PARLIAMENT OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA

INLAND REVENUE (AMENDMENT) ACT, No. 10 OF 2021

[Certified on 13th of May, 2021]

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Inland Revenue (Amendment)
Act, No. 10 of 2021

[Certified on 13th of May, 2021]

L.D.–O. 10/2020

AN ACT TO AMEND THE INLAND REVENUE ACT, NO. 24 OF 2017

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

Short title and the date of operation

1. (1) This Act may be cited as the Inland Revenue (Amendment) Act, No. 10 of 2021.

(2) The provisions of this Act (other than the provisions of sections referred to in *Table 'A'* and *Table 'B'* set out in this Amendment Act) shall commence on the date on which the certificate of the Speaker is endorsed thereon.

(3) The provisions of sections referred to in *Table 'A'* set out in this Amendment Act shall be deemed to have come into operation on April 1, 2021.

(4) The provisions of sections referred to in *Table 'B'* set out in this Amendment Act shall be deemed to have come into operation on the respective dates specified in that Table.

Amendment of section 5 of Act, No. 24 of 2017

2. Section 5 of the Inland Revenue Act, No. 24 of 2017 (hereinafter referred to as the "principal enactment") is hereby amended in subsection (3) of that section as follows: -

(1) in paragraph (*c*) of that subsection, by the substitution for the words "on equal terms;" of the words "in the same grade of the service, on equal terms;";

(2) in paragraph (*f*) of that subsection, by the substitution for the words "provident or savings fund or savings society" of the words "provident, gratuity or savings fund or savings society".

Amendment of section 6 of the principal enactment

3. Section 6 of the principal enactment is hereby amended in paragraph (*d*) of subsection (2) of that section, by the substitution for the words "the Second or Fourth Schedule to this Act", of the words "the Fourth Schedule to this Act".

Amendment of section 9 of the principal enactment

4. Section 9 of the principal enactment is hereby amended in subsection (3) of that section, by the substitution for the words "commencement of this Act." of the words and figures, "commencement of this Act or for any projects approved under the Strategic Development Projects Act, No. 14 of 2008.".

Amendment of section 10 of the principal enactment

5. Section 10 of the principal enactment is hereby amended in subparagraph (v) of paragraph (*b*) of subsection (1) of that section, by the substitution for the words "provident or savings fund" of the words "provident, gratuity or savings fund".

Amendment of section 11 of the principal enactment

6. Section 11 of the principal enactment is hereby amended by the addition immediately after subsection (3) of that section, of the following new subsection: -

"(4) For the purpose of this section, cost of funds of the financial institution incurred on the loans provided for new businesses commenced on or after April 1, 2021 by any individual after successful completion of vocational education from any Vocational Education Institution which is standardized under Technical and Vocational Education and Training concept (TVET concept) and regulated by the Tertiary and Vocational Education Commission, shall be deemed to be incurred in the production of income of such financial institution.".

Amendment of section 14 of the principal enactment

7. Section 14 of the principal enactment is hereby amended as follows: -

(1) in subsection (2) of that section-

(*a*) by the substitution for the words and the figure "The deductions referred to in subsection (1) granted for a year of assessment", of the words and figures "The deductions of improvements referred to in subsection (1) granted for any year of assessment commencing from April 1, 2021"; and

(*b*) in subparagraph (i) of paragraph (*a*) of that subsection, by the substitution for the words "in the case of repair or improvement to", of the words "in the case of improvement to";

(2) in subsection (3) of that section, by the substitution for the words and figure "(paragraph (3) of the Fourth Schedule)", of the words and figure "(paragraph 3 of the Fourth Schedule)";

(3) by the addition immediately after subsection (3) of that section, of the following new subsection: -

"(4) In this section, "improvement" means the expenditure incurred by a person to make additions or alterations to a depreciable asset which enhances the value of such asset, but excludes the expenditure incurred to maintain or repair a depreciable asset which temporarily enhances the value of such asset.".

Insertion of new section 15A in the principal enactment

8. The following new section is hereby inserted immediately after section 15 of the principal enactment, and shall have effect as section 15A of that enactment: -

"Marketing and communication expenses

15A. (1) For any year of assessment commencing on or after April 1, 2021, in calculating a person's income from a business, marketing and communication expenses incurred by such person in the production of

income during the year of assessment shall be deducted irrespective of whether they are of a capital nature or not.

(2) In this section, "marketing and communication expenses" means, any expenses incurred by any person in-

(*a*) carrying out a market research by such person or any institution in Sri Lanka on his behalf;

(*b*) the development or production of marketing, advertising and communication campaign to the extent that such development or production is carried out in Sri Lanka;

(*c*) advertising on mainstream media or social media including television, radio, print or as outdoor advertising;

(*d*) product launches or campaign activation carried out by such person or by any local institution on his behalf;

(*e*) development and printing of point-of-sale material by such person or by any local institution on his behalf.".

Amendment of section 16 of the principal enactment

9. Section 16 of the principal enactment is hereby amended as follows: -

(1) in paragraph (*b*) of subsection (2) of that section, by the substitution for the words "the Second or

Fourth Schedule to this Act." of the words "the Second, Fourth or Sixth Schedule to this Act.";

(2) in paragraph (*b*) of subsection (4) of that section, by the substitution for the words "the Second or Fourth Schedule to this Act." of the words "the Fourth Schedule to this Act.".

Amendment of section 18 of the principal enactment

10. Section 18 of the principal enactment is hereby amended by the repeal of subsection (1) and subsection (2) of that section, and the substitution therefor of the following subsections: -

"(1) The amount of financial costs deducted in calculating the income of a company (other than a financial institution) which is incorporated in or outside Sri Lanka and having an issued share capital as at the date on which the year of assessment ends, from conducting a business or investment for a year of assessment commencing from April l, 2021, shall not exceed the limit referred to in subsection (2).

(2) The limit shall be computed according to the following formula: -

$$\frac{A}{B} \times C$$

Where:

'A' = financial cost of the year;

'B' = value of financial instruments on which the financial cost incurred during the year; and

'C'= 4 x total of the issued share capital and reserves of the company as at the end of the year.".

Amendment of section 19 of the principal enactment

11. Section 19 of the principal enactment is hereby amended in subsection (3) of that section, by the substitution for the words "in calculating exempt amounts.", of the following: -

"in calculating exempt amounts.

For the purpose of this subsection, where any company has an unrelieved loss from business to deduct in the current year of assessment from a period during which that company had operated as a small and medium enterprise and, if-

(*a*) the unrelieved loss was a profit in the year of assessment in which that unrelieved loss was incurred and which would have been taxed at a reduced rate; and

(*b*) the current year business income is not taxable at the same reduced rate as in the year referred to in the paragraph (*a*),

that unrelieved loss shall, (subject to paragraph (*b*) of subsection (1)), be deemed to be a loss (if it would have been a taxable profit) taxed at the same rate of the current year.".

Amendment of section 20 of the principal enactment

12. Section 20 of the principal enactment is hereby amended as follows: -

(1) by the repeal of subsection (2) of that section, and the substitution therefor, of the following subsection: -

"(2) Where a trust or company is unable to submit the accounts for the period of twelve months of the year of assessment as provided in subsection (1), such trust or company may apply to the Commissioner-General requesting that the accounts based on an alternative period of twelve months be used to compute the income tax payable for a given

year of assessment. The Commissioner-General may approve such request on such terms and conditions as he thinks fit. The Commissioner-General may revoke such approval if the trust or company fails to comply with terms and conditions attached to the approval.".

(2) in subsection (3) of that section, by the substitution for the words "A change in a trust or company's year of assessment shall", of the words and the figure "A change approved under subsection (2) shall not";

(3) by the substitution for the marginal note of that section, of the following marginal note: -

"Year of assessment".

Amendment of section 36 of the principal enactment

13. Section 36 of the principal enactment is hereby amended by the addition immediately after subsection (4) of that section, of the following new subsection: -

"(5) Where**,** in any year of assessment commencing from April 1, 2021, an asset owned by a person is used in the production of different gains and profits from business (including losses) taxable at different tax rates, the cost of, and consideration received for the asset shall be apportioned among such gains and profits, according to the market value of the parts of the assets used to produce respective gains and profits.".

Amendment of section 38 of the principal enactment

14. Section 38 of the principal enactment is hereby amended by the insertion immediately after subsection (1) of that section, of the following new subsection: -

"(1A) Notwithstanding anything to the contrary in subsection (1), the consideration received for the realisation of an investment asset of a person shall be the amount received or receivable by the person in

respect of such asset or the assessed value at the time of realisation, whichever is higher:

Provided, however, a tax official may determine the consideration received for an asset in terms of subsection (1), if such tax official is of the opinion that the assessed value is not indicative of the market value of such asset.

For the purpose of this subsection, "assessed value" means the value at the time of the realisation, certified by a professionally qualified valuer in a valuation report.".

Amendment of section 53 of the principal enactment

15. Section 53 of the principal enactment is hereby amended as follows: -

(1) in subsection (1) of that section, by the substitution for the words "a partnership", of the words and figures "prior to January 1, 2020, a partnership";

(2) by the insertion immediately after subsection (1) of that section, of the following new subsection: -

"(1A) Every partnership shall be liable to pay income tax with effect from January 1, 2020 at the rate provided for in paragraph 2 of the First Schedule to this Act, separately from its partners.";

(3) in subsection (9) of that section, by the substitution for the words "The precedent partner", of the words and figures "Prior to January 1, 2020, the precedent partner";

(4) by the addition immediately after subsection (9) of that section, of the following new subsection: -

"(10) Each partner in a partnership shall be responsible for performing any duty or obligation

imposed by this Act on the partnership in relation to its income tax payable**.**".

