

INSTRUCTION No.03/2018

(28 May 2018)

The Republic of the Union of Myanmar

The Management Committee

Thilawa Special Economic Zone

**Instruction on Exemption of Customs Clearance for Small Valued Goods Purchased by a Free Zone
Business from Domestic Tariff Area**

The Management Committee of Thilawa Special Economic Zone ("Management Committee") hereby issues this Instruction in accordance with Section 11(f) of the Myanmar Special Economic Zone Law ("Law") on the exemption of customs clearance for the purchase of the small valued goods by a Free Zone Business from Domestic Tariff Area as under;

1. Definition:

In this Instruction, the following words shall have the following meanings and capitalized terms used but not defined in this Instruction shall have the meanings given to them in the Law:

"Business in SEZ" means a Free Zone Business (or a Business in a Free Zone) or Other Business (or a Business in a Promotion Zone);

"Customs Section" means the Customs Section of OSSC;

"DTA" means Domestic Tariff Area which is the area outside the Thilawa Special Economic Zone.

"Free Zone Business" means a Business locating in a SEZ where a Free Zone and a Promotion Zone are not specified and being entitled to the same exemptions and privileges to a Business in Free Zone;

"OSSC" means One-stop Service Center of Thilawa Special Economic Zone;

"ID" means Import Declaration;

2. Exemption of Customs Clearance:

1) The customs clearance procedure, including the submission of ID, shall be exempted when a Free Zone Business purchases (imports) from Domestic Tariff Area (DTA) the following items;

- Office stationery
- Office furniture
- Light furniture such as tables and chairs
- First-aid equipment and supplies
- Kitchenware and tableware
- Any other daily consumable goods
- Materials required for small repairing

- Any good similar to above mentioned goods
- 2) The collective values of such items shall not exceed US\$1,000 at a time.

3. Record of goods imported without customs clearance:

A Free Zone Business which has imported any of above small valued goods from DTA without going through customs clearance according to Section 2 of this Instruction shall report to the Thilawa Special Economic Zone Management Committee within fourteen days after the date of purchase from DTA and shall keep record of such import of goods, together with copies of invoice and receipt, for 7 years as provided for in Rule 72 of Myanmar SEZ Rules and make it available for the inspection of the Customs Section whenever requested.

4. Penalty:

If it is found by the Customs Section that any good other than in the categories described in subclause 2-1) above has been imported by a Free Zone Business from DTA without going through customs clearance and/or the value of goods imported by a Free Zone Business from DTA without going through customs clearance has exceeded the limit described in subclause 2-2) above, such Free Zone Business shall be liable to the payment of 200% of normal customs duty, on top of the normal customs duty which is applicable to the import of such good, and commercial tax as a penalty.



Chairman
The Management Committee
Thilawa Special Economic Zone