

PARLIAMENT OF CEYLON

3rd Session 1967-68



Inland Revenue (Amendment) Act, No. 26 of 1968

Date of Assent : June 16, 1968

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*Inland Revenue (Amendment) Act,
No. 26 of 1968*

L.D.—O. 25/66.

**AN ACT TO AMEND THE INLAND REVENUE ACT,
No. 4 OF 1963.**

[Date of Assent: June 16, 1968]

BE it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Senate and the House of Representatives of Ceylon in this present Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the Inland Revenue (Amendment) Act, No. 26 of 1968. Short title.

2. Section 3 of the Inland Revenue Act, No. 4 of 1963, hereinafter referred to as the "principal Act", is hereby amended in sub-section (4) of that section by the substitution, in sub-paragraph (ii) of paragraph (a) of that sub-section, for the words "any sum refunded", of the words "any sum paid on or after April 1, 1967, from a regulated provident fund to an employee (other than such part of that sum as represents his contributions to that fund, and such part of that sum as represents the contributions made by the employer to that fund prior to April 1, 1968, and the interest which accrued on such contributions made by the employer if, but only if, in respect of such contributions made by the employer, and the interest which accrued on such contributions made by the employer, tax at the rate of fifteen *per centum* has been paid by such employer), any sum refunded". Amendment of section 3 of Act No. 4 of 1963.

3. Section 5 of the principal Act is hereby amended in sub-section (1) of that section as follows:—

(a) by the insertion, immediately after paragraph (g) of that sub-section, of the following new paragraph:—

"(gg) the emoluments, and any income not arising in Ceylon, for three years reckoned from the date of employment in Ceylon of any individual who is not a citizen of Ceylon and who is brought to and employed in Ceylon on or after April 1, 1966, by the proprietor of

Amendment of section 5 of the principal Act.

any such undertaking as is referred to in paragraph (v) of sub-section (1) of section 6 in such executive capacity or other capacity as may be approved by the Minister on the recommendation of the Ceylon Tourist Board established under the Ceylon Tourist Board Act, No. 10 of 1966;"; and

- (b) by the insertion, immediately after paragraph (k) of that sub-section, of the following new paragraph:—

"(kk) interest accruing to any foreign credit agency from any loan considered by the Minister of Finance to be essential for the economic progress of Ceylon and granted with his approval by that foreign credit agency to the Agricultural and Industrial Credit Corporation of Ceylon, the Development Finance Corporation of Ceylon, the Ceylon State Mortgage Bank or any commercial bank for the time being operating in Ceylon;".

Amendment of
section 6 of
the principal
Act.

4. Section 6 of the principal Act is hereby amended as follows:—

- (1) in sub-section (1) of that section—

(a) in paragraph (iii) of that sub-section, by the substitution, for the words "sea fishing; and", of the words "sea fishing;";

(b) in paragraph (iv) of that sub-section, by the substitution, for the full stop at the end of that paragraph, of a semi-colon; and

(c) by the insertion, immediately after paragraph (iv) of that sub-section, of the following new paragraphs:—

"(v) to any such undertaking commenced on or after April 1, 1966, of operating hotels for tourists as is on the recommendation of the Ceylon Tourist Board established

under the Ceylon Tourist Board Act, No. 10 of 1966, approved by the Minister by Order published in the *Gazette*; and

(vi) to any such undertaking of providing buildings for the use of an undertaking referred to in paragraph (v) as is on the recommendation of the Ceylon Tourist Board established under the Ceylon Tourist Board Act, No. 10 of 1966, approved by the Minister by Order published in the *Gazette*.";

(2) in sub-section (2) of that section—

(a) in paragraph (i) of that sub-section, by the substitution, for all the words from "profits and income for" to the end of that paragraph, of the words "profits and income of that corporation for a period of five years reckoned from the date on which the Government of Ceylon makes a contribution to the capital of that corporation,";

(b) in paragraph (ii) of that sub-section, by the substitution, for all the words from "profits and income of that undertaking" to the end of that paragraph, of the words "profits and income of that undertaking for a period of five years reckoned from the date on which the production or manufacture in Ceylon of goods or commodities by that undertaking commences,";

(c) in paragraph (iii) of that sub-section, by the substitution, for all the words from "the profits and income of that undertaking" to the end of that paragraph, of the words "the profits and income of that undertaking for a period of five years reckoned from the date on which that undertaking commences to carry on business,";

(d) in paragraph (iv) of that sub-section, by the substitution, for all the words from "the profits and income of that undertaking" to the end of that paragraph, of the words "profits and income of that undertaking for a period of five years reckoned from such date as is, at the request of the Minister for the time being in charge of the subject of lands, fixed by the Minister of Finance by notice published in the *Gazette*,";

(e) by the insertion, immediately after paragraph (iv) of that sub-section, of the following new paragraphs:—

"(v) any undertaking referred to in paragraph (v) of sub-section (1), being the profits and income of that undertaking for a period of five years reckoned from the date on which that undertaking commences to carry on business, and

(vi) any undertaking referred to in paragraph (vi) of sub-section (1), being the profits and income accruing to that undertaking from any building during a period of five years reckoned from the date on which such building was provided by that undertaking for the use of an undertaking referred to in paragraph (v) of that sub-section,";

(3) in sub-section (3) of that section, by the substitution, for the words "paid to the shareholders", of the words "paid out of such profits and income to the shareholders"; and

(4) in the marginal note to that section, by the substitution, for the words "industrial undertakings.", of the word "undertakings."