Amendment of section 55 of the principal enactment

16. Section 55 of the principal enactment is hereby amended in subsection (4) of that section, by the substitution for the words "as paid by them." of the words "as paid by them without any right to a refund (but with a right to carry forward to the next succeeding year to deduct as a tax credit in that year) of any excess of such share of tax attributable to such partner.".

Amendment of section 60 of the principal enactment

17. Section 60 of the principal enactment is hereby amended in subsection (2) of that section, by the substitution for the words "a single company business.", of the words "a single company business, unless different tax rates are applicable to the different activities and sources of income, in which case each such different activity and source shall be treated as distinct businesses and sources.".

Amendment of section 62 of the principal enactment

18. Section 62 of the principal enactment is hereby amended in subsection (2) of that section, by the substitution for the words "making such remittances." of the following: -

"making such remittances:

Provided however, if a non-resident person retained the total income earned in any year of assessment commencing on or after April 1, 2021 in Sri Lanka for a minimum period of three years commencing from the first day of the immediately succeeding year of assessment in which the income is earned and invested the same in Sri Lanka to expand its business or to acquire shares or securities from the Colombo Stock Exchange licensed by the Securities and Exchange Commission of Sri Lanka or to acquire any treasury bill, treasury bond or Sri Lanka International Sovereign Bond issued on behalf of the Government of Sri Lanka, the tax rate on remittances of such retained income invested shall be zero percent.".

Amendment of section 66 of the principal enactment

19. Section 66 of the principal enactment is hereby amended as follows: -

(1) in subsection (2) of that section, by the substitution for the words "are complied with.", of the following:-

"are complied with:

Provided that, where the previously allowed specific provision for a debt claim as a deduction has been reversed, reduced or paid during the year in full or part, the amount so reversed, reduced or paid shall be included in calculating such person's income.";

(2) by the repeal of subsection (3) of that section and the substitution therefor, of the following subsection: -

"(3) A person conducting a banking business shall, in addition to the records, accounts or any other document required to be prepared as referred to in any other provision of this Act, prepare and retain the records in respect of specific provision for a debt claim, in such form as may be specified by the Commissioner-General.";

(3) by the addition immediately after subsection (3) of that section, of the following new subsection: -

"(4) In this section-

(*a*) "banking business" means the banking business of a financial institution;

(*b*) "debt claim" does not include the right to receive a payment on deposits, debentures, stocks, treasury bills,

promissory notes, bills of exchange and bonds;

(*c*) "directives made by the Central Bank of Sri Lanka" means any directives issued to make specific provisions relating to bad and doubtful debts under subsection (1) of section 76J of the Banking Act, No. 30 of 1988 or under subsection (1) of section 12 of the Finance Business Act, No. 42 of 2011 or under subsection (1) of section 9 of the Finance Companies Act, No. 78 of 1988 by the Central Bank of Sri Lanka and applicable to the relevant year of assessment, but excludes any directives issued in relation to the adaptation of Sri Lanka Accounting Standards.".

Amendment of section 68 of the principal enactment

20. Section 68 of the principal enactment is hereby amended in subsection (1) of that section, by the substitution for the words "additional tax of three percent on amounts" of the words "additional tax on three percent of amounts".

Amendment of section 70 of the principal enactment

21. Section 70 of the principal enactment is hereby amended in subsection (1) of that section, by the substitution for the words and figures "paragraph (c) of subsection (1) of section 69," of the words and figures "paragraph (b) of subsection (1) of section 69,".

Amendment of section 75 of the principal enactment

22. Section 75 of the principal enactment is hereby amended as follows**: -**

(1) by the repeal of subsection (1) of that section and the substitution therefor of the following subsection:-

"(1) (*a*) Where Parliament by resolution approves any double taxation agreement or mutual administrative assistance agreement entered into between the Government of Sri Lanka and the Government of any other territory, or such agreement entered into by the Government of Sri Lanka with the Governments of any other territories, such agreement shall, notwithstanding anything in any other written law, have the force of law in Sri Lanka. Every such resolution which is so approved by Parliament, shall be published in the *Gazette.*

(*b*) Every agreement entered into between the Government of Sri Lanka and the Government of any other territory and having the force of law in Sri Lanka by virtue of the provisions of section 70 of the Inland Revenue Act, No. 4 of 1963, or section 82 of the Inland Revenue Act, No. 28 of 1979, or section 92 of the Inland Revenue Act, No. 38 of 2000, or section 97 of the Inland Revenue Act, No. 10 of 2006 shall be deemed for all purposes to be an agreement approved by Parliament under paragraph (a) of this subsection.";

(2) in subsection (5) of that section, in the definition of the expression "double taxation agreement", by the substitution for the words "international agreement relating to the avoidance of double taxation and the prevention" of the words "international agreement for the purpose of affording relief from double taxation in relation to income tax under Sri Lanka law and any taxes of a similar character imposed by the laws of the other territory, and the prevention".

Amendment of section 76 of the principal enactment

23. Section 76 of the principal enactment is hereby amended as follows: -

(1) in subsection (2) of that section-

(*a*) by the repeal of paragraph (*b*) of that subsection, and the substitution therefor of the following paragraph: -

"(*b*) "permanent establishment", in relation to a country with which an agreement has been entered into on avoidance of double taxation means, a permanent establishment defined in an agreement for the relief of double taxation where an agreement is in force between the Government of Sri Lanka and the Government of any territory in which any person and their agencies, branches or establishments in Sri Lanka is resident;";

(*b*) in paragraph (*c*) of that subsection, by the substitution for the words "in Sri Lanka, in which case" of the words "in Sri Lanka or elsewhere, in which case";

(2) in subsection (3) of that section-

(*a*) in paragraph (*f*) of that subsection, by the substitution for the words and figures "paragraph (*a*) or (*b*) of subsection (2)", of the words and the figure "paragraph (*a*) or (*b*) of subsection (3)";

(*b*) in paragraph (*g*) of that subsection-

(i) by the substitution for the words "reduce or enhance the arm's length price" of the words "reduce, enhance or annul the arm's length price";

(ii) by the repeal of items (i) and (ii) of that paragraph, and the substitution therefor, of the following items: -

"(i) a final order, where all the members of the Committee are in agreement; or

(ii) an interim order, where the majority of the members of the Committee are in agreement.";

(*c*) in paragraph (*j*) of that subsection, by the substitution for the words "Where person or partner of a partnership has not", of the words "Where a person has not";

(*d*) in paragraph (*l*) of that subsection, by the substitution for the words "Such person or partner of a partnership who is" of the words "Such person who is";

(3) in subsection (4) of that section, by the substitution for the words and figure "under subsection (2) has", of the words and the figure "under subsection (3) has".

Amendment of section 77 of the principal enactment

24. Section 77 of the principal enactment is hereby amended as follows: -

(1) in subsection (2) of that section-

(*a*) by the repeal of item (ii) of paragraph *(f)* of that subsection, and the substitution therefor of the following item: -

"(ii) an interim order in any other circumstances where the majority of the members of the Committee are in agreement.";

(*b*) in paragraph (*g*) of that subsection, by the substitution for the words "may be to such

person or partner of such partnership." of the words "may be to such person.";

(2) in paragraph (*e*) of subsection (5) of that section, by the substitution for the words "where a connected transaction" of the words "where a controlled transaction".

Amendment of section 78 of the principal enactment

25. Section 78 of the principal enactment is hereby amended in subsection (3) of that section, by the substitution for the words "made by the Transfer Pricing Officer or Assistant Commissioner may", of the words "made by the Technical Review Committee may".

Amendment of section 83 of the principal enactment

26. Section 83 of the principal enactment is hereby amended in subsection (1) of that section, by the substitution for the words "shall withhold tax", of the words and figures "shall withhold tax prior to January 1, 2020".

Insertion of new section 83A in the principal enactment

27. The following new section is hereby inserted immediately after section 83 of the principal enactment, and shall have effect as section 83A of that enactment: -

"Advance Personal Income Tax

83A. (1) An employer shall deduct an Advance Personal Income Tax with effect from April 1, 2020 on any payment which falls under section 5 made to his employee, if such employee -

(*a*) is a non-resident or non-citizen of Sri Lanka; or

(*b*) is a resident and citizen of Sri Lanka who gives his consent,

as specified by the Commissioner-General.

(2) The obligation of an employer to withhold tax under subsection (1) shall not be reduced or extinguished when –

(*a*) the employer has a right or is under an obligation to deduct and withhold any other amount from the payment; or

(*b*) any other law provides that an employee's income from employment shall not be reduced or subject to attachment.

(3) The provisions applicable to the withholding tax under this Act shall, *mutatis mutandis,* be applicable to the Advance Personal Income Tax and every reference to the term "withholding", "withholding tax" or "tax payable by withholding" in any such provisions of this Act shall, subject to such modification, be deemed to be a reference to the "Advance Personal Income Tax.".

Amendment of section 84 of the principal enactment

28. Section 84 of the principal enactment is hereby amended in paragraph (*a*) of subsection (1) of that section as follows: -

(1) in subparagraph (i) of that paragraph, by the substitution for the words "retirement payment or pays amounts as winnings from a lottery, reward, betting or gambling; or" of the following: -

"retirement payment, prior to January 1, 2020; or";

(2) by the insertion immediately after subparagraph (i) of that paragraph, of the following new subparagraph: -

"(ii) pays amounts as winnings from a lottery, reward, betting or gambling; or;";

(3) by the re-numbering of subparagraph (ii) of that paragraph, as subparagraph (iii) of that paragraph; and

(4) in the re-numbered subparagraph (iii) of that paragraph, by the substitution for the words "has been allocated; and", of the words and figures "has been allocated prior to January 1, 2020; and".

