

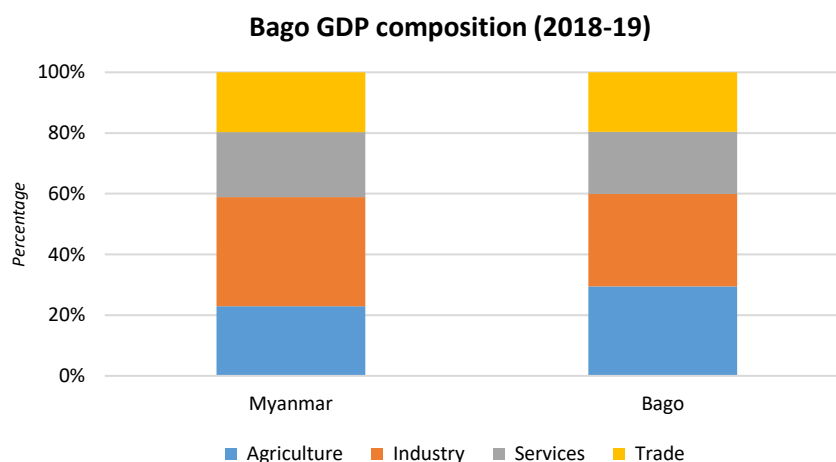
# BAGO GROUP POLICY PAPER

## Introduction

**1. Public finance management will play an essential role in Bago's development, as well as the development of other States and Regions.** Governments have to make difficult choices about how to allocate scarce resources to achieve societal goals for economic growth and poverty alleviation. Healthy public finance management is essential to ensure effective prioritisation of government targets, efficiency and equity of spending. Currently, state and region governments in Myanmar are not responsible for providing public services like education and health but they are partly responsible for some other essential public services such as infrastructure development and municipal services. Consequently, improving the efficiency of state and region public finance management is vital to enhancing the quality of public spending and maximising its impact on growth, equity and poverty reduction. The aim of this policy note is to encourage continuous debate on budget decisions, revenue generation and overall state of public finance as well as to promote budget transparency and accountability.

## Bago Region's fiscal environment

**2. Bago Region GDP will reach 8.57 Trillion MMK in 2018-19, equivalent to 8% of Myanmar's GDP.** This represents a GDP per capita of 1.74 Million MMK in 2018-19, which is lower than the average GDP per capita across Myanmar. However, it appears Bago Region is converging with the Union as a whole, as it expected to experience 7.8% growth rate in 2018-19. Industry is the largest sector in Bago Region accounting for 30.5% of GDP and is expected to see strong growth of 11.2% in 2018-19. Growth is expected in all sectors in Bago Region, although growth in agriculture which accounts for 29.5% of GDP is relatively modest at only 3.8% in 2018-19. Services and Trade account for 20.4% and 19.6% of GDP respectively, which are expected to see growth rates of 9.1% and 7.8%.



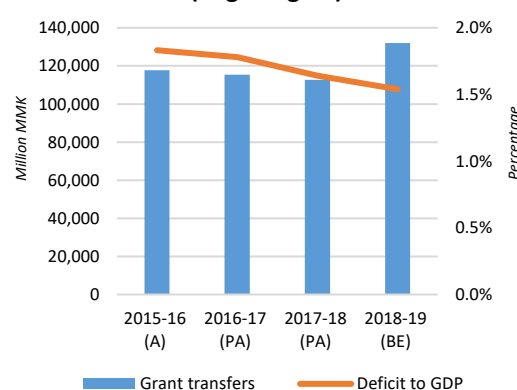
**3. Under Bago regional budget, deficit to GDP ratio is declining while the total deficit financing grant transfer is increasing partly due to the fast growing size of regional GDP in nominal term.** Total revenue without grant transfer is estimated at 33.9 Billion MMK and Total expenditure 165.8 Billion MMK results 132 Billion MMK deficit in 2018-19, which equals to 1.5 percent of regional GDP. In Myanmar, State and Region governments are relying on fiscal grant transfer; and as a result, the grant transfer influences on the budget ceiling for expenditure. The

major contributing factor for declining of fiscal deficit to GDP ratio is the faster growing GDP value of Bago region while the grant transfer is increasing with the slower rate.

#### Fiscal positions of regional government

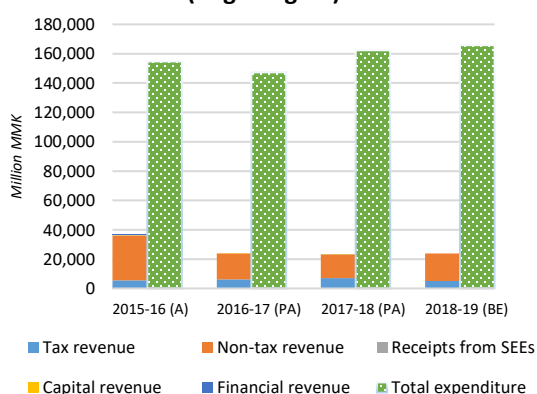
	2015-16 (A)	2016-17 (PA)	2017-18 (PA)	2018-19 (BE)
Current revenue	45,392	27,463	36,561	33,897
Capital revenue	727	128	38	
Financial revenue	63			
Total revenue	46,182	27,591	36,599	33,897
Total expenditure				
Current expenditure	67,019	60,716	66,767	70,213
Capital expenditure	87,732	86,474	95,511	95,613
Financial expenditure	63			
Total expenditure	154,815	147,190	162,278	165,826
Deficit	108,633	119,599	125,679	131,928
GDP (current price)	5,930,000	6,719,000	7,663,000	8,572,000
Deficit to GDP	1.8%	1.8%	1.6%	1.5%

#### Grant transfer and Deficit to GDP ratio (Bago Region)



**4. Aggregate expenditure and revenue have remained relatively constant in Bago Region.** Total expenditure by Bago Region Government in 2018-19 is estimated to be MMK 166 Billion, this equates to expenditure per capita<sup>1</sup> of MMK 33,717 (Fig.1). The expenditure in 2018-19 will see only a modest 2% increase from the previous 12-month fiscal year in 2017-18. However, this represents a real term decrease in expenditure. After a decline in 2016-17, own revenue has also remained relatively stable in Bago Region.

#### Own revenue and expenditure (Bago Region)



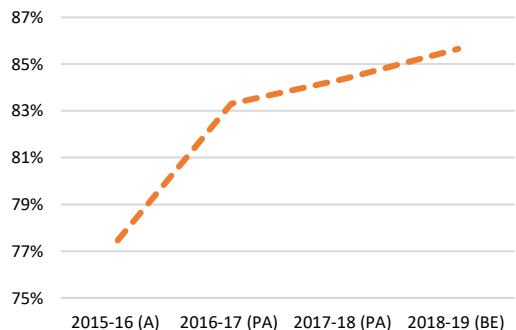
#### 5. Bago Region's own revenue is declining while the government expenditure is growing especially investment outlays on infrastructure.

