

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

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**SRI LANKA INSTITUTE OF TAXATION (INCORPORATION) (AMENDMENT) A**   
**BILL**

**to amend the Sri Lanka Institute of Taxation (Incorporation) Act, No. 21 of 2000**  
*————————*  
*Presented by the Hon. Madhura Withanage, M. P.*

*for Colombo District on 12th of August, 2022*  (Published in the Gazette on July 26, 2022) *Ordered by Parliament to be printed* *————————*  
**[Bill No. 135]**   
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| *Sri Lanka Institute of Taxation* | 1 |

*(Incorporation) (Amendment)*

AN ACTTOAMENDTHE SRI LANKA INSTITUTEOF TAXATION   
(INCORPORATION) ACT, NO. 21 OF 2000

WHEREAS the Sri Lanka Institute of Taxation was Preamble incorporated by the Sri Lanka Institute of Taxation   
(Incorporation) Act, No. 21 of 2000:

AND WHEREAS the Sri Lanka Institute of Taxation now 5 wishes to change its name to:

“The Chartered Institute of Taxation of Sri Lanka”:

WHEREAS the said Sri Lanka Institute of Taxation has now applied to have the said Act amended to give effect to such change in its name and it will be expedient to grant such 10 application:

BE it therefore, 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 Sri Lanka Institute of | Short title |

Taxation (Incorporation) (Amendment) Act, No. of 2022.

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| 15 | **2.** | (1) Sri Lanka Institute of Taxation (Incorporation) | General |
| 20 | Act, No. 21 of 2000 (hereinafter referred to as the “principal | | amendment |
| to the Sri |
| enactment”) is herey amended by the substitution for the | |
| Lanka |
| words “Sri Lanka Institute of Taxation” wherever they appear | |
| Institute of |
| in the principal enactment of the words “Chartered Institute | |
| Taxation |
| of Taxation of Sri Lanka”. | | (Incorporation) |
| Act, No. 21 |
| (2) In any written law, there shall be substituted for the | | of 2000 |

words “Sri Lanka Institute of Taxation” of the words“Chartered Institute of Taxation of Sri Lanka”.

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| 25 | **3.** | (1) All rights, liabilities, obligations, contracts, | Continuation |
| agreements, certificates or other instruments, documents, | | of contracts, |
| whatsoever, made, issued signed in writing or executed prior | | agreements, |
| actions, |
| the the date of the commencement of this Act, by or in favour | |
| appeals, rights |
| of the “Sri Lanka Institute of Taxation” shall be deemed from | |
| and liabilities |

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the date of commencement of this Act, to be, and to have been made, issued or executed by or in favour of “The Chartered Institute of Taxation of Sri Lanka”.

(2) All suits, actions, appeals and other legal proceedings

5 instituted by or against the “Sri Lanka Institute of Taxation” and pending on the day immediately prior to the date of commencement of this Act, shall not abate or be discontinued, and may be continued or enforced by or against “The Chartered Institute of Taxation of Sri Lnaka”.

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| 10 | **4.** | Section 3 of the principal enactment is hereby | Amendment |
| to section 3 |
| amended as follows:– | |
| of the |

principal (*a*) the following new section is hereby inserted as enactment

subsection (*a*) of that section:–

“(*a*) to provide for a professional organization for 15 persons providing advice on practice of taxation”;

(*b*) by renumbering subsections (*a*), (*b*), (*c*), (*d*), (*e*), (*f*) and (*g*) of that section as (*b*), (*c*), (*d*), (*e*), (*f*), (*g*) and (*h*) respectively;

20 (*c*) by the insertion immediately after the renumbered subsection (*h*) of that section, the following new subsection;

“(i) to prescribe and conduct or approve courses   
of study for the membership or for persons

25 seeking to qualify for membership and for grant of the required professional qualifications.”.

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| **5.** | Section 4 of the principal enactment is hereby | Amendment to section 4 of the  principal  enactment |
| amended as follows:–  (*a*) subsection (*a*) of that section is hereby repealed and | |

the following subsection inserted therefore:–

5 “(*a*) to prescribe the qualifications and disqualifications applicable for the membership to the Corporation and to establish standards of professional conduct and ethics for the members of the 10 Corporation;”;

(*b*) the following new section are hereby inserted:–

“(*r*) to import equipment required for the purpose   
of the Corporation and receive equipment,   
funds and any other assistance for carrying

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| 15 | out the objects of the Corporation.”. | | Amendment |
| **6.** | Section 5 of the principal enactment is hereby |
| amended as follows:– | | to section 5 |
| of the |
| (*a*) by the insertion of the following new section as | | principal |
| enactment |

subsection 5 of that section:–

20 “(5) The Council shall have the power to–

(i) conduct qualifying examinations for   
membership of the Corporation and for   
courses of study approved or prescribed   
by the Corporation;

25 (ii) determine the classification awarded to members in terms of the Rules adopted by the Corporation;

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(iii) Carry out the enrollment, disenrollment   
and re-enrollment of such persons if the   
Council is satisfied fit to be so enrolled,   
dis-enrolled and re-enrolled, as the case

5 may be, in terms of the Rules adopted by the Corporation;

(iv) levy and recover the fees to be paid in respect of the registration of different categories of membership and for 10 qualifying examinations and approved courses of study and any other service provided by the Corporation;

(v) recover any arrears in subscriptions from   
 the members;