Insertion of new section 84A in the principal enactment

29. The following new section is hereby inserted immediately after section 84 of the principal enactment, and shall have effect as section 84A of that enactment: -

"Advance Income Tax

84A. (1) Subject to section 83A and subsection (3) of section 84, with effect from April 1, 2020, the taxpayer who is resident in Sri Lanka may make a request to the withholding agent to deduct Advance Income Tax from the payment of dividend, interest, discount, charge, natural resource payment, rent, royalty, premium or similar periodic payment that the payment or allocation has a source in Sri Lanka. On the receipt of such request, a withholding agent shall deduct advance income tax as specified by the Commissioner-General.

(2) The provisions applicable to the withholding tax under this Act shall, *mutatis mutandis,* be applicable to the Advance Income Tax, and every reference to the term "withholding", "withholding tax" or "tax payable by withholding" in any such provisions of this Act shall, subject to such modification, be deemed to be a reference to the "Advance Income Tax.".

Amendment of section 85 of the principal enactment

30. Section 85 of the principal enactment is hereby amended as follows: -

(1) in subsection (1) of that section, by the substitution for the words "shall withhold tax", of the words and figures "shall, prior to January 1, 2020, withhold tax";

(2) by the insertion immediately after subsection (1) of that section, of the following new subsection: -

"(1A) Subject to subsections (2) and (3), a person shall withhold tax at the rate provided for in paragraph 10 of the First Schedule to this Act, where such person pays a dividend, interest, discount, charge, natural resource payment, rent, royalty, premium, service fee or an insurance premium with a source in Sri Lanka to a non-resident person."; and

(3) in the marginal note of that section, by the substitution for the words "fees and contract payments.", of the words "fees, contract payments and payments to non-residents.".

Amendment of section 87 of the principal enactment

31. Section 87 of the principal enactment is hereby amended in paragraph (*b*) of subsection (4) of that section, by the substitution for the words "of that year", of the words "of the subsequent year".

Amendment of section 88 of the principal enactment

32. Section 88 of the principal enactment is hereby amended as follows: -

(1) in subsection (1) of that section-

(*a*) by the substitution for the words "the following shall be the final", of the words and figures "the following shall, prior to January 1, 2020, be the final";

(*b*) in paragraph (*d*) of that subsection, by the substitution for the words and figures "paragraph (*b*) of subsection (2) of section 84", of the words and figures "paragraph (*b*) of subsection (3) of section 84";

(2) by the insertion immediately after subsection (1) of that section, of the following new subsection: -

"(1A) For the purposes of this Act, the following shall, on or after January 1, 2020, be the final withholding payments: -

(*a*) amounts paid as winnings from a lottery, reward, betting or gambling, other than amounts received in conducting a business consisting of betting and gaming;

(*b*) payments made to a non-resident person who is not a citizen of Sri Lanka or to a non-resident entity that is subject to withholding under this Division, other than payments derived through a Sri Lankan Permanent Establishment; and

(*c*) interest paid to or treated as being derived by a non-resident individual who is a citizen of Sri Lanka:

Provided however, the following interest amounts shall not be deemed as final withholding payments to such non-resident individual who is a citizen of Sri Lanka: -

(i) such amount of interest paid and falling within the relief threshold in paragraph 2(*a*) of the Fifth Schedule to this Act; or

(ii) such amount calculated by deducting the total of other sources of assessable income (total assessable income other than interest) from the relief threshold if the total of assessable income from other sources does not exceed the relief threshold.";

(3) in subsection (3) of that section, by the substitution for the words and figures "paragraph (*b*) of subsection (2) of section 84", of the words and figures "paragraph (*b*) or (*d*) of subsection (3) of section 84".

Amendment of section 90 of the principal enactment

33. Section 90 of the principal enactment is hereby amended as follows: -

(1) in paragraph (*a*) of subsection (1) of that section, by the substitution for the words "a business or investment; or", of the words "a business, investment or other income; or";

(2) by the repeal of subsection (2) of that section and the substitution therefor, of the following subsection: -

"(2) An instalment payer shall pay instalments of tax for the year of assessment on or before the fifteenth day respectively of August, November and February in that year of assessment and the fifteenth day of May of the next succeeding year of assessment.";

(3) in subsection (3) of that section, by the substitution for the words "payment of the instalment.", of the following: -

"payment of the instalment:

Provided however, in calculating the estimated tax payable by an instalment payer, the Advance Personal Income Tax deducted by an employer or to be deducted by an employer for the year of assessment may be deducted prior to applying the formula given in this subsection.";

(4) in subsection (5) of that section, by the substitution for the words "instalment for the year." of the following: -

"instalment for the year. Notwithstanding anything to the contrary in section 55 (but without any right to a refund), a partner in a partnership shall be entitled to a tax credit in calculating the amount of current instalment of tax payable for such share of tax credit amount treated as being paid by the partner, but subject to the payment of the same instalment due by the partnership.".

Amendment of section 93 of the principal enactment

34. Section 93 of the principal enactment is hereby amended as follows: -

(1) in subparagraph (i) of paragraph (*a*) of subsection (2) of that section, by the substitution for the words "business and investment", of the words "business, investment and other income";

(2) by the repeal of subsection (3) of that section, and the substitution therefor of the following subsection: -

"(3) Every person with taxable income consisting of a gain from the realisation of an investment asset shall file with the Commissioner-General a capital gains tax return within thirty days after the end of the relevant calendar month in which the realisation occurred.".

Amendment of section 94 of the principal enactment

35. Section 94 of the principal enactment is hereby amended in subparagraph (ii) of paragraph (*a*) of subsection (1) of that section, by the substitution for the words and figures "subject to withholding under section 83; or", of the words and figures "subject to withholding under section 83 prior to April 1, 2019; or".

Amendment of section 95 of the principal enactment

36. Section 95 of the principal enactment is hereby amended by the substitution for the words "self-assessment.", of the following: -

"self-assessment:

Provided however, capital gains tax returns filed in relation to any gains from the realisation of an investment asset received or derived during a year of assessment by a self-assessment taxpayer who is required to file a return of income under subsection (1) of section 93 for the same year of assessment, shall not result in a self-assessment.".

Amendment of section 103 of the principal enactment

37. Section 103 of the principal enactment is hereby amended in subsection (1) of that section, by the substitution for the words "this Act.", of the words "this Act and in all tax related source documents or underlying documents of the taxpayer.".

Amendment of section 113 of the principal enactment

38. Section 113 of the principal enactment is hereby amended as follows: -

(1) in paragraph (b) of subsection (1) of that section, by the substitution for the words "the filing", of the words and figure "subject to subsection (1A), the filing";

(2) by the insertion immediately after subsection (1) of that section, of the following new subsection: -

"(1A) A company which is incorporated in or outside Sri Lanka or a public corporation shall only file its tax returns electronically through the use of a computer system or mobile electronic device.".

Amendment of section 120 of the principal enactment

39. Section 120 of the principal enactment is hereby amended by the insertion immediately after subsection (1) of that section, of the following new subsection: -

"(1A) With effect from the year of assessment commencing from April 1, 2021, where any person is engaged in business or investment activity and the income tax payable shall be calculated by applying different tax rates for such part of taxable

income from any gains and profits from business or investment activity or may have exempted amounts as the case may be, such person shall maintain and prepare the financial statements to separately identify such part of taxable income from gains and profits in applying each income tax rate to each part of the taxable income or to identify the exempted gains and profits.".

Amendment of section 126 of the principal enactment

40. Section 126 of the principal enactment is hereby amended by the repeal of subsection (5) of that section, and the substitution therefor of the following subsection:–

"(5) Where a return or part of a return was prepared for a payment by any person, including by an approved accountant, such person shall certify separately specifying the extent to which he was involved in the preparation of such return and specify the documents examined by him and the information relied upon by him. Such certification shall be submitted along with the return and the said certification shall be deemed to be part and parcel of the said return.".

Amendment of section 129 of the principal enactment

41. Section 129 of the principal enactment is hereby amended as follows: -

(1) by the substitution for the words "returns shall apply to a person required under this Act to file a return of information related", of the words "returns, assessments, objections and appeals shall apply to a person required under this Act to file a return of information or annual statement related";

(2) by the substitution for the marginal note to that section, of the following marginal note: -

"Information returns and annual statements.".

Amendment of section 139 of the principal enactment

42. Section 139 of the principal enactment is hereby amended as follows: -

(1) by the repeal of subsection (3) of that section and the substitution therefor of the following subsection: -

"(3) Where the request for review is an objection against an assessment which has been made in the absence of a return or annual statement required to be furnished, such request shall be sent together with a duly filled return or annual statement, as the case may be.";

(2) by the repeal of subsection (5) of that section, and the substitution therefor of the following subsection: -

"(5) (*a*) On receipt and acknowledgement of a tax payer's request for review under subsection (4), Commissioner-General shall review the assessment or other decision and notify the taxpayer in writing of the Commissioner-General's decision and the reasons for the decision.

(*b*) The tax payer's request for review shall be considered by a tax official other than the tax official who made the assessment or other decision.";

(3) in subsection (6) of that section, by the substitution for the words "in accordance with this Act," of the words and figures "in accordance with this Act, but notwithstanding the time limits specified in subsections (2) and (3) of section 135,".