Own revenue for 2018-19 is 36 percent less than it was in 2015-16 with relying on the non-tax current revenue. As shown in figure, Bago regional government expenditure is largely financed by Union transfers; namely, (i) grant transfer, (ii) tax sharing and (iii) transfers to parliament members for small infrastructure development works, and total of those transfers amounts 142 Billion MMK, which equivalents to 80 percent of total expenditure in 2018-19.

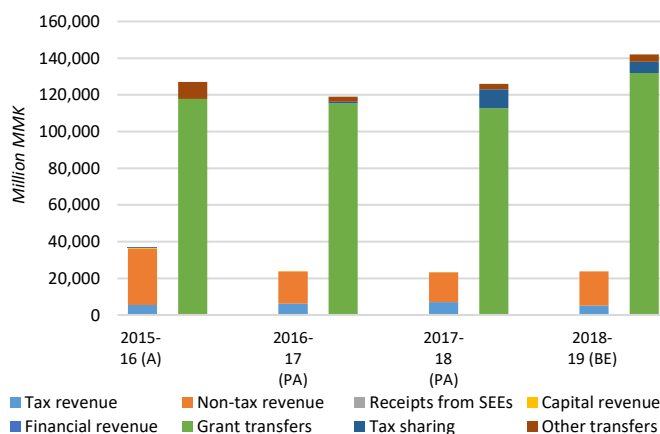
**6. The growing expenditure is largely financed by the transfers. Comparing to 2015-16, when total transfers accounted for 77 percent to total expenditure, 86 percent of expenditure is being forecasted to receive from transfers.** Hence, although the own revenue is modestly growing, after a decreasing in 2016-17 compared to its previous year, in last 3 fiscal periods, its share in total expenditure is declining, from 23 percent to 14 percent. As a result, total size of Union transfers is six times bigger than the own available resources in Bago region. In own revenue, which consists of local tax revenue and non-tax current revenue, is estimated at 24 Billion MMK while the Union transfers at 142 Billion MMK. As this policy note is intended to highlight on the revenue performance and potential for the regional government budget, the transfers system will be discussed in brief.

<sup>1</sup> Population data from Bago Region General Administration Department (GAD).

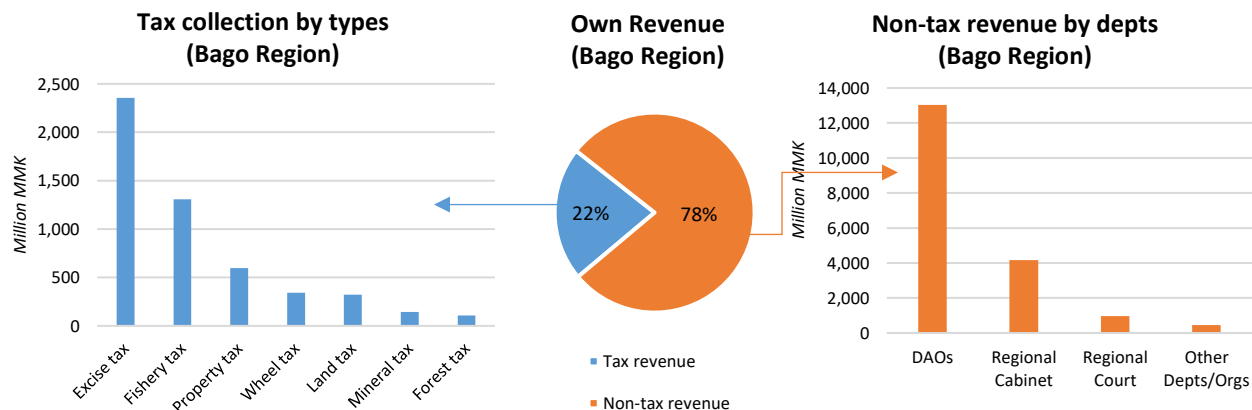
**Percentage of Transfers in total expenditure  
(Bago Region)**



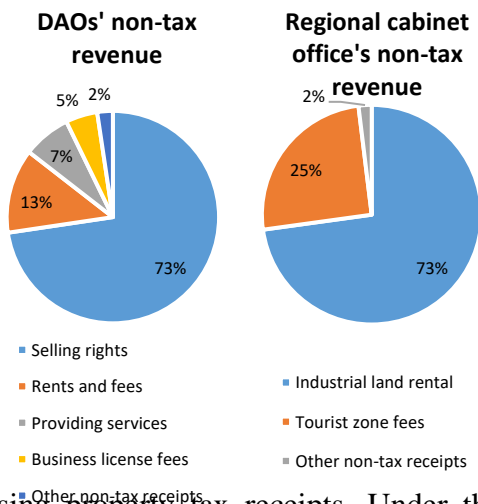
**"Own revenue" versus "Transfers"  
(Bago Region)**



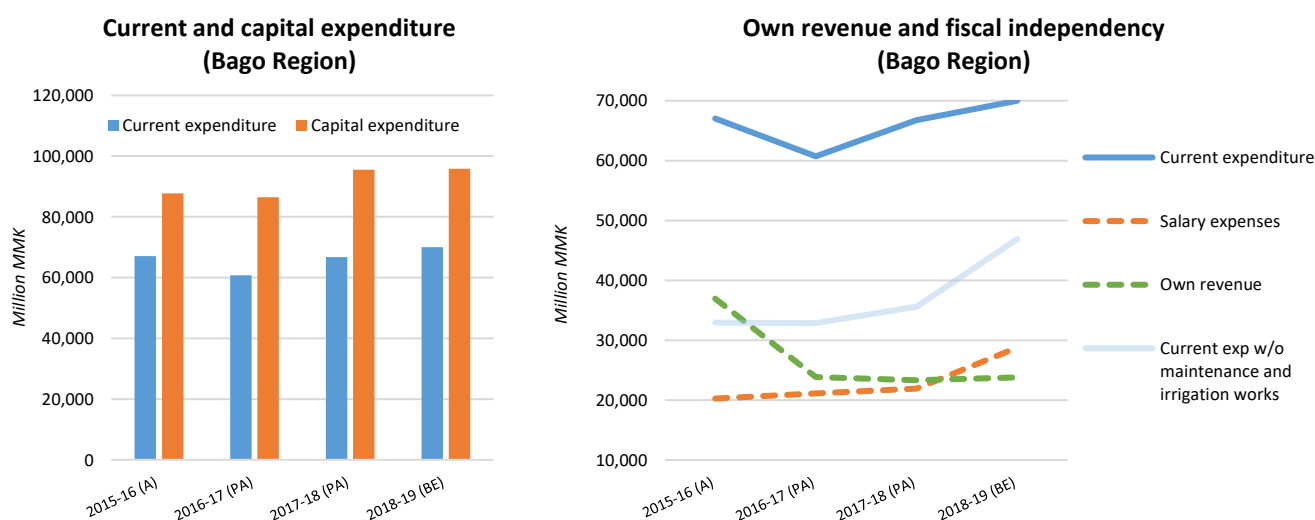
**7. Bago region's own revenue is composed with tax revenue and non-tax revenue, 22 percent and 78 percent each in 2018-19, and there is no projection for capital and financial revenue for that fiscal period.** Excise tax, collected by General Administration Department, and Fisher tax, by Fishery Department, accounts for over 70 percent of tax receipts in Bago region<sup>2</sup>. For non-tax (current) revenue side, Development Affairs Organizations, who are accountable for urban service delivery, and regional Cabinet Office make 13 and 4 Billion MMK in 2018-19 FY, combine of these two representing 92 percent of aggregate non-tax (current) revenue. Since its nature of miscellaneous sources of revenue, sources of non-tax revenue will be discussed in following paragraph and potential for increasing tax revenue will be presented in paragraph 6.



