



PARLIAMENT OF THE DEMOCRATIC
SOCIALIST REPUBLIC OF
SRI LANKA

REHABILITATION LEVY
ACT, No. 53 OF 1983

[Certified on 29th December, 1983]

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Rehabilitation Levy Act, No. 53 of 1983

[Certified on 29th December, 1983]

L. D.—O. 60/83.

AN ACT TO PROVIDE FOR THE IMPOSITION OF A REHABILITATION LEVY ON SPECIFIED EMPLOYEES FOR THE CALENDAR YEAR COMMENCING ON JANUARY 1, 1984; AND TO PROVIDE FOR MATTERS CONNECTED THEREWITH OR INCIDENTAL THERETO

BE it enacted by the Parliament of the Democratic Socialist Republic of Sri Lanka as follows :—

1. This Act may be cited as the Rehabilitation Levy Act, No. 53 of 1983.

Short title.

2. There shall be charged on every specified employee, for every month of the calendar year commencing on January 1, 1984, a rehabilitation levy (hereinafter referred to as “the levy”) at the rate of one *per centum* of the emoluments of such employee for that month.

Imposition of the Rehabilitation levy.

3. The employer of every specified employee shall pay to the Commissioner-General of Inland Revenue the levy payable by such specified employee for any month on or before the fifteenth day of the month immediately succeeding the month for which such levy is due.

Payment of the rehabilitation levy.

4. Every employer of a specified employee shall be entitled to deduct from the emoluments payable to such employee in any month in the calendar year commencing on January 1, 1984, the levy payable by such employee for that month.

Deduction of the levy by the employer.

5. Where the employer of a specified employee fails to pay to the Commissioner-General of Inland Revenue, in accordance with section 3, the levy payable for any month by such employee, the amount of such levy may be recovered from such employer. The provisions of sections 107, 108, 109 and 110 and Chapter XXI of the Inland Revenue Act, No. 28 of 1979, shall, *mutatis mutandis*, apply to the assessment, payment and recovery of the levy, and the penalties for default of payment of the levy.

Recovery of the levy.

6. Where the employer of a specified employee pays the levy payable by such employee for any month but does not deduct the amount of such levy from the emoluments of such employee for that month, the amount of such levy—

Treatment of levy for the purposes of the Inland Revenue Act No. 28 of 1979.

(a) shall, for the purposes of ascertaining the profits and income of such employer under the Inland Revenue Act, No. 28 of 1979, not be allowed as a deduction; and

(b) shall, for the purposes of ascertaining the profits and income of such employee under that Act, not be treated as part of his profits and income.

Employers
to give
notice to
the
Commissioner-
General
of Inland
Revenue.

7. (1) Every employer who has in his employment on the date of commencement of this Act a specified employee shall give notice to the Commissioner-General of Inland Revenue not later than January 15, 1984, that he has in his employment such employee.

(2) Where an employer commences to employ after the date of commencement of this Act, any specified employee he shall give notice to the Commissioner-General within one month of the commencement of such employment that he has in his employment such employee.

(3) Every employer who fails to comply with the requirement imposed on him by this section to give notice to the Commissioner-General shall be liable to pay, within one month of the date on which he is required to give such notice, a penalty of five thousand rupees. The provisions of section 5 shall apply to the recovery of any penalty remaining unpaid as though such penalty were a levy payable under this Act.

Interpreta-
tion.

8. In this Act, unless the context otherwise requires—
“Commissioner-General of Inland Revenue” has the same meaning as in the Inland Revenue Act, No. 28 of 1979 ;

“emoluments” in relation to a specified employee, means such profits from any employment or past employment of that employee as are referred to in sub-paragraph (i) of paragraph (a) of section 4 of the Inland Revenue Act, No. 28 of 1979, but does not include any such allowance or emoluments as is, or are, referred to in paragraph (j) or paragraph (k) of subsection (1) of section 9 of that Act ;

“employer” has the same meaning as in section 113 of the Inland Revenue Act, No. 28 of 1979 ;

“specified employee” means any person who is in receipt of profits from any employment or past employment within the meaning of section 4 of the Inland Revenue Act, No. 28 of 1979, and who is—

(a) a person referred to in paragraph (a) or paragraph (b) of subsection (1) of section 9 of that Act ; or

- (b) a person in respect of whom a contribution is payable to the Employees' Provident Fund established by the Employees' Provident Fund Act, No. 15 of 1958, or to any such regulated provident fund or provident fund approved by the Commissioner-General of Inland Revenue as is referred to in section 31 of the Inland Revenue Act, No. 28 of 1979 ; or
- (c) a person in respect of whom a contribution is not payable to the Employees' Provident Fund by virtue of the proviso to subsection (1) of section 10 of the Employees' Provident Fund Act, No. 15 of 1958 ; or
- (d) a director of a company or a public corporation, or a working partner of a partnership,

but does not include any person who is not a citizen of Sri Lanka and whose profits from employment are exempt from income tax under paragraphs (c) to (h) or paragraph (kk) of subsection (1) of section 9 of the Inland Revenue Act, No. 28 of 1979, not being a person referred to in subsection (2) of section 9 of that Act.

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