Amendment of section 140 of the principal enactment

43. Section 140 of the principal enactment is hereby amended as follows: -

(1) in subsection (1) of that section, by the substitution for the words and figures "administrative review under section 139 may appeal against the decision to", of the words and figures "administrative review of an assessment under section 139 may appeal against that decision of review to";

(2) in paragraph (*b*) of subsection (2) of that section, by the substitution for the words "ninety days have lapsed", of the words "seven months have lapsed";

(3) by the repeal of subsection (5) of that section, and the substitution therefor of the following subsection: -

"(5) A petition of appeal under this section shall be filed in writing to the Tax Appeals Commission with a copy to the Commissioner-General within thirty days from the date of receipt of the decision of the Commissioner-General or within thirty days from the date on which the period of seven months lapsed since the request for administrative review was made under section 139.";

(4) by the repeal of subsection (6) of that section, and the substitution therefor of the following subsection: -

"(6) Notwithstanding anything to the contrary in subsection (5), the appellant may appeal against an assessment upon satisfying the Tax Appeals Commission that owing to absence from Sri Lanka, sickness, or other reasonable cause the appellant was prevented from filing a petition of appeal as required under subsection (2), and that there has been no unreasonable delay on the appellant's part.".

Amendment of section 157 of the principal enactment

44. Section 157 of the principal enactment is hereby amended as follows: -

(1) in subsection (1) of that section, by the substitution for the words and figures "an extension of time) under section 151 to the date", of the words and figures "an extension of time under section 151) to the date";

(2) by the substitution for the marginal note to that section, of the following marginal note: -

"Interest on under-payments and late payments.".

Amendment of section 158 of the principal enactment

45. Section 158 of the principal enactment is hereby amended as follows: -

(1) by the repeal of subsection (1) of that section, and the substitution therefor of the following subsection: -

"(1) Where the Commissioner-General is required to refund a refundable amount under this Act to a taxpayer, an interest shall be paid on such refundable amount to the taxpayer from the date of the refund claim filed until the date on which the refundable amount is paid.";

(2) in subsection (2) of that section, by the substitution for the words "within sixty days of", of the words "within six months of".

Amendment of section 159 of the principal enactment

46. Section 159 of the principal enactment is hereby amended in subsections (1) and (2) of that section, by the substitution for the words "compounded monthly" of the words "computed monthly" respectively.

Insertion of new section 190A of the principal enactment

47. The following new section is hereby inserted immediately after section 190 of the principal enactment, and shall have effect as section 190A of that enactment:-

"Punitive provision for fraudulently prepared or certified documents

190A. Any person who fraudulently–

(*a*) prepares any document of information; or

(*b*) certifies a document,

to be furnished to the Commissioner-General of Inland Revenue, commits an offence under this Act, and on conviction after summary trial

before a Magistrate, be liable to a fine not exceeding One Million Rupees or to imprisonment of either description for a term not exceeding six months.".

Amendment of section 195 of the principal enactment

48. Section 195 of the principal enactment is hereby amended as follows: -

(1) by the substitution for the words and the figure "(1) In this Act," of that section, of the words "In this Act,";

(2) by the substitution for the definition of the expression "agricultural business" of that section, of the following definitions:-

" "agricultural business" means the business of agro farming or agro processing, but excludes farming of, or processing of liquor or tobacco produces or products, as the case may be;

"agro farming" means-

(*a*) the tillage of the soil and cultivation of land with plants of any description, cultivation in green house, bee-keeping, rearing of fish, shrimp farming or animal husbandry, poultry farms, hatchery, veterinary or artificial insemination services;

(*b*) the cleaning, sizing, sorting, grading, cutting or chilling of any produce produced out of any activity referred to in paragraph (*a*) by any person who is engaged in

any such activity, in preparation of such produce for the market but excludes the agro or food processing;

"agro processing" means the processing of any locally produced agricultural, fishing, or animal product and includes an undertaking for the dehydrating, milling, packaging, canning for the purpose of changing the form, contour or physical appearance of such product in preparation for the market but excludes an undertaking of deep-sea fishing or manufacturing;";

(3) in paragraph (*a*) of the definition of the expression "dividend" of that section, by the substitution for the words "share buy-back", of the words " share buy-back";

(4) in the definition of the expression "entertainment" of that section, by the substitution for the words "person of food, beverages, tobacco", of the words "person of liquor, tobacco";

(5) by the insertion immediately after the definition of the expression "manager" of that section, of the following new definition: -

" "manufacture" means a change in a non-living physical object, article or thing-

(*a*) resulting in transformation of such object, article or thing into a new and distinct object, article or thing having a different name, character or use; or

(*b*) bringing into existence of a new and distinct object, article or thing with a different chemical composition or integral structure;";

(6) in the definition of the expression "Small and Medium Enterprise" of that section–

(*a*) by the substitution for paragraph (*b*) of that definition, of the following paragraph:–

"(*b*) subject to paragraph (*d*), the person does not have an associate that is an entity;";

(*b*) by the addition immediately after paragraph (*c*) of that definition, of the following new paragraph:–

"(*d*) the person's or his associate's aggregate annual gross turnover is less than Rs. 500,000,000, if such associate is an entity or entities;";

(7) in the definition of the expression "specified undertaking" of that section, by the addition immediately after paragraph *(k)* of that definition, of the following new paragraphs: -

"(*l*) sale of goods manufactured in Sri Lanka by an export-oriented company which has entered into an agreement with the Board of Investment of Sri Lanka under section 17 of the Board of Investment of Sri Lanka Law, No. 4 of 1978, to-

(i) any company which has entered into an agreement with the Board of Investment of Sri Lanka under section

17 of the Board of Investment of Sri Lanka Law, No. 4 of 1978 including a company enjoying tax holidays under the Strategic Development Projects Act, No. 14 of 2008 and which is permitted to import project related goods or raw materials on duty free basis under the provisions of such agreement, during the project implementation period; or

(ii) any person eligible to import specific goods on duty free basis under any Government Authority,

but, up to the quantity approved by the Board of Investment of Sri Lanka as import replacement within the three years period commencing on April 1, 2021;

(*m*) bunkering services provided for the supply of marine fuel, including the supply of marine fuel to local bunker suppliers within a specified port premises;";

(8) by the repeal of the definition of the expression "Sri Lankan permanent establishment" of that section, and the substitution therefor of the following definition: -

" "Sri Lankan permanent establishment" means any business connection or fixed place of business through which the business of the enterprise is wholly or partly carried out, irrespective of the number of days of such business being carried out in Sri Lanka;";

(9) in the definition of the expression "tax return" of that section, by the substitution for the words "means a return," of the words "means a return or annual statement,";

(10) by the insertion immediately after the definition of the expression "taxpayer" of that section, of the following new definition: -

" "Tertiary and Vocational Education Commission" means the Tertiary and Vocational Education Commission established under the Tertiary and Vocational Education Act, No 20. of 1990;".

Amendment of section 201 of the principal enactment

49. Section 201 of the principal enactment is hereby amended in paragraph (b) of subsection (2) of that section, by the substitution for the words "five years" of the words "seven years".

Amendment of section 203 of the principal enactment

50. Section 203 of the principal enactment is hereby amended in subsection (5) of that section, by the substitution for the words and figures "on or after 1 April 2017,", of the words and figures "on or after April 1, 2018,".

Amendment of the First Schedule to the principal enactment.

51. The First Schedule to the principal enactment is hereby amended as follows: -

(1) in paragraph 1 of that Schedule-

(*a*) in subparagraph (1) of that paragraph, by the substitution for the words "for a year of assessment shall", of the words and figures "for a year of assessment commencing on or after April 1, 2018 but for the period prior to January 1, 2020 shall";

(*b*) by the insertion immediately after subparagraph (1) of that paragraph, of the following new subparagraph: -

"(1A) subject to the provisions of subparagraph (2), the taxable income of a resident or non-resident individual commencing from January 1, 2020 shall be taxed at the following rates: -

Taxable income for a year of assessment	*Tax payable*
Not exceeding Rs. 3 million	6% of the amount in excess of Rs.0
Exceeding Rs. 3 million but not exceeding Rs. 6 million	Rs. 180,000 plus 12% of the amount in excess of Rs. 3 million
Exceeding Rs. 6 million	Rs. 540,000 plus 18% of the amount in excess of Rs. 6 million";

(*c*) in subparagraph (2) of that paragraph-

(i) in item (*b*)(i) of that subparagraph, by the substitution for the words "where the period", of the words and figures "prior to January 1, 2020, where the period";

(ii) in item (*b*)(ii) of that subparagraph, by the substitution for the words "where the period", of the words and figures "prior to January 1, 2020, where the period";

(iii) by the addition immediately after item (*b*)(ii) of that subparagraph, of the following new item: -

"(iii) on or after January 1, 2020:

Total income from employment referred to in subparagraph (3) for a year of assessment	*Tax payable*
Not exceeding Rs. 10,000,000	0% of the amount in excess of Rs.0
Exceeding Rs. 10,000,000 but not exceeding Rs. 20,000,000	6% of the amount in excess of Rs.10,000,000
Exceeding Rs. 20,000,000	Rs. 600,000 plus 12% of the amount in excess of Rs. 20,000,000”;

(*d*) in subparagraph (3) of that paragraph-

(i) by the substitution for the words and the figure “referred to in subparagraph (2) shall be-”, of the words and the figure “referred to in item (*b*) of subparagraph (2) shall be-”;

(ii) in item (*c*) of that subparagraph, by the substitution for the words “by the employer;” of the words “by the employer; and”;

(iii) by the repeal of items (*d*) and (*e*) of that subparagraph; and

(iv) by the re-lettering of item (*f*) of that subparagraph, as item (*d*) thereof;

(*e*) in subparagraph (4) of that paragraph, by the substitution for the words “liquor or tobacco.”, of

the words "manufacture and sale or import and sale of any liquor or tobacco product.";

(*f*) by the addition immediately after subparagraph (4) of that paragraph, of the following new subparagraph: -

"(5) Notwithstanding anything to the contrary in the provisions of subparagraph (1A), an individual's following gains and profits shall be taxed at the maximum rate of 14% with effect from April 1, 2021:–

(*a*) consideration received in respect of gems and jewellery;

(*b*) amounts received on the supply of electricity to national grid generated by using renewable energy resources by any individual.";

(2) by the repeal of paragraph 2 of that Schedule and the substitution therefor, of the following paragraph: -

"2. Tax rate for partnerships.