**8. Income from monopoly license fees makes 50 percent of non-tax revenue and 40 percent of own revenue under regional budget.** Although the license incomes are important for the regional fiscal autonomy, its impacts of preventing market competitiveness on life and opportunities for local citizens are equally important to reconsider. There are other revenue potential for the Development Affairs Organizations (DAOs) such as property tax, which is currently 16 times less than DAOs' income on selling rights. Since the urban areas in Myanmar are developing fast, the recognition on revenue potential from property tax will benefit not only to local governments also to the property owner by reinvesting on Urban infrastructure development and service delivery using property tax receipts. Under the regional cabinet office's non-tax revenue, 73 percent from renting industrial land and 25 percent



**9. Bago regional government current and capital investment spending is increasing; however, recent salary hike results further declining in regional fiscal autonomy.** Capital expenditure under Bago region's budget has increased to 96 Billion MMK in 2018-19 from 88 Billion MMK in 2015-16. Current expenditure has also grew slightly from 67 Billion MMK to 70 Billion MMK between 2015-16 and 2018-19 underpinning by the salary rise in 2018. Consequently, salary expense for departments and organizations under regional government has risen to 29 Billion MMK, about 40 percent of current expenditure. As a result, regional own revenue no longer affordable to finance the wage bills, and it limits the fiscal independency of the regional government. The figure below also show the region's own revenue considerable falls under the total current expenditure which fundamentally represents the administrative expenses for running a government.<sup>3</sup>



### Brief look at the legal perspective on revenue mobilization

**10. The 2008 Constitution provides the basic parameters that guide the decentralization of responsibilities to the State and Region level.** Section 254 of constitution mentioned that “The Region or State shall collect the taxes and revenues listed in Schedule Five in accord with law and deposit them in the Region or State fund” and “The Region of State has the right to expend the Region or State fund in accord with the law”.

**11. Specifically, Schedule Two of the Constitution lists the legislative and administrative responsibilities of the State and Region governments that in some instances, overlap, and in others, depart from those of the Union government, as outlined in Schedule One.** Such responsibilities that are constitutionally assigned to State and Region budgets under Schedule Two are thus covered by State and Region budgets. And the departments and organizations within the State and Region budgets has to undertake the responsibilities of the local governments while accountable to line ministries except Development Affairs Organizations which are solely responsible to State/Region governments.

**12. Also, Schedule 5 of the Constitution allows the state and region governments revenue generation power, but with some ambiguities.** Even though some complexities and overlapping

<sup>3</sup> In figure, light blue line represents the current expenditure without maintenance expenditure and expenses on irrigation development works of the regional government. The latter expense is treated as current expenditure in regional budget.

functions of revenue mobilization exist, 2008 Constitution is much clearly stated on the partitions between Union and State and Region governments in contrast to its Amendment in which newly permitted fiscal mobilization authorities are attached to Union Laws enacted prior to Constitution.

**Schedule 5 : Taxes collected by Region or States according to 2008 Constitution**

1. \* **Land revenue**
2. \* **Excise revenue**
3. \* **Water tax and embankment tax based on dams and reservoirs managed by the Region or State and tax on use of electricity generated by such facilities managed by the Region or State.**
4. \* **Toll fees from using roads and bridges managed by the Region or State.**
5. \* **- Royalty collected on fresh water fisheries.**  
- Royalty collected on marine fisheries within the permitted range of territorial water.
6. **Taxes collected on vehicles on road transport and vessels on inland waterway transport, in accord with law, in a Region or a State.**
7. **Proceeds, rent fees and other profits from those properties owned by a Region or a State.**
8. **Fees, taxes and other revenues collected on services enterprises by a Region or a State.**
9. **Fines imposed by judicial courts in a Region or a State including Region Taya Hluttaw or State Taya Hluttaw and taxes collected on service provision and other revenues.**
10. **Interests from disbursed by a Region or State.**
11. **Profits returned from investment of a Region or State.**
12. \* **Taxes collected on extraction of the following items from the forests in a Region or a State:**  
- Taxes collected on all other woods except teak and other restricted hard woods;  
- Taxes collected on firewood, charcoal, rattan, bamboo, bird nests, cutch, thanetkha, turpentine, eaglewood and honey-based products.
13. \* **Registration fees.**
14. **Taxes on entrainments.**
15. \* **Salt tax.**
16. \* **Revenue received from the Union Fund Account.**
17. \* **Contributions by development affairs organizations in a Region or State concerned.**
18. **Unclaimed cash and property.**
19. **Treasure trove.**

*Note:* \* Types of receipts budgeted in state and region budgets.

\*\* Collection of fees for the use of Union highways are collected by Union Department of Highways. Roads under State or Region governments are collected by State and Region Department of Highways, under Ministry of Construction. Vehicle registration fees is also collected by Road Administration Department, which under Ministry of Transportation and Communication.

**Schedule 5 : Taxes collected by Region or States according to 2015 Constitution Amendment**

1. **Capital taxes**
2. **Insurance taxes**
3. **Income taxes**
4. **Commercial taxes**
5. **Custom duties**
6. **Taxes on hotels and lodging houses**
7. **Taxes on tourism**
8. **Taxes on registration of documents**
9. **Taxes on inshore fisheries**
10. **Taxes on petroleum and natural gas**
11. **Taxes on mineral and mining**
12. **Taxes on gems**
13. **Taxes on woods other than teak and thityar, ingyin, pyingadoe, paduak, thingannet and tamalan included in group (1)**
14. **Industrial taxes**
15. **Taxes on building repairing and maintaining motor-boats and small ships**
16. **Taxes on air transport**
17. **Taxes on housings and buildings**

having the right to be undertaken in the Region or State in accord with the Law enacted by the Union

