

**PARLIAMENT OF THE DEMOCRATIC SOCIALIST REPUBLIC OF**   
**SRI LANKA**

**VALUE ADDED TAX (AMENDMENT)**   
**ACT, No. 44 OF 2022**

**[Certified on 14th of December, 2022]**

*Printed on the Order of Government*

Published as a Supplement to Part II of the **Gazette of the Democratic**

**Socialist Republic of Sri Lanka** of December 16, 2022

PRINTEDATTHEDEPARTMENTOFGOVERNMENTPRINTING, SRILANKA

TOBEPURCHASEDATTHEGOVERNMENTPUBLICATIONSBUREAU, COLOMBO5

**Price : Rs. 15.00**  **Postage : Rs. 15.00**

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| *Value Added Tax (Amendment)* | 1 |

*Act, No. 44 of 2022*

[Certified on 14th of December, 2022]

L. D.— O. 16/2022

AN ACTTOAMENDTHE VALUE ADDED TAX ACT, NO. 14 OF 2002

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

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| **1.** | This Act may be cited as the Value Added Tax | Short title |

(Amendment) Act, No. 44 of 2022.

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| **2.** | Section 2 of the Value Added Tax Act, No.14 of 2002 | Amendment of section 2 of Act, No.14 of 2002 |
| (hereinafter referred to as the “principal enactment”) is hereby amended as follows:- | |
| (1) | in item (v) of sub-paragraph (v) of subsection (1) of |

that section by the substitution for the words and   
figures “November 30, 2019; and” of the words   
and figures “November 30, 2019;”;

(2) in item (vi) of sub-paragraph (v) of subsection (1) of that section by the substitution for the words and figures, “commencing on or after January 1, 2020” of the words and figures “commencing on or after January 1, 2020 but ending on or before May 31, 2022;”; and

(3) by the insertion immediately after the item (vi) of subparagraph (v) of subsection (1) of that section of the following:-

“(vii) for the period commencing on June 1, 2022   
and ending on June 30, 2022 and for any   
taxable period commencing on or after July   
1, 2022 but ending on August 31, 2022 at   
the rate of twelve *per centum* (of which the   
tax fraction is 3/28); and

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“(viii) for the period commencing on September   
1, 2022 and ending on September 30, 2022   
and for any taxable period commencing on   
or after October 1, 2022 at the rate of fifteen   
*per centum* (of which the tax fraction is   
3/23).”.

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| Amendment of section 10 of  the principal  enactment | **3.** | Section 10 of the principal enactment is hereby |
| amended in subsection (1) of that section as follows:- | |
| (1) | by the substitution in paragraph (vi), for the words |

and figures, “on or after January 1, 2020, carries   
on” of the words and figures “on or after January 1,   
2020 but on or before September 30, 2022, carries   
on”;

(2) by the insertion immediately after paragraph (vi),   
 of the following:-

“(vii) on or after October 1, 2022, carries on or   
carries out any taxable activity in Sri Lanka   
shall be required to be registered under this   
Act, if–

(*a*) at the end of any taxable period of one   
 month or three months, as the case may   
 be, the total value of the taxable supplies   
 of goods or services or goods and   
 services of such person, made in Sri   
 Lanka in that taxable period of one   
 month or three months, as the case may   
 be, is twenty million rupees or more; or

(*b*) in the twelve months period then   
 ending, the total value of the taxable   
 supplies of goods or services or goods   
 and services of such person, made in   
 Sri Lanka has exceeded eighty million   
 rupees; or

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(*c*) at any time, there are reasonable   
 grounds to believe that the total value   
 of the taxable supplies of goods or   
 services or goods and services of such   
 person, made in Sri Lanka, in the   
 succeeding one month or three months   
 taxable period, as the case may be, is   
 likely to exceed twenty million rupees   
 or in the succeeding twelve months   
 period is likely to exceed eighty   
 million rupees.”.

(3) in the second proviso to subsection (1), by the   
 substitution for the words and figures “from May 2,   
 2016.” of the following:-

“from May 2, 2016:

Provided further, for the purposes of paragraph   
(vii), the requirement for the registration shall arise   
from the date on which this (Amendment) Act comes   
into operation.”;

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| **4.** | The First Schedule to the principal enactment is | Amendment of the First  Schedule to the principal  enactment |
| hereby amended in Part II thereof as follows:- | |
| (1) | by the substitution in sub-item (*d*) of item (xi) of |

paragraph (*b*) of that PART, by the substitution for   
the words and figures “if such supply has taken   
place on or after December 1, 2019, by any person,”,   
of the words and figures “if such supply has taken   
place on or after December 1, 2019, but on or before   
December 31, 2022, by any person,”; and

(2) by the addition immediately after sub-item (*d*) of   
 item (xi) of paragraph (*b*), of the following:-

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“(*e*) if such supply has taken place on or after   
January 1, 2023, by any person, other than

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| any | lease | or | rent | of | residential | | |
| accommodation | | | or | supply | | of | any |

condominium residential accommodation.”.

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| Sinhala text to  prevail in case  of inconsistency | **5.** | In the event of any inconsistency between the Sinhala |
| and Tamil texts of this Act, the Sinhala text shall prevail. | |

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