(1) Subject to the provisions of subparagraph (2), the taxable income of a partnership shall be taxed at the following rates with effect from January 1, 2020: -

Taxable income for a year of assessment	*Tax payable*
Not exceeding Rs. 1,000,000	0% of the amount in excess of Rs.0
Exceeding Rs. 1,000,000	6% of the amount in excess of Rs.1,000,000

(2) Where a partnership's taxable income includes gains from the realisation of investment assets, then-

(*a*) those gains shall be taxed to the partnership at the rate of 10%; and

(*b*) only the remainder of the partnership's taxable income shall be taxed at the rate referred to in subparagraph (1).";

(3) in subparagraph (1) of paragraph 3 of that Schedule, by the substitution for the words and figures "taxed at the rate of [24%.]", of the words and figures "taxed at the rate of 24% prior to January 1, 2020 and 18% with effect from January 1, 2020.";

(4) in paragraph 4 of that Schedule-

(*a*) by the repeal of subparagraph (1) of that paragraph and the substitution therefor, of the following: -

"(1) Subject to subparagraphs (2), (2A) and (3), the taxable income of a company for a year of assessment-

(*a*) prior to January 1, 2020 shall be taxed at the rate of 28%;

(*b*) with effect from January 1, 2020 shall be taxed at the rate of 24%.";

(*b*) in subparagraph (2) of that paragraph, by the substitution for the words "for a year of assessment", of the words and figures "for a year of assessment prior to January 1, 2020";

(*c*) by the insertion immediately after subparagraph (2) of that paragraph, of the following new subparagraph: -

"(2A) Such part of the gains and profits of a company for a year of assessment shall be taxed at the following rates with effect from January 1, 2020:-

(a) gains and profits from the business of a Small and Medium Enterprise, excluding such gains and profits from a business of betting and gaming or from the sale of liquor (in the case of liquor, other than those gains and profits from a business which is merely incidental to another business)- 14%;

(b) gains and profits from conducting a business of sale of goods or merchandise including export of goods, where the payment for such sale or export is received in foreign currency and remitted through a bank to Sri Lanka-14%;

(c) gains and profits of a specified undertaking-14%;

(d) gains and profits from providing educational services-14%;

(e) gains and profits of an undertaking for the promotion of tourism-14%;

(f) gains and profits from providing construction services-14%;

(g) gains and profits from agro processing-14%;

(h) gains and profits from providing health care services-14%;

(i) gains and profits from dividends received from a resident company-14%;

(j) gains and profits derived by any export company which is registered with the Board of Investments of Sri Lanka established by the Board of Investment of Sri Lanka Law, No. 4 of 1978 from the consideration received in respect of health protective equipment and similar products supplied to the Ministry of Health, Department of Health Services, Sri Lanka Army, Sri Lanka Navy, Sri Lanka Airforce, Sri Lanka Police and COVID Center- 14%;

(k) gains and profits of any company (even though a higher rate of income tax is applicable as provided under this Act or under any other written law) which lists its shares on or after January, 1 2021, but prior to December 31, 2021, in the Colombo Stock Exchange licensed by the Securities and Exchange Commission of Sri Lanka, for three years of assessment commencing from April 1, 2022 -14%;

(l) gains and profits from the consideration received in respect of gems and jewellery – 14%;

(ll) with effect from April 1, 2021, gains and profits from the supply of electricity to national grid generated using renewable energy resources by a company – 14%;

(m) subject to item (*a*), (*b*), (*c*), (*j*) or (*k*) of this subparagraph**,** gains and profits from manufacturing-18%;

(n) gains and profits from conducting betting and gaming-40%;

(o) gains and profits from the manufacture and sale or import and sale of any liquor or tobacco product-40%.";

(*d*) by the addition immediately after subparagraph (4) of that paragraph, of the following new subparagraph: -

"(5) The income tax payable by a company, calculated in accordance with subparagraphs (1), (2A), (3) and (4) of paragraph 4 of this Schedule shall be reduced as follows: -

(*a*) aggregate income tax payable by any company (including income tax payable calculated on the basis and tax rate provided in any agreement with the Board of Investment of Sri Lanka under section 17 of the Board of Investment of Sri Lanka Law, No. 4 of 1978, but other than on gains from the realisation of investment asset) which lists its shares on or after January 1, 2021, but prior to December 31, 2021, in the Colombo Stock Exchange licensed by the Securities and Exchange Commission of Sri Lanka, shall be reduced by fifty *per centum* for the year of assessment commencing from April 1, 2021;

(*b*) such part of income tax payable on gains and profits from dividends by any multi-national company shall be reduced by twenty-five *per centum* for the year of assessment commencing from April 1, 2021 and fifty *per centum* for the two years of assessment immediately succeeding that year

of assessment, subject to the condition that there shall be-

(i) an increase in exports (other than specified undertakings) by thirty *per centum* in the year of assessment commencing from April 1, 2021, compared to the immediately preceding year of assessment (hereinafter referred to as the "first year"); or

(ii) an increase in exports (other than specified undertakings) by fifty *per centum* in the year of assessment commencing from April 1, 2022, compared to the first year and maintains such status in the subsequent year of assessment.";

(5) in paragraph 5 of that Schedule-

(*a*) in subparagraph (1) of that paragraph, by the substitution for the words and figures "taxed at the rate of [28%].", of the words and figures "taxed at the rate of 28% prior to January 1, 2020 and 24% with effect from January 1, 2020.";

(*b*) in subparagraph (2) of that paragraph, by the substitution for the words "realisation of capital assets", of the words "realisation of investment assets";

(6) in paragraph 7 of that Schedule-

(*a*) in subparagraph (1) of that paragraph, by the substitution for the words and figures "taxed at the rate of [28%].", of the words and figures "taxed at the rate of 28% prior to January 1, 2020 and 24% with effect from January 1, 2020.";

(*b*) in subparagraph (3) of that paragraph, by the substitution for the words and figures "taxed at the rate of [28%].", of the words and figures "taxed at the rate of 28% prior to January 1, 2020 and 24% with effect from January 1, 2020.";

(7) in the heading of paragraph 8 of that Schedule, by the substitution for the words "Provident or Pension Funds" of the words "Provident, Pension or Gratuity Funds";

(8) in subparagraph (1) of paragraph 10 of that Schedule-

(*a*) in item (*c*)(ii) of that subparagraph, by the substitution for the words and figures "14%; and", of the figures "14%;";

(*b*) in item (c)(iii) of that subparagraph, by the substitution for the figures "14%.", of the word and figures "14%; and";

(*c*) by the addition immediately after item (*c*)(iii) of that subparagraph, of the following new item: -

"(*iv*) in the case of payments referred to in section 85(1A)-

(*iva*) interest or discount paid-5%;

(*ivb*) all other payments- 14%.";

(9) by the addition immediately after paragraph 10 of that Schedule, of the following new paragraphs: -

"**11. Tax rate for persons who engage in agro farming together with agro processing or manufacturing**.

Where a person utilizes agro farming produce produced by him for his agro processing or manufacturing business activity in Sri Lanka, such portion of the tax payable in respect of such agro processing or manufacturing business activity that corresponds to the proportion of the farming produce produced by him to the total farming produce utilized in such agro processing or manufacturing, shall be reduced by twenty-five *per centum*, for the period of five years of assessment commencing on April 1, 2021.

12. Application of tax rates for different gains and profits.

Where a person's taxable income consists of different sources of income or gains and profits from different business activities, the income tax rates applicable to each such source of income or such gains and profits from such different business activities shall be applied to such source of income or such gains and profits.".

Amendment of the Second Schedule to the principal enactment

52. The Second Schedule to the principal enactment is hereby amended as follows: -

(1) in paragraph 1 of that Schedule-

(*a*) in subparagraph (2), subparagraph (3) and subparagraph (4) of that paragraph, by the substitution for the words "total expenses incurred by that person during that year", of the words "total investment made by that person" respectively;

(*b*) in subparagraph (6) of that paragraph, by the substitution for the words "shall be deferred", of the words "shall not be deferred";

(*c*) by the repeal of subparagraph (9) of that paragraph, and the substitution therefor, of the following subparagraph: -

"Improvements on Leasehold Lands

(9) Notwithstanding anything to the contrary in any other provision of this Act, for the purpose of this Schedule, any building, structure, or similar work of a permanent nature constructed or made in a leasehold land by the person who made the investment shall not be deemed as an intangible asset but deemed as a depreciable asset.";

(2) by the repeal of paragraph 2 of that Schedule, and the substitution therefor, of the following paragraph: -

"**Exemption of Certain Dividends from Withholding Tax**

2. Notwithstanding anything in the First Schedule, the rate of tax to be applied on a dividend paid by a company to a non-resident member prior to January 1, 2020 shall be zero, if the company paying the dividend has incurred more than USD 250 million on depreciable assets (other than intangible assets) in Sri Lanka, for the period in which that payment is made out of profits sheltered by enhanced capital allowances under this Schedule.";

(3) by the repeal of paragraph 3 of that Schedule, and the substitution therefor of the following paragraph: -

"**Exemption of Employment Income**

3. Notwithstanding anything in the First Schedule, the rate of tax to be applied on employment income of an expatriate employee shall be zero, if the company making the payment has incurred more than USD 250 million on depreciable assets (other than intangible assets) in Sri Lanka, for the period in which that payment is made out of profits sheltered by enhanced capital allowances under this Schedule, or for five years from the commencement of commercial operations, whichever is higher, where the number of expatriate employees at any time during that period does not exceed twenty.".

