(*b*) to "unpaid tax" (or words to that effect) includes an amount specified in paragraph (*a*) that has not been paid by the due date;

(*c*) to "taxpayer" includes a person liable for an amount specified in paragraph (*a*); and

(*d*) to "tax law" includes the law under which a foreign tax specified in paragraph (*a*) is imposed.

(5) In this section -

"international agreement" means an agreement between the Republic of Sri Lanka and a foreign government or governments;

"mutual administrative assistance agreement" means a tax information exchange agreement or other international agreement for mutual administrative assistance in relation to taxation matters.

Sinhala text to prevail in case of inconsistency.

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

CHAPTER XXII

TEMPORARY CONCESSIONS AND TRANSITIONAL PROVISIONS

Temporary Concessions.

201. (1) The provisions of the Sixth Schedule to this Act provide for concessions of a temporary nature, and apply to modify the application of this Act for the periods set out therein.

(2) Unless expressly stated to the contrary, the provisions of the Sixth Schedule –

(*a*) shall be applied strictly and only in accordance with their clear wording; and

(*b*) expire five years after they become operative.

(3) For the purposes of this Act, where a provision of the Sixth Schedule applies to grant a concession to a person with respect to a particular type of business –

(*a*) the business shall be construed narrowly and only the person's activities devoted wholly and exclusively to that business shall be treated as part of the business; and

(*b*) the person's income or loss from the business for a year of assessment shall be calculated separately from any other activity of the person.

Repeal and Savings.

202. (1) The Inland Revenue Act, No. 10 of 2006 is hereby repealed.

(2) The repealed Act shall continue to apply in respect of events occurring prior to the date of commencement of this Act.

(3) All appointments and delegations made under the repealed Act and subsisting at the date of commencement of this Act shall be deemed to be as appointments and delegations made under this Act.

(4) All forms and documents used in relation to the repealed Act shall continue to be used under this Act, and all references in those forms and documents to provisions of and expressions appropriate to the repealed Act shall deem to refer to the corresponding provisions and expressions of this Act.

(5) Appeals, prosecutions and other proceedings commenced before the commencement date of this Act shall continue and shall be disposed of as if this Act had not come into force.

(6) Tax liabilities that arose before the commencement date of this Act may be recovered by fresh proceedings under this Act, but without prejudice to an action already taken for the recovery of the tax.

(7) When the law concerning tax administration and procedure in effect prior to the commencement of this Act is silent with respect to a matter addressed in this Act, the relevant provision in this Act shall apply with retroactive effect to matters that are not closed under the period of limitations.

Transitional Provisions.

203. (1) The repealed Act shall continue to apply for years of assessment commencing prior to the date on which this Act comes into effect.

(2) A reference in this Act to –

(*a*) a previous year of assessment includes, where the context requires, a reference to a year of assessment under the repealed Act; or

(*b*) this Act or to a provision of this Act includes, where the context requires, a reference to the repealed Act or to a corresponding provision of the repealed Act, respectively.

(3) This subsection shall apply where a person's year of assessment under the repealed Act is (at the time the repealed legislation ceases to have effect) a period of twelve months other than the year ending 31 March. The person shall be deemed to have been granted approval by the Commissioner-General under section 20(2) to use that period as the person's year of assessment under this Act.

(4) The cost of an investment asset held by a person as at, September 30, 2017 is equal to the market value of the asset at that time.

(5) For the purpose of calculating the amount of each instalment of tax payable by an instalment payer under section 90 for the first year of assessment commencing on or after 1 April 2017, the instalment payer may assume that its current estimated tax payable for that year of assessment is equal to the amount of tax that was payable by the instalment payer in the previous year of assessment, increased by an uplift of five percent. A person shall not be required to pay tax by quarterly instalments under section 90 where that person had no tax payable in the previous year of assessment.

FIRST SCHEDULE (Section 2)

TAX RATES

1. Tax rates for resident and non - resident individuals.

(1) Subject to the provisions of subparagraph (2), the taxable income of a resident or non-resident individual for a year of assessment shall be taxed at the following rates:

Taxable Income	*Tax Payable*
Not Exceeding Rs. 600,000	4% of the amount in excess of Rs. 0
Exceeding Rs. 600,000 but not exceeding Rs. 1,200,000	Rs. 24,000 plus 8% of the amount in excess of Rs. 600,000
Exceeding Rs. 1,200,000 but not exceeding Rs. 1,800,000	Rs. 72,000 plus 12% of the amount in excess of Rs. 1,200,000
Exceeding Rs. 1,800,000 but not exceeding Rs. 2,400,000	Rs. 144,000 plus 16% of the amount in excess of Rs. 1,800,000
Exceeding Rs. 2,400,000 but not exceeding Rs. 3,000,000	Rs. 240,000 plus 20% of the amount in excess of Rs. 2,400,000
Exceeding Rs. 3,000,000	Rs. 360,000 plus 24% of the amount in excess of Rs. 3,000,000:

(2) Where an individual's taxable income includes gains from the realisation of investment assets or the types of income referred to in subparagraphs (3) or (4), then –

(*a*) those gains from the realisation of investment assets shall be taxed at the rate of 10%;

(*b*) the types of income from employment referred to in subparagraph (3) for a year of assessment shall be taxed at the following rates:—