central Control Works Committees comprising three suitable persons out of its members and assign duty to them.
- (b) The Central Control Works Committees which are assigned duty under sub-rule (a), submit their activities to the nearest meeting held by the Central Control Board and shall obtain the approval thereof.

**(Sd.)**  
**Colonel Tin Hlaing**  
**Minister**  
**Ministry of Home Affairs**

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