Amendment of the Third Schedule to the principal enactment

53. The Third Schedule to the principal enactment is hereby amended as follows:-

(1) in subparagraph (ii) of paragraph (*d*) of that Schedule, by the substitution for the words "by the Commissioner-General;", of the words "by the Commissioner-General or a regulated provident fund;";

(2) by the insertion immediately after paragraph (*h*) of that Schedule, of the following new paragraph: -

"(*hh*) a gain made by a person on or after April 1, 2021 from the realisation of land or building which was sold, exchanged or transferred to a real estate investment trust listed in the Colombo Stock Exchange and licensed by the Securities and Exchange Commission of Sri Lanka;";

(3) by the repeal of paragraph (*i*) of that Schedule and the substitution therefor, of the following: -

"*(i)* the interest accruing to or derived by-

(i) a charitable institution, where it is proved to the satisfaction of the Commissioner-General that such interest is applied solely for the purpose of providing care to children, the elderly or the disabled in a home maintained by such charitable institution;

(ii) any person outside Sri Lanka on any loan granted to any person in Sri Lanka or to the Government of Sri Lanka by such person;

(iii) any person on moneys lying to his credit in foreign currency in any foreign currency account opened by him or on his behalf, in any commercial bank or in any specialized bank, with the approval of the Central Bank of Sri Lanka, on or after January 1, 2020;

(iv) any person from a term deposit account titled as "Special Deposit Account" opened and maintained with an authorized dealer in Sri Lanka as prescribed by regulations made by the Minister under section 29 read with section 7 of the Foreign Exchange Act, No. 12 of 2017, (excluding the subsequently renewed accounts), either in any designated foreign currency or in Sri Lanka Rupees on or after April 8, 2020;

(v) any welfare society, on or after April 1, 2021;

In this subparagraph, "welfare society" means a fund or a society which has been set up or formed for the welfare of its members or their respective families and contributions are made by its members, including benevolent fund which promotes the savings of members, but other than any company which is incorporated or registered under any law in force in Sri Lanka or elsewhere and a partnership;

(vi) any multi-national company on any deposit opened and maintained in foreign currency in any domestic bank, if such deposit is maintained to cover its import expenditure for that year of assessment, on or after April 1, 2021;

In this subparagraph, "multi-national company" means a company that is part of a group of associated companies, with business establishments in two or more countries;";

(4) by the repeal of paragraphs *(k)* and (*l*) of that Schedule, and the substitution therefor of the following:–

"(*k*) any sum received by-

(i) any person from the President's Fund established by the President's Fund Act, No. 7 of 1978 or the National Defence Fund established by the National Defence Fund Act, No. 9 of 1985;

(ii) any Public Corporation out of the funds voted by Parliament from the Consolidated Fund or out of any loan arranged through the Government;

(*l*) any income earned by-

(i) any non-resident person other than a Sri Lankan permanent establishment by way of interest, discount or realization of any gain on any sovereign bond denominated in local or foreign currency:

(ii) any person by way of interest or discount paid or allowed, as the case may be, on any sovereign bond denominated in foreign currency, including Sri Lanka Development Bonds,

issued by or on behalf of the Government of Sri Lanka;";

(5) by the insertion immediately after paragraph *(l)* of that Schedule, of the following new paragraphs: -

"*(ll)* a gain from the realisation of Sri Lanka international sovereign bonds issued by or on behalf of the Government of Sri Lanka and received or derived by a commercial bank or authorized dealer who made an aggregate investment not less than USD 100 million in such bonds on or after April 1, 2021;

(lll) interest or discount accrued or derived on or after April 1, 2021 by any Samurdhi community-based banks established under the Department of Samurdhi Development from security or treasury bonds under the Registered Stocks and Securities Ordinance (Chapter 420) or treasury bills under the Local Treasury Bills Ordinance (Chapter 417);";

(6) in paragraph (*o*) of that Schedule, by the substitution for the words "a dividend paid", of the words and figures "prior to January 1, 2020, a dividend paid";

(7) by the insertion immediately after paragraph (o) of that Schedule, of the following new paragraph: -

"(*oo*) on or after January 1, 2020, a dividend paid by a resident company-

(i) to a member to the extent that such dividend payment is attributable to, or derived from, gains and profits from dividend received by that resident company;

(in this paragraph, "gains and profits from dividend" means the dividend received by that company after the deduction of expenses or losses, if any, subject to the provisions of this Act and income tax paid or payable on such dividend received by that company);

(ii) to a member who is a non-resident person;

(iii) which is engaged in any one or more of the following businesses in accordance with the provisions of Part IV of the Finance Act, No. 12 of 2012 and which has entered into an agreement with the Board of Investment of Sri Lanka established under the Board of Investment of Sri Lanka Law, No. 4 of 1978: -

(iiia) entrepot trade involving import, minor processing and re-export;

(iiib) offshore business where goods can be procured from one country or manufactured in one country and shipped to another country without bringing the same into Sri Lanka;

(iiic) providing front-end services to clients abroad;

(iiid) headquarters operations of leading buyers for management of financial supply chain and billing operations;

(iiie) logistics services including bonded warehouse or multi-country consolidation in Sri Lanka;";

(8) in paragraph *(r)* of that Schedule, by the substitution for the words "by a resident company", of the words "by any person";

(9) by the insertion immediately after paragraph (*r*) of that Schedule, of the following new paragraph: -

"(*rr*) dividends and gains on the realisation of units or amounts derived as gains from the realisation of capital assets of a business or investment by a unit holder, from real estate investment trust listed in the Colombo Stock Exchange and licensed by the Securities and Exchange Commission of Sri Lanka;";

(10) by the addition immediately after paragraph *(s)* of that Schedule, of the following new paragraphs: -

"(*t*) any amount derived on or after April 1, 2018, by any non-resident person as any payment for air craft, software licences or as for other related services from the Sri Lankan Airlines Limited;

(*u*) the gains and profits earned or derived by any person from-

(i) the sale of produce from agro farming of such person within the period of five years of assessment commencing from April 1, 2019:

Provided that in relation to an undertaking which consists of the production of agro farming produces and utilizing such produce to agro processing or manufacture of any product, such produce shall be deemed to have been sold for the agro processor or manufacturer at the market price prevailing at the time of such deemed sale, and the gains and profits computed on the basis of such deemed sale in relation to the agro farming shall be considered as exempt gains and profits within the period of five years of assessment commencing on April 1, 2019;

(ii) providing information technology and enabled services on or after January 1, 2020, as may be prescribed;

(iii) any service rendered in or outside Sri Lanka to any person to be utilized outside Sri Lanka, where the payment for such services is received in foreign currency and remitted through a bank to Sri Lanka on or after January 1, 2020;

(iv) any foreign source (other than gains and profits referred to in subparagraph (iii)) where such gains and profits are earned or derived in foreign currency and remitted through a bank to Sri Lanka on or after January 1, 2020;

(v) any vocational education programmes of any Vocational Education Institution which is standardized under Technical and Vocational Education and Training concept (TVET concept) and regulated by the Tertiary and Vocational Education Commission-

(*a*) if such institution has doubled its student intake of the vocational education programmes for such year of assessment compared to the student intake of such programmes in the year of assessment immediately preceding that year of assessment;

(*b*) for a period of five years commencing on April 1, 2021:

Provided however, for the purpose of paragraph (*a*), any institution which doubled the student intake of the vocational education programmes as provided for in the first year and maintained the same student intake of such programmes of the first year for the next four years shall be deemed as an institution which fulfilled the requirement in such years;

(vi) any business of export of gold, gems or jewellery or from the business of cutting and polishing of gems which are brought to Sri Lanka and exported after such cutting and polishing, where such gains and profits earned in foreign currency are remitted through a bank to Sri Lanka, with effect from April 1, 2021;

(*v*) any amount derived on or after January 1, 2020 by-

(i) any non-resident person from laboratory services or standards certification services;

(ii) any religious institution which is registered with the Ministry in charge of the subject of religious affairs, by way of grants or donations;

(*w*) gains and profits received or derived from business (other than any gains from the realisation of capital assets and liabilities of the business as calculated under Chapter IV of this Act) by a person from following any new undertaking (which is not formed by splitting-up or re-construction of an existing undertaking) commenced on or after April 1, 2021, for that period, subject to the conditions contained herein: -

(i) an undertaking which is involved in the sale of construction materials recycled in a selected separate site established in Sri Lanka to recycle the materials which were already used in the construction industry, (a person who is involved in the provision of construction services using construction materials recycled by him from a site with the same conditions, in the provision of such services provided by him shall be deemed to have sold such materials for the construction service at a market price prevailing at the time of such deemed sale), for a period of ten years;

(ii) any business commenced on or after April 1, 2021 by an individual after successful completion of vocational education from any Vocational Education Institution which is standardized under Technical and Vocational Education and Training concept (TVET concept) and regulated by the Tertiary and Vocational Education Commission, for a period of five years;

(iii) an undertaking commenced by a resident person for the purpose of manufacturing of boats or ships in Sri Lanka and received or derived any gains and profits from the supply of such boats or ships, for a period of seven years;

(iv) any renewable energy project established with a capacity to produce not less than one hundred Mega Watts of solar or wind power and supplied such power to the national grid, for a period of seven years;

(v) an undertaking commenced on or after January 1, 2021 by any resident person who constructs and installs communication towers and related appliances using local labour and local raw materials in Sri Lanka or provides required technical services for such construction or installation, for a period of five years;

(vi) an undertaking for letting bonded warehouses or warehouses related to the offshore business in the Colombo and Hambanthota Ports, if such person has invested on such undertaking on or after April 1, 2021;

Tax exemption periods provided in the above subparagraphs (other than in subparagraph (vi)) shall be reckoned from the year of assessment in which the undertaking commences to make profits (assessable income from such business) from transactions entered into in that year of assessment or from the commencement of the year of assessment immediately succeeding the year of assessment in which the undertaking completes a period of two years reckoned from the date on which the undertaking commences to carry on commercial operations, whichever occurs earlier.".

