



PARLIAMENT OF THE DEMOCRATIC
SOCIALIST REPUBLIC OF
SRI LANKA

ESTATE DUTY (AMENDMENT)
ACT, No. 41 OF 1985

[Certified on 22nd October 1985]

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Estate Duty (Amendment)
Act, No. 41 of 1985

[Certified on 22nd October, 1985]

L. D.—O. 13/85.

AN ACT TO AMEND THE ESTATE DUTY ACT, No. 13 OF 1980

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

1. This Act may be cited as the Estate Duty (Amendment) Act, No. 41 of 1985.

Short title.

2. Section 3 of the Estate Duty Act, No. 13 of 1980 (hereinafter referred to as the "principal enactment") is hereby amended by the repeal of subsection (1) of that section and the substitution therefor, of the following subsection :—

Amendment
of section 3
of Act No. 13
of 1980.

" (1) The amount of estate duty payable upon the value of the estate of any person—

(a) dying on or after November 15, 1978, and before November 15, 1984, shall be computed at the appropriate rates specified in Part I of the Schedule to this Act; and

(b) dying on or after November 15, 1984, shall be computed at the appropriate rates specified in Part II of the Schedule to this Act."

3. Section 11 of the principal enactment is hereby repealed and the following section substituted therefor :—

Replacement
of section 11
of the
principal
enactment.

"Exemption
for one
residential
premises.

11. (1) Where property passing on the death of any person dying before November 15, 1984, includes any residential premises, a sum of three hundred thousand rupees of the value of one such premises, if the value of such premises is equal to or exceeds three hundred thousand rupees, or the value of such premises, if the value of such premises does not exceed three hundred thousand rupees, shall be exempt from the payment of estate duty.

(2) Where property passing on the death of any person dying on or after November 15, 1984, includes any residential premises, the value of one such premises shall be exempt from the payment of estate duty."

Replacement
of section 19
of the
principal
enactment.

4. Section 19 of the principal enactment is hereby repealed and the following section substituted therefor:—

“Relief in
respect of
foreign
estate
duty.

19. Where property forming part of the estate of the deceased is situated in a foreign country and the Commissioner-General is satisfied that any duty is payable on the death of the deceased in that country in respect of that property, he shall—

(i) in the case of any person dying before November 15, 1984, in determining the value of such property, allow a deduction of an amount equal to—

(a) the amount of the duty payable in that country; or

(b) such proportion of the estate duty payable under this Act upon the value of that estate as is equal to the proportion which the value of the property situated in that country bears to the value of the estate,

whichever amount is the lower;

(ii) in the case of any person dying on or after November 15, 1984, deduct from the amount of the estate duty payable under this Act an amount equal to—

(a) the amount of duty payable in that foreign country; or

(b) the amount of duty payable in Sri Lanka in respect of such property ascertained in the manner provided for in subsection (4) of section 3,

whichever amount is the lower.”

5. Section 24 of the principal enactment is hereby amended by the addition, immediately after subsection (2) thereof, of the following subsection :—

Amendment
of section 24
of the
principal
enactment.

“ (3) An assessor may give notice in writing to any person requiring him to furnish within the time specified in such notice a return of such particulars relating to the estate of a deceased person as are within his knowledge and required to be furnished under the preceding provisions of this section.”

6. Section 43 of the principal enactment is hereby amended as follows :—

Amendment
of section 43
of the
principal
enactment.

(a) in paragraph (a) of that section by the substitution, for the word “ received ”, of the word “ receivable ”; and

(b) in sub-paragraph (ii) of paragraph (b) of that section, by the substitution, for the words “ one-half ”, of the words “ twenty thousand rupees ”.

7. Section 44 of the principal enactment is hereby amended by the repeal of subsection (4) of that section and the substitution therefor of the following subsections :—

Amendment
of section 44
of the
principal
enactment.

“ (4) Any person to whom a notice is sent under subsection (1) who is unable to comply therewith owing to the fact that he does not hold any money on account of the estate or owe any debts to the estate or any debt owed by him to the estate does not become due within the period stated in such notice such person shall within the period stated in such notice, make a declaration to the Commissioner-General apprising him of the facts.