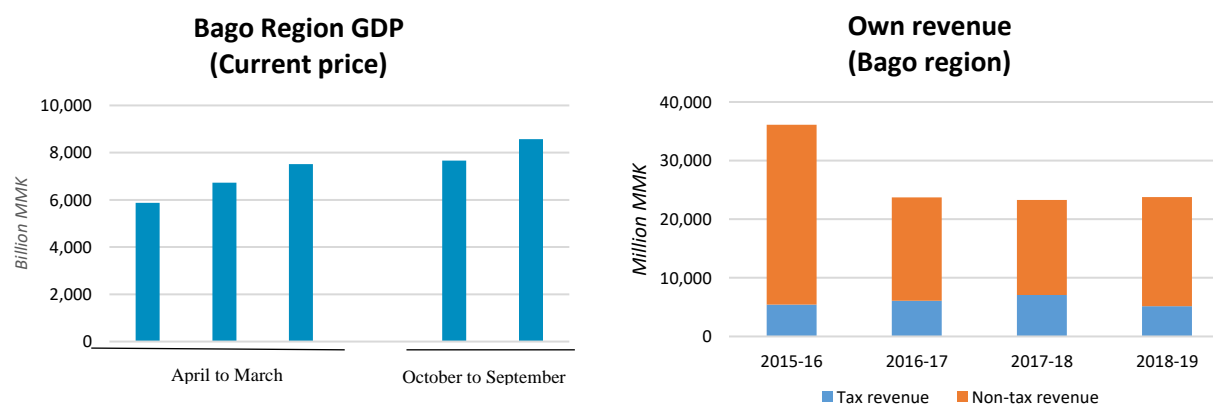
18. Taxes on private schools and trainings
19. Taxes on private hospitals and clinics
20. Taxes on literature, dramatic arts, music, traditional arts and crafts, cinematographic films and videos

**13. For providing the appropriate level of revenue for local expenditure needs, there are some important considerations (World Bank, 2008).** First consideration is Sub-national revenue sources should be linked to the services that the respective sub-national government provides. In other words, sub-national governments are permitted to levy own taxes as long as these taxes burden on local beneficiaries only. Funding for other fundamental public services such as health care and education, the sectors mostly prefer to decentralize as information advantages of local, comes directly from central government as transfers. Secondly, the degree of sub-national government's authority which includes decisions making power on tax base, tax rates, valuation, revenue and taxation legislation, and tax administration has to be considered. Lastly, the tax administrative capacity of the relative level of government and economies of scale (tax administrative costs and outcomes) is required to examine.

Sub-national taxes in selected countries and Myanmar			
China	India	Philippines	Myanmar
Value added tax	Value added tax	Business tax	Excise tax
Business tax	Sales tax	Follow land tax	Land tax
Personal income tax	Professional tax	Professional tax	Embankment tax
Company income tax	Stump duty	Printing and publication	Mineral tax
Resource tax	Luxury tax	Community tax	Fishery tax
Urban maintenance and development tax	Interstate trade duty	Sand, gravel and other quarry resources	Tax on forest products except teak and hard woods
Urban land using tax	Capital gains tax	Delivery vans and trucks	Property tax
Agriculture related tax	Property tax	Property tax	Wheel tax
Tax on contracts	Entertainment tax	Entertainment tax	
Tax on use of arable land	Toll tax	Tax on property transfers	
Vehicle purchasing tax		Franchise	

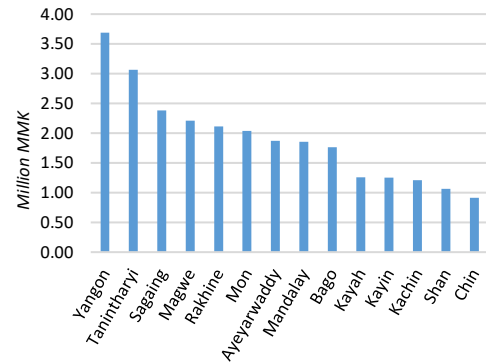
### Revenue performance

**14. Bago regional GDP is considerably growing in recent year in nominal term; however, the tax performance is not increasing together with the economic growth.** Non-tax current revenue and tax revenue remains unchanged in last 3 fiscal year. Tax revenue is estimated at 5171 Million MMK for 2018-19 which equivalent to just over 1000 MMK per residing person in region. Non-tax current revenue which is the major source of own revenue is budgeted at 18622 Million MMK in this fiscal year. Consequently Bago region's own revenue to GDP ratio is less than 0.3 percent significantly less than Union's tax to GDP ratio 6 percent.

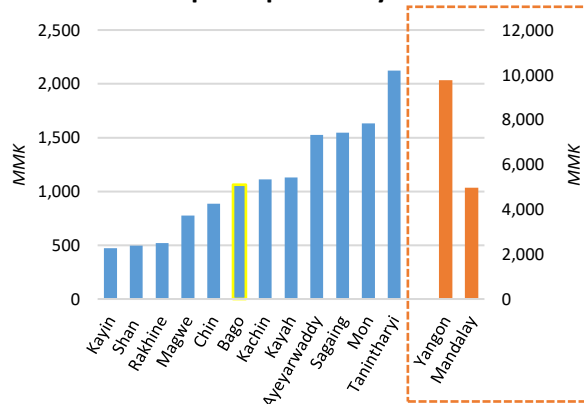


15. According to Union Planning Law for 2018-19, Bago's per capita GDP is forecasted at 1,761,179 MMK which is lower than the Union's per capita GDP forecast 1978486 MMK. Even though Bago region is close to Yangon region and higher economic opportunities, it has the lowest per capita GDP amongst regions. In terms of tax revenue collection per capita; as a result, Bago is one of the lowest tax receiving regions in Myanmar while the overall own revenue performance is better. That also highlights Bago revenue than tax revenue for its own revenue sources.