Amendment of the Fourth Schedule to the principal enactment

54. The Fourth Schedule to the principal enactment is hereby amended as follows: -

(1) in the table in subparagraph (1) of paragraph 1 of that Schedule, by the addition, immediately after Class 5, of the following new Class:-

"6	milking machines with latest technology, used to manufacture local liquid milk related products.";

(2) in paragraph 2 of that Schedule-

(*a*) in the table in subparagraph (3) of that paragraph, by the addition, immediately after Class 5, of the following new Class:-

"6	2.";

(*b*) in subparagraph (4) of that paragraph-

(i) in item (*c*) of that subparagraph, by the substitution for the words "vehicle; or", of the words "vehicle;";

(ii) in item (*d*) of that subparagraph, by the substitution for the words "trailer.", of the words "trailer; or";

(iii) by the addition immediately after item (*d*) of that subparagraph, of the following new item:-

"(*e*) a motor cycle.";

(3) by the addition immediately after subparagraph (3) of paragraph 4 of that Schedule, of the following new subparagraph:-

"(4) Notwithstanding anything to the contrary in subparagraph (1), where a depreciable asset of a

person which was subject to deduction of the enhanced capital allowances calculated in accordance with the provisions of the Second or Sixth Schedule to this Act is realized by that person, an assessable charge included in calculating the person's income for the year shall be equal to the consideration received by the person during the year of assessment for such asset, or no balancing allowance shall be granted to the person for the year for such asset.".

Amendment of the Fifth Schedule to the principal enactment

55. The Fifth Schedule to the principal enactment is hereby amended as follows: -

(1) in paragraph 1 of that Schedule-

(*a*) in subparagraph *(c)* of that paragraph, by the substitution for the words "profits remitted to the President's Fund", of the words "any sum paid to the Consolidated Fund or to the President's Fund";

(*b*) by the insertion immediately after subparagraph *(c)* of that paragraph, of the following new subparagraphs: -

"*(d)* with effect from April 1, 2021, contribution made by a resident individual in money or otherwise to establish a shop for a female individual who is from a Samurdhi beneficiary family as recommended and confirmed by the Department of Samurdhi Development;

(e) with effect from April 1, 2021, expenditure incurred by any financial institution by way of cost of acquisition or merger of any other financial institution where such cost is ascertained by considering all the

facts on case-by-case basis and as confirmed by the Central Bank of Sri Lanka. Such deductible expenditure shall be apportioned in equal amounts over a period of three years of assessment and be deductible from the assessable income of that financial institution in each such year of assessment commencing from the year of assessment where the expenditure is incurred:

Provided however, any amount which was not deducted during the three years period, by reason of the total assessable income in a year has not exceeded the above permitted deduction, shall be deducted in the year of assessment immediately after the three years period and so on;

(*f*) expenditure incurred on or after April 1, 2021, by any person-

(i) in the production of a film at a cost of (including promotional expenditure of such film) not less than five million rupees;

(ii) in the construction and equipping of a new cinema at a cost of not exceeding twenty-five million rupees;

(iii) in the upgrading of a cinema at a cost of not exceeding ten million rupees:

Provided that, the deduction under this subparagraph shall be restricted to one third of the taxable income of the year of assessment, and any amount

which is not deducted in current year may be carried forward and deducted in the next succeeding year and so on, subject to the same restriction.

For the purpose of this subparagraph-

"film" means any audio-visual presentation of the moving image produced on any form or format whatsoever and which is intended primarily to be exhibited by projection on a screen in a cinema; and

the expenditure on construction and equipping or upgrading a cinema shall be certified by the National Film Corporation of Sri Lanka established by the National Film Corporation of Sri Lanka Act, No. 47 of 1971 as being equipped with digital technology, Digital Theatre Systems and Dolby Sound Systems.";

(2) in paragraph 2 of that Schedule-

(*a*) by the repeal of subparagraph (*a*) of that paragraph and the substitution therefor, of the following subparagraph: -

"(*a*) (i) Rs. 500,000, for each year of assessment prior to January 1, 2020; and

(ii) Rs. 3,000,000, for each year of assessment commencing on or after January 1, 2020,

except that an individual who is a trustee, receiver, executor or liquidator shall not be

entitled to deduct this personal relief as such trustee, receiver, executor or liquidator, and the relief shall not be deducted against gains from the realisation of investment assets;";

(*b*) in subparagraph (*b*) of that paragraph, by the substitution for the words "year of assessment," of the words and figures "year of assessment, but prior to January 1, 2020,";

(*c*) in subparagraph (*d*) of that paragraph, by the substitution for the words "for the year;", of the words and figures "for the year up to December 31, 2019;";

(*d*) in subparagraph (*e*) of that paragraph, by the substitution for the words "for the year.", of the words and figures "for the year up to December 31, 2019;";

(*e*) by the addition immediately after subparagraph (*e*) of that paragraph, of the following new subparagraphs:-

"(*f*) in the case of a resident individual, following expenditure up to a total sum of Rs. 1,200,000, incurred for a year of assessment on or after January 1, 2020: -

(i) health expenditure including contributions to medical insurance;

(ii) vocational education or other educational expenditure incurred locally by such individual or on behalf of such individual's children;

(iii) interest paid on housing loans;

(iv) contributions made to any local pension scheme, other than for a scheme under the employer or on behalf of the employer, by an employee;

(v) expenditure incurred for the purchase of shares or any other financial instrument listed in the Colombo Stock Exchange and licensed by the Securities and Exchange Commission of Sri Lanka or treasury bonds under the Registered Stocks and Securities Ordinance (Chapter 420) or treasury bills under the Local Treasury Bills Ordinance (Chapter 417);

(*g*) in the case of a resident individual who has acquired solar panels to fix on his premises and connected to the national grid, Rs. 600,000 for each year of assessment, upto the total expenditure on such solar panels or upto the amounts paid to a bank in respect of any loan obtained to acquire such solar panels.".

Amendment of the Sixth Schedule to the principal enactment

56. The Sixth Schedule to the principal enactment is hereby amended as follows: -

(1) by the repeal of paragraph 2 of that Schedule;

(2) in paragraph 3 of that Schedule, by the substitution for the words "three years", of the words "six years";

(3) in paragraph 8 of that Schedule, by the substitution for the words and figures "section 15, for three years", of the words and figures "section 15, during the period of five years";

(4) by the insertion immediately after paragraph 8 of that Schedule, of the following new paragraphs:-

"Rate of Interest

9**.** Notwithstanding anything to the contrary in subsection (1) of section 159, the rate of

interest for any payment due and payable during the period from March 1, 2020 to September 30, 2020 under this Act, shall be zero percent.

Marketing and Communication Expenses

10**.** (1) Subject to subparagraph (2), a person shall be entitled to an additional deduction when calculating his income from business for a year of assessment, equal to 100% of the total amount of marketing and communication expenses deducted under section 15A during the three years of assessment commencing from April 1, 2021.

(2) The additional deduction under subparagraph (1) shall be made subject to the following conditions: -

(*a*) the payment shall be made to a person who is not an associated person of the tax payer;

(*b*) internal marketing expenses, salaries of marketing staff, expenditure on maintaining an internal marketing department, expenditure on corporate social responsibility initiatives and foreign travel expenses shall not be considered for the purpose of the additional deduction under subparagraph (1);

(*c*) expenditure shall be attributable to goods and services with 65% of local value addition, the mode of calculation of which shall be as specified by the Commissioner-General;

(*d*) the total additional deduction under subparagraph (1) shall not exceed Rs. 500,000,000 in any year of assessment;

(*e*) the Commissioner-General shall specify the requirements to maintain records, source documents and underlying documents for the purpose of subparagraph (1), in addition to the requirements of other sections of this Act.

Financial Cost

11. Subject to the provisions of this Act, financial cost incurred (other than such amounts, of which deductions is denied in previous years) during the year of assessment commencing on April 1, 2021, shall be deducted irrespective of the limit referred to in subsection (2) of section 18. That year of assessment shall not be recognized for the purpose of six years period referred to in subsection (3) of section 18.".

Power of the Commissioner-General to issue guidelines for specific periods

57. Subject to the provisions of this Act, the Commissioner-General may, for the effective implementation of the provisions of this Act, issue guidelines as may be necessary for the purpose of calculating the income tax payable for the year of assessment ending March 31, 2020, specifying the computation of assessable income (or losses) from each source, deductions of qualifying payments and reliefs, computation of taxable income, applicable tax rates and tax credits in which to apply the pro-rata basis or actual basis only for the required circumstances as the case may be, for over the two periods of the year of assessment as for the first period from April 1, 2019 to December 31, 2019 and for the second period from January 1, 2020 to March 31, 2020.