“(5) Where any sum required to be paid by a notice given under subsection (1) is not paid in accordance with such notice, and no declaration in relation to such notice is made under the provisions of subsection (4), it shall be recoverable from the person to whom such notice was given as if such sum were estate duty due from such person and as if such estate duty were in default.”

Amendment
of section 58
of the
principal
enactment.

8. Section 58 of the principal enactment is hereby amended by the substitution in that section for the word "trustee" wherever it occurs of the words "trustee, or otherwise".

Amendment
of section 63
of the
principal
enactment.

9. Section 63 of the principal enactment is hereby amended by the substitution for the words and figures "under section 26, section 49", of the words and figures "under section 24 or section 26 or section 49".

Amendment
of section 78
of the
principal
enactment.

10. Section 78 of the principal enactment is hereby amended in subsection (1) of that section as follows:—

(1) by the substitution, for the definition of "authorized representative", of the following definition:—

"authorized representative" when used with reference to a person who is liable to pay estate duty means any individual—

(a) who is authorized in writing by such person to act on his behalf for the purposes of this Act and who is in any case—

(i) a member of the Institute of Chartered Accountants of Sri Lanka; or

(ii) an Accountant approved by the Commissioner-General; or

(iii) an Attorney-at-law; or

(iv) an employee regularly employed by such person; or

(v) a relative of such person;

(b) who is authorized in writing from time to time by such person to act on his behalf for the purposes of this Act in respect of matters specified in the authorization, and who is an individual approved by the Commissioner-General under regulations made in that behalf.';

(2) by the substitution, for the definition of "Commissioner-General", of the following definition:—

"Commissioner-General" means the Commissioner-General of Inland Revenue appointed or deemed to be appointed under the Inland Revenue Act, No. 28 of 1979, and includes a

Commissioner and a Deputy Commissioner who is specially authorized by the Commissioner-General either generally or for some specific purpose to act on behalf of the Commissioner-General ;'.

11. The Schedule to the principal enactment is hereby repealed and the following Schedule substituted therefor :—

Replacement
of the
Schedule
to the
principal
enactment.

"SCHEDULE

PART I

<i>Column I</i> (Value of the Estate)	<i>Column II</i> (Rate of Duty)
On the first Rs. 100,000 of the value of the estate	.. Nil
On the next Rs. 100,000 of the value of the estate	.. 5 per centum
On the next Rs. 100,000 of the value of the estate	.. 10 per centum
On the next Rs. 100,000 of the value of the estate	.. 15 per centum
On the next Rs. 100,000 of the value of the estate	.. 20 per centum
On the next Rs. 100,000 of the value of the estate	.. 25 per centum
On the next Rs. 200,000 of the value of the estate	.. 30 per centum
On the next Rs. 200,000 of the value of the estate	.. 35 per centum
On the next Rs. 200,000 of the value of the estate	.. 40 per centum
On the next Rs. 200,000 of the value of the estate	.. 45 per centum
On the next Rs. 200,000 of the value of the estate	.. 50 per centum
On the next Rs. 300,000 of the value of the estate	.. 55 per centum
On the next Rs. 500,000 of the value of the estate	.. 60 per centum
On the next Rs. 500,000 of the value of the estate	.. 65 per centum
On the balance of the value of the estate	.. 70 per centum

PART II

<i>Column I</i> (Value of the Estate)	<i>Column II</i> (Rate of Duty)
On the first Rs. 250,000 of the value of the estate	.. Nil
On the next Rs. 250,000 of the value of the estate	.. 5 per centum
On the next Rs. 250,000 of the value of the estate	.. 10 per centum
On the next Rs. 250,000 of the value of the estate	.. 15 per centum
On the next Rs. 250,000 of the value of the estate	.. 20 per centum
On the next Rs. 250,000 of the value of the estate	.. 25 per centum
On the next Rs. 500,000 of the value of the estate	.. 30 per centum
On the next Rs. 500,000 of the value of the estate	.. 35 per centum
On the next Rs. 500,000 of the value of the estate	.. 40 per centum]]]
On the next Rs. 500,000 of the value of the estate	.. 45 per centum
On the balance of the value of the estate	.. 50 per centum,"

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