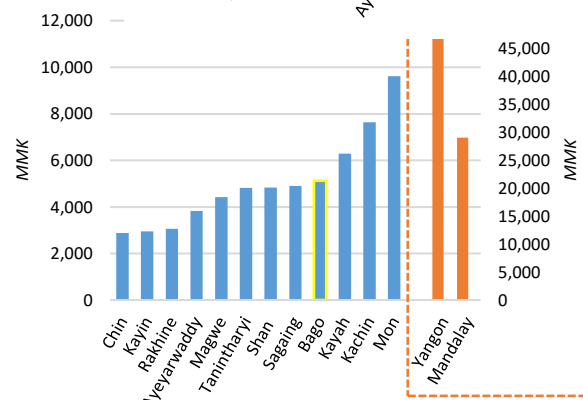
Per Capita GDP in Myanmar



Tax per capita in Myanmar

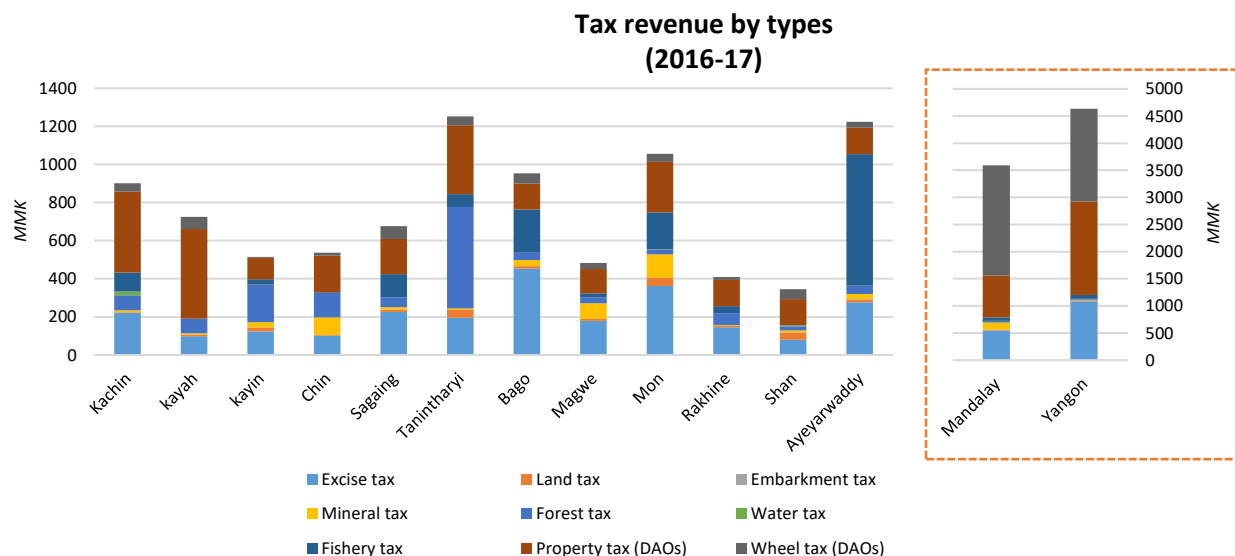


Per (

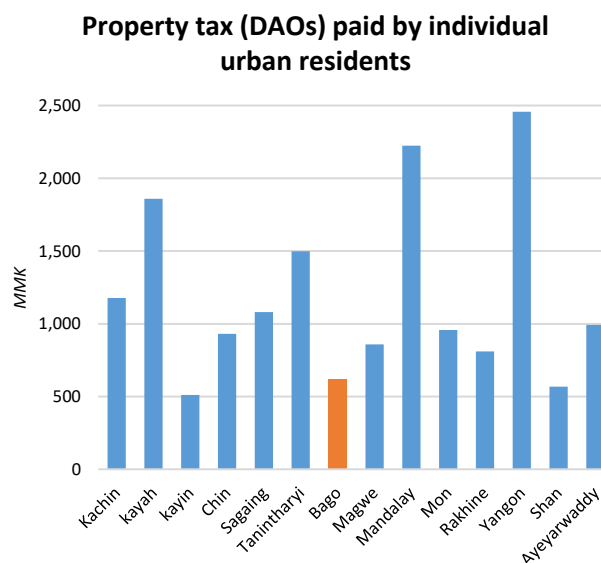


16. Low tax performance is more visible when tax administrative cost and potential tax base are taking into account. 8 kind of local taxes are collected by 4 different departments. Property tax and wheel taxes are collected by municipal offices. General Administration Department collects 4 taxes: land tax, excise tax, embankment tax and mineral tax. Tax on extraction of forest products except teak and other precious hard woods and tax on fisheries are collected by Department of Forestry and Department of Fishery, respectively. Tax collection of around 1000 MMK per person appear even smaller when one considers that it's collected by 4 different administrations. Figure below also shows that Bago region is less rely on property tax although this could become as major source of revenue as faster urbanization in country. Per capita property collection in Bago region is comparable to Kayin State which has only 7 townships while Bago has 28 townships in its region. Similarly, property tax collection per capita in Kayah State and Tanintahryi Region, where 7 and 10 township consist of, are 3 times higher than that of in Bago. Awfully, per capita revenue from excise tax in Bago is highest in the country after Yangon and Mandalay.





Property tax is implied only at the urban area, figure beside illustrates the property tax paid by per capita amongst urban residents. Bago has the third lowest property tax receipts per urban capita only at 620 MMK after Kayin and Shan State. Since municipal organizations in Myanmar are standing on its revenue for expenditure on urban infrastructures and services, limitations on tax receipts makes them harder for invest in urban development to attract development opportunities. Instead, that may lead to more rely on state/ regional government which can erode the achievements from fully decentralizing Development Affairs Organizations.



## **SCHEDULE TWO Region**

*(2008 Constitution and 2015 Constitution Amendment)*

### **1. Finance and Planning Sector**

- (a) The Region or State budget;
- (b) The Region or State fund;
- (c) Land revenue;
- (d) Excise duty (not including narcotic drugs and psychotropic substances);
- (e) Municipal taxes such as taxes on buildings and lands, water, street lightings and wheels;
- (f) Services of the Region or State;



- (g) Sale, lease and other means of execution of property of the Region or State;
- (h) Disbursement of loans in the country from the Region or State funds;
- (i) Investment in the country from the Region or State funds;
- (j) Local plan
- (k) Small loans business.
- (l)\* Capital having the right to be undertaken in the Region or State in accord with the Law enacted by the Union
- (m)\* Insurance having the right to be undertaken in the Region or State in accord with the Law enacted by the Union
- (n)\* Income tax having the right to be undertaken in the Region or State in accord with the Law enacted by the Union
- (o)\* Commercial tax having the right to be undertaken in the Region or State in accord with the Law enacted by the Union
- (p)\* Taking loans from local and foreign having the right to be undertaken by the Region or State in accord with the Law enacted by the Union
- (q)\* Acquisition of property having the right to be undertaken by the Region or State in accord with the Law enacted by the Union
- (r)\* Obtaining foreign financial assistance and aid having the right to be undertaken by the Region or State in accord with the Law enacted by the Union

## **2. Economic Sector**

- (a) Economic matters undertaken in the Region or State in accord with law enacted by the Union;
- (b) Commercial matters undertaken in the Region or State in accord with law enacted by the Union
- (c) Co-operative matters undertaken in the Region or State in accord with law enacted by the Union.
- (d)\* Hotels and lodging houses industry having the right to be undertaken by the Region or State in accord with the Law enacted by the Union
- (e)\* Tourism having the right to be undertaken by the Region or State in accord with the Law enacted by the Union

## **3. Agriculture and Livestock Breeding Sector**

- (a) Agriculture;
- (b) Protection against and control of plants and crop pests and diseases;
- (c) Systematic use of chemical fertilizers and systematic production and use of natural

fertilizers;

- (d) Agricultural loans and savings;
- (e) Dams, embankments, lakes, drains and irrigation works having the right to be managed by the Region or State;
- (f) Fresh water fisheries
- (g) Livestock breeding and systematic herding in accord with the law enacted by the Union.
- (h)\* Reclamation of vacant, fallow and virgin lands having the right to be undertaken by the Region or State in accord with the Law enacted by the Union
- (i)\* Registration of documents having the right to be undertaken by the Region or State in accord with the Law enacted by the Union
- (j)\* Agricultural research having the right to be undertaken by the Region or State in accord with the Law enacted by the Union
- (k)\* Inshore fisheries having the right to be undertaken by the Region or State in accord with the Law enacted by the Union
- (l)\* Agriculture and meteorological business having the right to be undertaken by the Region or State in accord with the Law enacted by the Union