15 (vi) pay fees or charges for any service provided to the Corporation;

(vii) enforce and ensure compliance with   
professional standards by members of   
the Corporation, including the Code of

20 Ethics of the membership, as formulated by the Corporation, and in accordance with the procedure for conducting disciplinary inquiries and professional misconduct as provided for in the Rules;

25 (viii) convene special general meetings required by members in terms of the Rules;

(ix) appoint an Administrative Secretary in   
 terms of the Rules;

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(x) constitute committees consisting of   
members of the Council for a specific   
purpose or otherwise and regulate their   
procedure, quorum and membership;

5 (xi) appoint, employ, engage, dismiss, remunerate and exercise disciplinary control over officers and servants of the Corporation;

(xii) determine the terms and conditions of 10 service of the officers and servants of the Corporation;

(xiii) establish and regulate Provident Funds and schemes for the benefit of officers and staff and make contributions to any 15 such fund or scheme;

(xiv) specify exemptions from examinations conducted by the Corporation, to persons holding other educational and/or professional qualifications and /or 20 extensive experience in the field of finance and taxation.”.

(*b*) by the substitution of the following new section as subsection 6 of that section:-

“(6) Every member of the Council shall be

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| 25 | appointed to office and hold office in terms of the | | Amendment |
| Rules.”. | |
| **7.** | Section 6 of the principal enactment is hereby |
| 30 | amended as follows:– | | to section 6 |
| of the |
| (*a*) by the renumbering of that section as subsection (1) | | principal |
| enactment |
| of that section; | |

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(*b*) by the insertion, immediately after the renumbered subsection (1) of the following new subsection:-

“(2) The persons who have obtained the membership of the Corporation in terms of the 5 provisions of subsection (1) and possess practical experience in the areas specified by the Council for five years shall be eligible, subject to the approval of the Council to practice as a “Chartered Tax

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| 10 | Consultant” and to use the designation “Chartered Tax Consultant.”. |

(*c*) by the repeal of the marginal note of that section and the substitution therfore of the following :-

“Eligibility for membership”.

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| 15 | **8.** | Section 8 of the principal enactment is hereby | Amendment |
| amended as follows:– | | to section 8 |
| (*a*) | paragraph (*a*) of subsection (1) thereof by the | of the |
| principal |
| enactment |
| substitution for the words “(*a*) classification of | |

membership, fees payable by each class of member,” “of the words “(*a*) classification of membership, 20 issuing of certificates to members and renewal of membership" fees payable by each class of member.”.

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| 25 | **9.** Section 9 of the principal enactment is hereby | | Replacement |
| repealed and the following new section is substituted | | section 9 of |
| therefore:– | | the principal |
| enactment |
| “Use of title after name | 9. A fellow of the Corporation shall be entitled to use after his name, the letters FCIT |

and an Associate of the Corporation shall be   
entitled to use in like manner the letters ACIT.

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| 30 | An Honorary Fellow or Honorary Associate shall be entitled to use the titles Honorary FCIT |

or Honorary ACIT, respectively, in like

manner.”.

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| 5 | **10.** | Section 10 of the principal enactment is hereby | | Amendment |
| amended by the substitution for the word “title or letters | | | to section 10 |
| after his name FTII (Sri Lanka) or Honorary ATII (Sri Lanka)” | | | of the |
| principal |
| of the words “title or letters FCIT, Honorary FCIT, ACIT or | | |
| enactment |
| Honorary ACIT, as the case may be,”. | | |
| Insertion of |
| **11.** | | Immediately after Section 14 of the principal |
| enactment, the following new sections shall be inserted as | | | new sections |
| 15, 16 and |
| Sections 15,16 and 17:– | | |
| 17 of the |

principal

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| 10 | “15. No person except the Corporation shall take | enactment |
| or use the logo of the Corporation unless such person |

has been authorized in writing by the Council to do so.

16. Any contract entered into with or on behalf of   
the Corporation by or may be made as follows:–

(*a*) If made between private persons, would 15 by law be required to be in writing, signed by the parties to be charged therewith, may be made on behalf of the Corporation in writing, under the seal of the Corporation or signed by any Member duly authorized 20 on that behalf by the Corporation;

(*b*) If made between private persons, would by   
law be valid though made orally and not   
reduced into writing, may me made orally   
or on behalf of the Corporation by any

|  |  |  |
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| 25 | Protection of | Member duly authorized on that behalf by |
| the Corporation. |
| 17. The Corporation, its officers and |
| acts done | employees shall not be liable for any act done |
| under this |
| or purported to be done or any omission made, |
| Act or under |

the directions   
of the   
Corporation

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in good faith during the exercise, performance   
or discharge of its or their powers, duties or   
functions under this Act, provided that such   
immunity shall not extend to–

5 (*a*) liability for a criminal offence under any written law for the time being in force;

(*b*) any act done in contravention of the provisions of this Act, or any other 10 applicable written law, or any regulations made thereunder.”.

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| **12.** | Sections 15 and 16 of the principal enactment is | renumbering  of sections 15 and 16 of the |
| hereby renumbered as sections 18 and 19 respectively. | |

principal   
enactment

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| 15 | **13.** | In the event of any inconsistency between the | Sinhala text |
| Sinhala and Tamil texts of this Act, the Sinhala text shall | | to prevail in |
| prevail. | | case of |
| inconsistency |

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