



LINCOLN LEGAL SERVICES (MYANMAR) LIMITED

NEWSLETTER 29 - 10th August 2017

Dear Readers,

Welcome to a new edition of our newsletter.

1. New faces

We are proud to welcome new colleagues:



U Kyaw Hoe

U Kyaw Hoe assists our clients as outside counsel. He is a member of the NLD Central Executive Committee and used to represent the current State Counselor, Daw Aung San Suu Kyi. He has been in private practice since 1980 and assisted a large number of individuals and companies in a variety of legal matters. As an advocate, he represents Lincoln's clients at the High Courts and the Supreme Court.

Thet Hsu Wai

Thet Hsu Wai worked in the legal department of a local bank for many years where she took care of land due diligences, lease agreements and corporate matters. She joined Lincoln on 1st August 2017. Thet Hsu Wai speaks Myanmar and English.



Zaw La Hkawng

Zaw La Hkawng is our "newest acquisition;" he joined Lincoln on 3rd August 2017. After studying law and social science at undergraduate and post-graduate levels in Myitkyina and Yangon, he trained with a local law office in Myitkyina. Apart from assisting us with general corporate work, Zaw La Hkawng helps us with translations.

2. Corporate income tax rate for YSX listed companies reduced from 25% to 20%

PWC called our attention to Ministry of Planning and Finance Notification 76/2017 dated 26th July 2017. According to Section 31(b)(2) of the Union Tax Law 2017, the Ministry may grant exemptions and relief from corporate income tax for listed companies in order to develop the Yangon Stock Exchange. In the Notification, the Ministry:



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- reduced the corporate income tax rate for listed companies from 25% to 20%;
- allows listed companies with unreported income from two years preceding the listing to pay the hitherto unpaid corporate income tax and escape fines and prosecution under the Income Tax Law.

Please find our English translation of the Notification here: <http://tinyurl.com/y7wpyqv5>

Presently, First Myanmar Investment Co., Ltd., Myanmar Thilawa SEZ Holdings Public Ltd., Myanmar Citizens Bank Ltd. and First Private Bank Ltd. are listed on the Yangon Stock Exchange.

The Notification applies already to this (2017/18) financial year. As a result of the Notification, other companies contemplating listing may speed up the process as listed companies now enjoy a considerable tax advantage over their competitors.

3. **Guide on protecting IP rights in Myanmar**

We would like to ask our readers interested in our guide on protecting IP rights to download it again (<http://tinyurl.com/yau34afn>) as we have corrected the original version.

4. **Electricity and energy news**

- (a) Woodside makes third Myanmar gas discovery: <http://tinyurl.com/yazyzvmr>
- (b) Yangon receives mobile power generator by GE: <http://tinyurl.com/y8f4x3lc>

5. **Market access and other news**

- (a) New Deputy Minister for National Planning and Finance: <http://tinyurl.com/yafivrmy> (The new Deputy Minister, U Set Aung, was instrumental in setting up the Thilawa SEZ.)
- (b) DICA holds workshops with ministries to speed up investment approvals: <http://tinyurl.com/y7nzig75>
- (c) Consumer protection seems to gather traction: <http://tinyurl.com/y7qclga3> (The Consumer Protection Law is from 2014, but it appears that “consumer information and complaints centres” were only set up in May this year. It appears that there is a nascent feeling among consumers that they can take their grievances somewhere. The Consumer Protection Law prohibits a host of deceptive practices, and companies may wish to review whether they are in compliance.)



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- (d) Myanmar and Singapore negotiate an investment agreement:
<http://tinyurl.com/yb4fx2gf>
- (e) Tax exemptions for diamonds, emeralds and gold approved:
<http://tinyurl.com/y8cmrxga> (However, the respective laws are not out yet.)
- (f) Three MOI-owned factories to in the process of being (partly) privatised:
<http://tinyurl.com/y9ln5zmt>

6. Tenders

- (a) **Ministry of Hotels and Tourism:** Supply of kitchen equipment for a hospitality school in Yangon (partly financed by the government of Luxembourg):
<http://tinyurl.com/y7hnszhh>
- (b) **Ministry of Electricity and Energy:** Purchase of insulators and related fittings for the National Electrification Project: <http://tinyurl.com/y85xsako>

We hope that you have enjoyed reading our newsletter and found it useful.

Sebastian Pawlita
Managing Director

Nyein Chan Zaw
Director