

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

**VALUE ADDED TAX (AMENDMENT)**

**ACT, No. 16 OF 2024**

**[Certified on 20th of March, 2024]**

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

*Act, No. 16 of 2024*

[Certified on 20th of March, 2024]

L.D.-O. 74/2023

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: -

**1.** This Act may be cited as the Value Added Tax Short title (Amendment) Act, No.16 of 2024.

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

subsection (1) of that section as follows: -

(1) by the substitution in item (vii), for the words and   
 figures “at the rate of twelve *per centum* (of which   
 the tax fraction is 3/28); and”, of the words and   
 figures “at the rate of twelve *per centum* (of which   
 the tax fraction is 3/28);”;

(2) by the substitution in item (viii), for the words and   
 figures “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).”, of the words   
 and figures “for any taxable period commencing   
 on or after October 1, 2022 but ending on December   
 31, 2023 at the rate of fifteen *per centum* (of which   
 the tax fraction is 3/23); and”; and

(3) by the addition immediately after the item (viii) of   
 the following new item:-

“(ix) for any taxable period commencing on   
 or after January 1, 2024 at the rate of   
 eighteen *per centum* (of which the tax   
 fraction is 9/59).”.

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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 (vii), for the words |

and figures “(vii) on or after October 1, 2022,”, of   
the words and figures “(vii) on or after October 1,   
2022 but on or before December 31, 2023,”;

(2) by the addition immediately after paragraph (vii),   
of the following paragraph:-

“(viii) on or after January 1, 2024, 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,   
 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 has exceeded   
 fifteen million rupees; 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 sixty million   
 rupees; or

(*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

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Sri Lanka, in the succeeding

taxable period, is likely to exceed   
fifteen million rupees or in the   
succeeding twelve months period   
is likely to exceed sixty million   
rupees.”;

(3) in the third proviso to that subsection, by the substitution for the words “comes into operation.”of the following:-

“comes into operation:

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

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| **4.** In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail. | Sinhala text to prevail in case of |

inconsistency

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