#### **4. Energy, Electricity, Mining and Forestry Sector**

- (a) Medium and small scale electric power production and distribution that have the right to be managed by the Region or State not having any link with national power grid, except large scale electric power production and distribution having the right to be managed by the Union;
- (b) Salt and salt products;
- (c) Cutting and polishing of gemstones within the Region or State;
- (d) Village firewood plantation
- (e) Recreation centers, zoological garden and botanical garden.
- (f)\* Specification of proportion of resources produced by itself having the right to be undertaken in the Region or State in accord with the law enacted by the Union
- (g)\* Small and manual labour mineral enterprise having the right to be undertaken in the Region or State in accord with the law enacted by the Union
- (h)\* Safety of mine workers, environmental conservation and restoration having the right to be undertaken in the Region or State in accord with the law enacted by the Union
- (i)\* Small and manual labour gems enterprise having the right to be undertaken in the Region or State in accord with the law enacted by the Union
- (j)\* Woods other than teak and thityar, ingyin, pyingadoe, padauk, thingannet and

tamalan included in goroup (1) having the right to be undertaken in the Region or State in accord with the law enacted by the Union

- (k)\* Environmental protection and conservation including wildlife, wild plants and wild areas having the right to be undertaken in the Region or State in accord with the law enacted by the Union

## **5. Industrial Sector**

- (a) Industries other than those prescribed to be undertaken by the Union level; and
- (b) Cottage industries.
- (c)\* Industrial zones having the right to be undertaken in the Region or State in accord with the Law enacted by the Union

## **6. Transport, Communication and Construction Sector**

- (a) Ports, jetties and pontoons having the right to be managed by the Region or State;
- (b) Roads and bridges having the right to be managed by the Region or State;
- (c) Systematic running of private vehicles within the Region or State.
- (d)\* Maintenance of waterways having the right to be undertaken in the Region or State in accord with the law enacted by the Union
- (e)\* Development of water resources, rivers and streams having the right to be undertaken in the Region or State in accord with the law enacted by the Union
- (f)\* Building, and repairing and maintaining motor-boats and small ships having the right to be undertaken in the Region or State in accord with the law enacted by the Union
- (g)\* Air transport having the right to be undertaken in the Region or State in accord with the law enacted by the Union
- (h)\* Housing and buildings having the right to be undertaken in the Region or State in accord with the law enacted by the Union

## **7. Social Sector**

- (a) Matters on traditional medicine not contrary to traditional medicine policies prescribed by the Union;
- (b) Social welfare works within the Region or State;
- (c) Preventive and precautionary measures against fire and natural disasters;
- (d) Stevedoring;
- (e) Having the right of management by the Region or State, the following:
  - (i) preservation of cultural heritage;

- (ii) museums and libraries.
- (f) Theatres, cinemas and video houses; and
- (g) Exhibitions such as photographs, paintings and sculptures.
- (h)\* Management matters on basic education schools having the right to be undertaken in the Region or State in accord with the Law enacted by the Union
- (i)\* Charitable hospitals and clinics, private hospitals and clinics having the right to be undertaken in the Region or State in accord with the law enacted by the Union
- (j)\* Protection from imitation, adulteration, manufacture and sale of such as foodstuffs, drugs, medicine and cosmetics having the right to be undertaken in the Region or State in accord with the law enacted by the Union
- (k)\* Welfare of children, youths, women, the disabled the aged and the homeless having the right to be undertaken in the Region or State in accord with the law enacted by the Union
- (l)\* Relief and rehabilitation having the right to be undertaken in the Region or State in accord with the Law enacted by the Union
- (m)\* Literature, dramatic arts, music, traditional arts and crafts, cinematographic films and video industries having the right to be undertaken in the Region or State in accord with the law enacted by the Union

## **8. Management Sector**

- (a) Development matters;
- (b) Town and housing development; and
- (c) Honorary certificates and awards.
- (d)\* Matters on exercise management having the right to be undertaken in the Region or State in accord with the law enacted by the Union
- (e)\* Border areas development works and rural areas development works having the right to be undertaken in the Region or State in accord with the law enacted by the Union

*Note: Newly added assignments according to 2015 Constitution Amendment is noted with asterisk.*

	2015-16 (A)	2016-17 (PA)	2017-18 (PA)	2018-19 (BE)	
Total revenue	46,182	27,591	36,599	33,897	
Current revenue	45,392	27,463	36,561	33,897	
Capital revenue	727	128	38		
Financial revenue	63				
Total expenditure	154,815	147,190	162,278	165,826	
Current expenditure	67,019	60,716	66,767	70,213	
Capital expenditure	87,732	86,474	95,511	95,613	
Financial expenditure	63				
Deficit	108,633	119,599	125,679	131,928	
GDP	5,930,000	6,719,000	7,663,000	8,572,000	
Deficit to GDP	1.8%	1.8%	1.6%	1.5%	
Transfers	127,002	119,053	125,978	142,033	
Grant transfers	117,778	115,324	112,708	131,928	
Other transfers	9,224	3,729	13,270	10,104	
Tax revenue	5,419	6,095	7,067	5,171	
Non-tax revenue	30,675	17,639	16,222	18,622	
Receipts from SEEs	74	-	1	-	
	45,392	27,463	36,561	33,897	
Total Revenue	163,961	142,915	149,307	165,826	
Total Expenditure	154,815	147,190	162,278	165,826	
	2015-16 (A)		2016-17 (PA)		201
Tax revenue	5,419		6,095		
Non-tax revenue	30,675		17,639		
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Capital revenue	727		128		
Financial revenue	63				
Total expenditure		154,815		147,190	
Transfers	127,002		119,053	125,978	
Total Revenue	163,961		119,053	273,168	
	2015-16 (A)	2016-17 (PA)	2017-18 (PA)	2018-19 (BE)	
Own revenue	36,958	23,861	23,329	23,793	
Transfers	127,002	119,053	125,978	142,033	597%
	163,961	142,915	149,307	165,826	
	2015-16 (A)	2016-17 (PA)	2017-18 (PA)	2018-19 (BE)	
Transfer to expenditure rat	77%	83%	84%	86%	
	23%	17%	16%	14%	

Fig.1 Grant transfer and deficit to GDP ratio  
(Bago Region)