Tax relief measures to facilitate post-Covid-19 economic recovery

58. (1) The Commissioner-General shall write off any income tax arrears payable by any Small and Medium Enterprise as defined in section 195 of the principal enactment for the year of assessment commencing on April 1, 2019, if such arrears arise due to any assessment made (other than the assessments made for tax payments as per the returns but including any penalty) up to the year of assessment ending March 31, 2019 which is outstanding as at June 26, 2020, in the records of the Commissioner-General-

(*a*) if such assessment was made as per the provisions of this Act or the provisions of the Inland Revenue Act, No. 10 of 2006 or the provisions of the Inland Revenue Act, No. 38 of 2000 or the provisions of the Inland Revenue Act, No. 28 of 1979; but

(*b*) subject to the deduction of any refunds duly claimed by such person as provided in any tax Act administered by the Commissioner-General from such income tax arrears.

(2) Subject to section 136 of the principal enactment, the Assistant Commissioner shall not amend the self-assessment under the provisions of section 135 of that enactment for the year of assessment ending on March 31, 2020, where the Assistant Commissioner is satisfied that there is no fraud or willful neglect involved in the disclosure of income or any deduction or relief by such Small and Medium Enterprise and paid the tax declared in the return.

(3) The Commissioner-General shall not impose any penalty or initiate criminal proceedings under Chapter XVIII of the principal enactment against a person who-

(*a*) files his return of income for the year of assessment commencing on April 1, 2019, before June 30, 2021; and

(*b*) makes the payment of tax payable on assessment referred to in subparagraph (ii) of paragraph (c) of subsection (2) of section 82 of the principal enactment, for the year of assessment commencing on April 1, 2019, before June 30, 2021.

Retrospective effect

59. The amendments made to the principal enactment by the sections specified in *Column I* of *Table 'B'* set out in this Amendment Act, to the corresponding sections specified in *Column II* of that Table shall be deemed, for all purposes, to have come into operation on such dates as are specified in the corresponding entries in *Column III* of that Table.

Validation

60. Any person who has collected the income tax as provided for in this Amendment Act during the period commencing from such dates as are specified in *Column III* of *Table 'B'* set out in this Amendment Act and ending on the date of commencement of this Amendment Act, shall be deemed to have acted with due authority and such collection shall be deemed, for all purposes, to have been, and to be, validly made and such person is hereby indemnified against all actions civil or criminal in respect of such collection.

Sinhala text to prevail in case of inconsistency.

61. In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail.

Table 'A' (section 1)

Column I	*Column II*
Section number of this Act	*Section number of the principal enactment which is amended*
6	11
7	14
8	15A
10	18
11	19
13	36
14	38
17	60
18	62
19(2)	66(3)
34(2)	93(3)
36	95
37	103
38	113
39	120
40	126
42(2) and 42(3)	139(5) and 139(6)
43	140
45(2)	158(2)
47	190A
48(4), (7) and (10)	195
51(1)(*f*)	subparagraph (5) of paragraph 1 of the First Schedule

Column I	*Column II*
Section number of this Act	*Section number of the principal enactment which is amended*
51(4)(*c*)	items (*k*), (*l*) and (*ll*) of subparagraph (2A) of paragraph 4 of the First Schedule
51(4)(*d*)	subparagraph (5) of paragraph 4 of the First Schedule
51 (9)	paragraph 11 of the First Schedule
52(1)(*c*)	subparagraph (9) of paragraph 1 of the Second Schedule
52(2)	paragraph 2 of the Second Schedule
52(3)	paragraph 3 of the Second Schedule
53(2)	paragraph (*hh*) of the Third Schedule
53(3)	subparagraph (v) and (vi) of paragraph *(i)* of the Third Schedule
53(5)	paragraphs *(ll)* and *(lll)* of the Third Schedule
53(9)	paragraph *(rr)* of the Third Schedule
53(10)	subparagraphs (v) and (vi) of paragraph (*u*), and paragraph (*w*) of the Third Schedule
54(1)	the table in subparagraph (1) of paragraph 1 of the Fourth Schedule
54(2)(*a*)	the table in subparagraph (3) of paragraph 2 of the Fourth Schedule
54(3)	paragraph 4 of the Fourth Schedule
55(1)(*b*)	subparagraphs (*d*), (*e*) and (*f*) of paragraph 1 of the Fifth Schedule
55(2)(*e*)	subparagraph (*g*) of paragraph 2 of the Fifth Schedule
56(4)	paragraphs 10 and 11 of the Sixth Schedule

Table 'B' (section 59)

Column I	*Column II*	*Column III*
Section number of this Act	*Section number of the principal enactment which is amended*	*Date of operation*
2	5	01.04.2018
3	6	01.04.2018
4	9	01.04.2018
5	10	01.04.2018
9	16	01.04.2018
12	20	01.04.2018
15	53	01.01.2020
16	55	01.01.2020
19(1) and 19(3)	66(2) and 66(4)	01.04.2018
20	68	01.04.2018
21	70	01.04.2018
22	75	01.04.2018
23	76	01.04.2018
24	77	01.04.2018
25	78	01.04.2018
26	83	01.01.2020
27	83A	01.04.2020
28	84	01.01.2020
29	84A	01.04.2020
30	85	01.01.2020
31	87	01.04.2018

Column I	*Column II*	*Column III*
Section number of this Act	*Section number of the principal enactment which is amended*	*Date of operation*
32(1)(*b*) and 32(3)	88(1)(*d*) and 88(3)	01.04.2018
32(1)(*a*) and 32(2)	88(1) and 88(1A)	01.01.2020
33(1) and 33(2)	90(1) and 90(2)	01.04.2018
33(3) and 33(4)	90(3) and 90(5)	01.04.2020
34(1)	93(2)	01.04.2018
35	94	01.04.2019
41	129	01.04.2018
42(1)	139(3)	01.04.2018
44	157	01.04.2018
45(1)	158(1)	01.04.2018
46	159(1) and 159(2)	01.04.2018
48(1), (3), (8) and (9)	195	01.04.2018
48(2)	195	01.04.2019
48(5)	195	01.01.2020
48(6)	195	01.04.2020
49	201(2)(*b*)	01.04.2018
50	203	01.04.2018
51(1)(*a*), (*b*), (*c*) and (*d*)	subparagraph (1), (1A), (2) and (3) respectively of paragraph 1 of the First Schedule	01.01.2020

Column I	*Column II*	*Column III*
Section number of this Act	*Section number of the principal enactment which is amended*	*Date of operation*
51(2)	paragraph 2 of the First Schedule	01.01.2020
51(3)	subparagraph (1) of paragraph 3 of the First Schedule	01.01.2020
51(4)(*a*)	subparagraph (1) of paragraph 4 of the First Schedule	01.01.2020
51(4)(*b*)	subparagraph (2) of paragraph 4 of the First Schedule	01.01.2020
51(4)(*c*)	subparagraph 2A of paragraph 4, other than items (*k*), (*l*) and (*ll*) of the First Schedule	01.01.2020
51(5)(*a*)	subparagraph (1) of paragraph 5 of the First Schedule	01.01.2020
51(6)	subparagraph (1) and (3) of paragraph 7 of the First Schedule	01.01.2020
51(8)	subparagraph (1) paragraph 10 of the First Schedule	01.01.2020
51(1)(*e*)	subparagraph (4) of paragraph 1 of the First Schedule	01.04.2019
51(5)(*b*)	subparagraph (2) of paragraph 5 of the First Schedule	01.04.2018
51(7)	paragraph 8 of the First Schedule	01.04.2018
51(9)	paragraph 12 of the First Schedule	01.04.2020

Column I	*Column II*	*Column III*
Section number of this Act	*Section number of the principal enactment which is amended*	*Date of operation*
52(1)(*a*) and (*b*)	subparagraphs (2), (3), (4) and (6) of paragraph 1 of the Second Schedule	01.04.2018
53(1)	paragraph (*d*) of the Third Schedule	01.04.2018
53(3)	subparagraph (i) and (ii) of paragraph *(i)* of the Third Schedule	01.04.2018
53(4)	paragraphs (*k*) and (*l*) of the Third Schedule	01.04.2018
53(8)	paragraph (*r*) of the Third Schedule	01.04.2018
53(10)	paragraph (*t*) of the Third Schedule	01.04.2018
53(3)	subparagraph (iii) of paragraph *(i)* of the Third Schedule	01.01.2020
53(6)	paragraph (*o*) of the Third Schedule	01.01.2020
53(7)	paragraph (*oo*) of the Third Schedule	01.01.2020
53(10)	subparagraph (ii), (iii) and (iv) of paragraph (*u*) of the Third Schedule	01.01.2020
53(10)	paragraph *(v)* of the Third Schedule	01.01.2020
53(3)	subparagraph (iv) of paragraph *(i)* of the Third Schedule	08.04.2020
53(10)	subparagraph (i) of paragraph (*u*) of the Third Schedule	01.04.2019
54(2)(*b*)	subparagraph (4) of paragraph 2 of the Fourth Schedule	01.04.2018
55(1)(*a*)	subparagraph (*c*) of paragraph 1 of the Fifth Schedule	01.04.2019

Column I	*Column II*	*Column III*
Section number of this Act	*Section number of the principal enactment which is amended*	*Date of operation*
55(2)	paragraph 2, other than subparagraph (*g*), of the Fifth Schedule	01.01.2020
56(1), (2) and (3)	paragraphs (2), (3) and (8) of the Sixth Schedule	01.04.2018
56(4)	paragraph 4 of the Sixth Schedule	01.03.2020
57	new section	01.04.2019
58	new section	26.06.2020

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