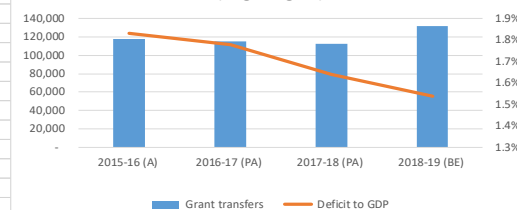


Fig.2 Own Revenue and Expenditure  
Bago Region

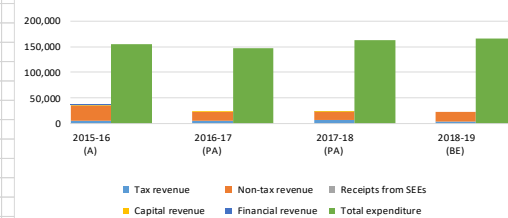
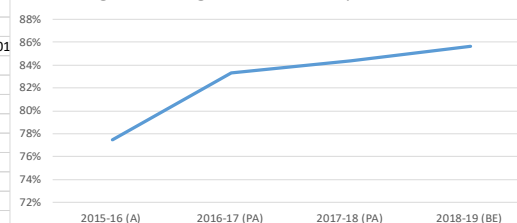
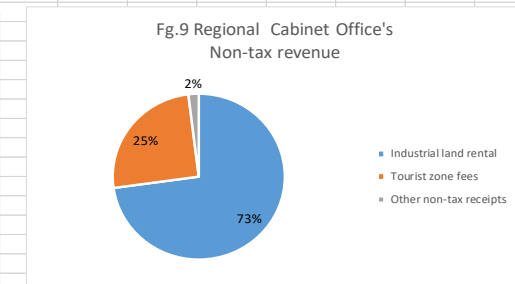
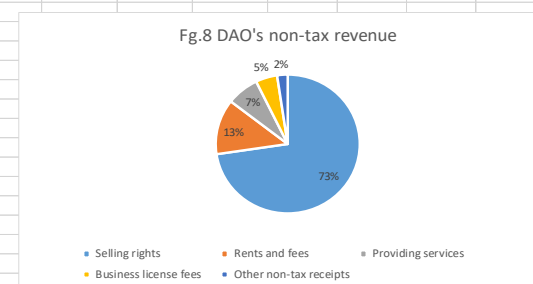
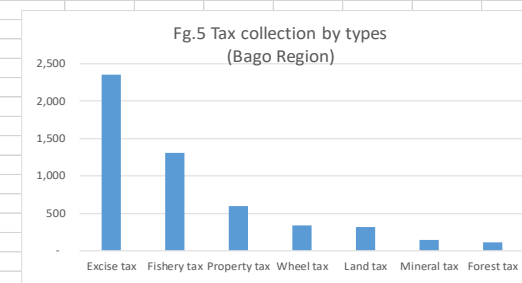
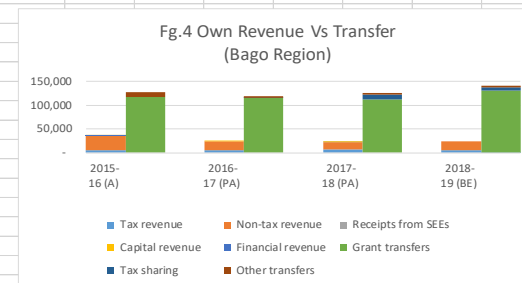


Fig.3 Percentage of Transfer in expenditure ratio



36,958 23,793 -36%

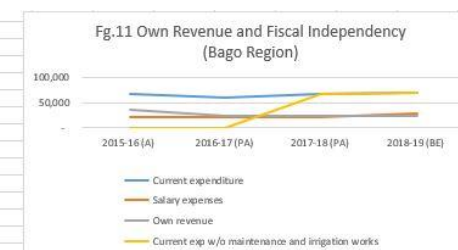
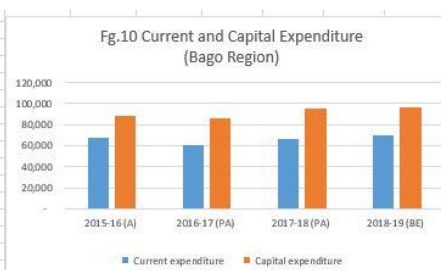
	2015-16 (A)		2016-17 (PA)		2017-18 (PA)		2018-19 (BE)	
Tax revenue	5,419		6,095		7,067		5,171	22%
Non-tax revenue	30,675		17,639		16,222		18,622	
Receipts from SEEs	74		-		1		-	23,793
Capital revenue	727		128		38			
Financial revenue	63							
Grant transfers		117,778		115,324		112,708		131,928
Tax sharing				957		10,389		6,146
Other transfers		9,224		2,800		2,881		3,958
							78%	
Excise tax	2,354	71%	2015-16 (A)	2016-17 (P)	2017-18 (RE)	2018 (PA)	2018 interim	2018-19 (BE)
Fishery tax	1,306		9,994	10,847	12,039	12,159	6,073	13,032
Property tax	596		Regional Cabir	19,911	4,926	3,928	2,025	2,073
Wheel tax	341		Regional Court	230	1,136	960	1,240	480
Land tax	321		Other Depts/Orgs					458
Mineral tax	143							
Forest tax	109							
	5,170							
DAOs' non-tax								
Selling rights	9,467	73%	18,622	51%				
Rents and fees	1,676	13%	23,793	40%				
Providing services	949	7%	16					
Business license fees	631	5%						
Other non-tax receipts	309	2%						
	13,032							
Cabinet Office's non-tax								
Industrial land rental	3,035	73%	188	16				
Tourist zone fees	1,052	25%						
Other non-tax receipts		2%						
Receipts from movie indust	43	1%						
Receipts for river pump	27	1%						
Penalties	7	0%						
Seizures	3	0%						
Tendering	0	0%						
Selling goods	0	0%						
	4,167							







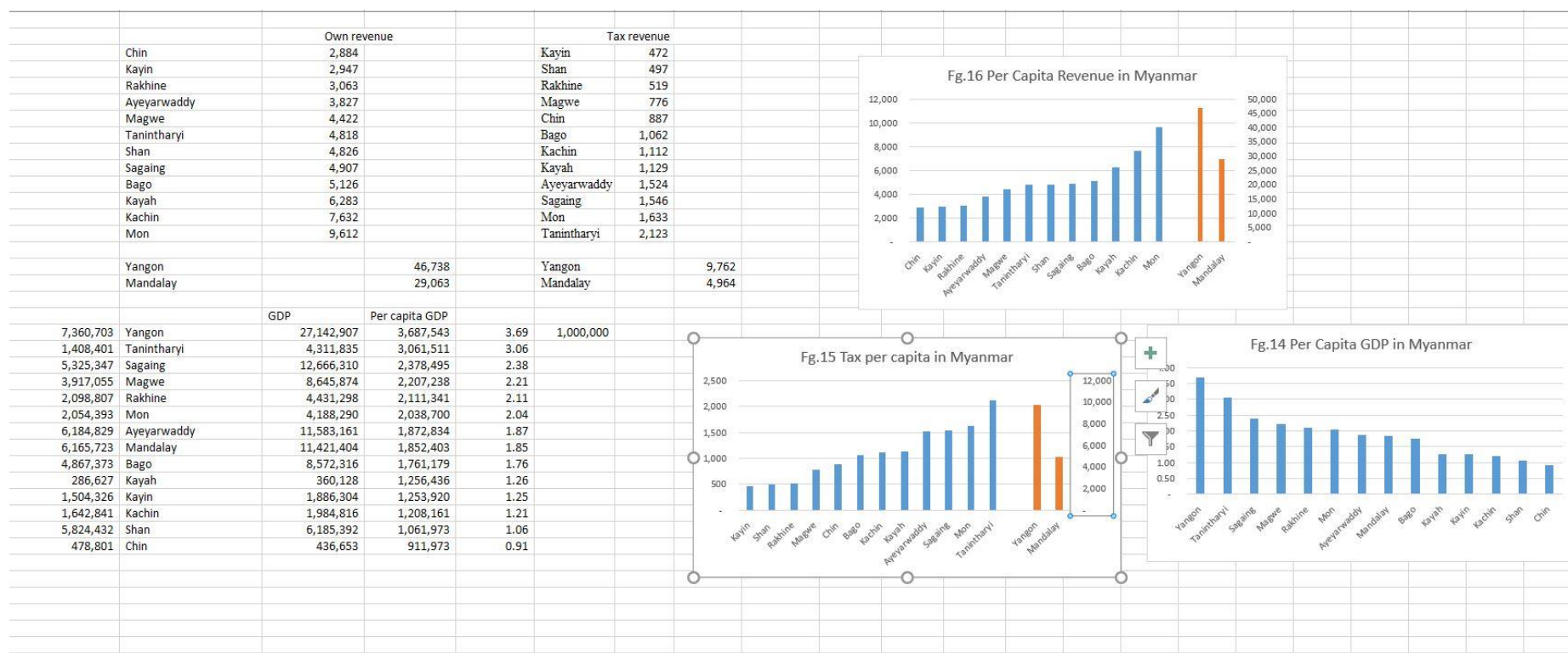
	2015-16 (A)	2016-17 (PA)	2017-18 (PA)	2018-19 (BE)	
Current expenditure	67,019	60,716	66,767	69,998	
Current exp w/o mainte	#VALUE!	#VALUE!	66,767	69,998	
Capital expenditure	87,732	86,474	95,511	95,828	
မကြီးကြပ်ကြည့်ရဲစွဲ maintenance	63		-	-	
Salary expenses	20,272	21,136	21,943	28,784	41%
Own revenue	36,958	23,861	23,329	23,793	



	2015-16	2016-17	2017-18	2017-18	2018-19	
GDP in billion	5,870	6,723	7,516	7,663	8,572	8,572,000
Tax revenue	5,419	6,095	7,067		5,171	1,062.55
Non-tax revenue	30,675	17,639	16,222		18,622	0.28%
Receipts from SEEs	74	-	1		-	
Capital revenue	727	128	38			
Financial revenue	63					



Pop		Tax	Non-tax	Own revenue	Tax	Non-tax	Own revenue
1,642,841	Kachin	1,826	10,711	12,538	1,112	6,520	7,632
286,627	Kayah	324	1,477	1,801	1,129	5,154	6,283
1,504,326	Kayin	709	3,724	4,434	472	2,476	2,947
478,801	Chin	425	956	1,381	887	1,997	2,884
5,325,347	Sagaing	8,235	17,898	26,132	1,546	3,361	4,907
1,408,401	Tanintharyi	2,990	3,796	6,786	2,123	2,695	4,818
4,867,373	Bago	5,171	19,780	24,951	1,062	4,064	5,126
3,917,055	Magwe	3,040	14,282	17,322	776	3,646	4,422
6,165,723	Mandalay	30,605	148,589	179,194	4,964	24,099	29,063
2,054,393	Mon	3,354	16,392	19,747	1,633	7,979	9,612
2,098,807	Rakhine	1,089	5,340	6,428	519	2,544	3,063
7,360,703	Yangon	71,854	272,168	344,022	9,762	36,976	46,738
5,824,432	Shan	2,895	25,213	28,108	497	4,329	4,826
6,184,829	Ayeyarwaddy	9,426	14,243	23,669	1,524	2,303	3,827



Pop		Excise tax	Land tax	Embarkment t	Mineral tax	Forest tax	Water tax	Fishery tax	Property tax	Wheel tax (DAOs)		Excise tax	Land tax	Embarkment t	Mineral tax	Forest tax	Water tax	Fishery tax	Property tax	Wheel tax (DAOs)	
1,642,841	Kachin	363	5	-	19	129	32	165	697	72	Kachin	221	3	-	11	78	20	100	424	44	
286,627	kayah	28	2	-	2	21	-	1	135	19	kayah	98	8	-	8	75	-	2	470	65	
1,504,326	kayin	186	30	0	43	297	1	41	168	8	kayin	124	20	0	28	198	1	27	112	5	
478,801	Chin	49	1	-	45	62	-	0	93	7	Chin	103	2	-	94	130	-	0	194	15	
5,325,347	Sagaing	1,200	71	0	64	274	-	654	984	352	Sagaing	225	13	0	12	52	-	123	185	66	
1,408,401	Tanintharyi	276	56	0	13	749	-	96	507	67	Taninthar	196	40	0	10	52	-	68	360	47	
4,867,373	Bago	2,201	64	2	158	191	-	1,100	664	263	Bago	452	13	0	33	52	-	226	136	54	
3,917,055	Magwe	702	38	0	323	117	-	85	504	123	Magwe	179	10	0	82	52	-	22	129	31	
6,165,723	Mandalay	3,358	139	-	777	198	12	390	4,769	12,481	Mandalay	545	22	-	126	52	2	63	773	2,024	
2,054,393	Mon	745	88	1	253	52	1	397	548	87	Mon	363	43	0	123	52	0	193	267	42	
2,098,807	Rakhine	307	16	0	8	130	-	78	287	32	Rakhine	146	7	0	4	52	-	37	137	15	
7,360,703	Yangon	7,984	102	2	98	143	-	535	12,678	12,579	Yangon	1,085	14	0	13	52	-	73	1,722	1,709	
5,824,432	Shan	469	222	-	55	133	28	7	793	305	Shan	81	38	-	9	52	5	1	136	52	
6,184,829	Ayeyarwaddy	1,714	94	7	163	267	3	4,269	867	187	Ayeyarwa	277	15	1	26	52	1	690	140	30	
		Excise tax	Land tax	Embarkment t	Mineral tax	Forest tax	Water tax	Fishery tax	Property tax	Wheel tax (DAOs)											
	Kachin	221	3	-	11	78	20	100	424	44											
	kayah	98	8	-	8	75	-	2	470	65											
	kayin	124	20	0	28	198	1	27	112	5											
	Chin	103	2	-	94	130	-	0	194	15											
	Sagaing	225	13	0	12	52	-	123	185	66											
	Tanintharyi	196	40	0	10	532	-	68	360	47											
	Bago	452	13	0	33	39	-	226	136	54											
	Magwe	179	10	0	82	30	-	22	129	31											
	Mon	363	43	0	123	25	0	193	267	42											
	Rakhine	146	7	0	4	62	-	37	137	15											
	Shan	81	38	-	9	23	5	1	136	52											
	Ayeyarwaddy	277	15	1	26	43	1	690	140	30											
		Excise tax	Land tax	Embarkment t	Mineral tax	Forest tax	Water tax	Fishery tax	Property tax	Wheel tax (DAOs)											
	Mandalay	545	22	-	126	32	2	63	773	2,024											
	Yangon	1,085	14	0	13	19	-	73	1,722	1,709											