5. (1) The following section is hereby inserted immediately after section 6, and shall have effect as section 6A, of the principal Act:—

"Exemption
for profits and
income of
certain non-
resident
persons.

6A. (1) The provisions of sub-section (2) of this section shall apply to any person who has entered into a contract—

(a) with the Government of Ceylon, or

(b) with the proprietor of any such undertaking as is referred to in paragraph (v) or paragraph (vi) of sub-section (1) of section 6 in respect of the construction of any building for the purposes of such undertaking, or

(c) with any such statutory corporation or institution as may be approved by the Minister,

if, but only if, such person—

(i) at the time he entered into such contract, was a non-resident person and did not have a place of business in Ceylon,

(ii) satisfies the Minister that he entered into such contract for the sum stipulated therein on the basis that such sum would not be liable to income tax, and

(iii) is declared by the Minister by Order published in the *Gazette* to be a person to whom sub-section (2) of this section shall apply.

Insertion of
new section 6A
in the principal
Act.

(2) The profits and income accruing to any person referred to in sub-section (1) from the performance of any contract referred to in that sub-section shall be exempt from income tax.

(3) Where the provisions of sub-section (2) of this section apply to any person in relation to a contract, the emoluments, and any income not arising in Ceylon, of any other person who is not a citizen of Ceylon and who is brought to and employed in Ceylon by the first-mentioned person in connection with the performance of such contract shall be exempt from income tax. ”.

(2) (a) The amendment made in the principal Act by sub-section (1) of this section shall be deemed for all purposes to have taken effect on the date on which that Act came into force.

(b) An Order under paragraph (iii) of sub-section (1) of section 6A of the principal Act may be declared to be effective from any date prior to the date of commencement of this Act.

Amendment of
section 10 of
the principal
Act.

6. Section 10 of the principal Act, as amended by Act No. 18 of 1965, is hereby further amended as follows:—

(1) in sub-section (1) of that section—

(a) in paragraph (h) of that sub-section, by the substitution, for the proviso to that paragraph, of the following new proviso:—

“ Provided that no deduction under the preceding provisions of this paragraph shall be allowed to such person in respect of any plant, machinery or fixtures acquired by him—

(a) if such acquisition was for the purpose of renewing any plant, machinery or fixtures earlier used by him in any trade,

business, profession, vocation or employment carried on or exercised by him and if the cost of such renewal is allowed as a deduction under paragraph (j), or

- (b) if the sum expended in the purchase and installation of such plant, machinery or fixtures is allowed as a deduction under paragraph (l) or paragraph (m); ”;
- (b) in paragraph (k) of that sub-section, by the substitution, for the full stop at the end of that paragraph, of a semi-colon;
- (c) by the insertion, immediately after paragraph (k) of that sub-section, of the following new paragraphs:—

“(l) any sum expended in the purchase and installation, or in the purchase, as the case may be, of any plant, machinery, fixtures, furniture, utensils or articles by such person for any such undertaking as is referred to in paragraph (v) or paragraph (vi) of sub-section (1) of section 6:

Provided that where such person has, during the period for which the profits are being ascertained, sold, discarded, otherwise disposed of, or otherwise ceased to be the owner of, any such plant, machinery, fixtures, furniture, utensils or articles without ceasing to carry on such undertaking, the sum realized by the sale or discard or other disposal or other cessation of ownership shall be treated as receipts of that undertaking;

(m) any sum expended in the purchase and installation, or in the purchase, as the case may be, of any plant, machinery, fixtures, furniture, utensils or articles or in the renovation of any building, by such person for any such undertaking of operating hotels for tourists as is not referred to in paragraph (v) of sub-section (1) of section 6 and is on the recommendation of the Ceylon Tourist Board established under the Ceylon Tourist Board Act, No. 10 of 1966, approved by the Minister by Order published in the *Gazette* for the purposes of this paragraph:

Provided that where such person has, during the period for which the profits are being ascertained, sold, discarded, otherwise disposed of, or otherwise ceased to be the owner of, any such plant, machinery, fixtures, furniture, utensils or articles without ceasing to carry on such undertaking, the sum realized by the sale or discard or other disposal or other cessation of ownership shall be treated as receipts of that undertaking.”;

and

(2) in sub-section (5) of that section—

(a) by the substitution, for all the words from “such project or undertaking other than as a dwelling house” to “paragraph (j) of sub-section (1).”, of the following:—

“such project or undertaking other than as a dwelling house:

Provided that no person shall be entitled to any deduction—

(i) under paragraph (a) or paragraph (b) of this sub-section for the purchase and installation of any plant, machinery or fixtures if the sum expended in the purchase and installation of such plant, machinery or fixtures has been allowed as a deduction under paragraph (l) or paragraph (m) of sub-section (1), or

(ii) under paragraph (c) or paragraph (d) of this sub-section for the renewal of any building if the expenditure incurred in the renewal of such building has been allowed as a deduction under paragraph (j) of sub-section (1)."; and

(b) by the substitution, for the words "published in the *Gazette*." occurring in the definition of "approved project", of the following:—

"published in the *Gazette*, and includes any undertaking referred to in paragraph (v) or paragraph (vi) of sub-section (1) of section 6.".

7. Section 15 of the principal Act, as amended by Act No. 18 of 1965, is hereby further amended as follows:—

Amendment of
section 15 of
the principal
Act.

(A) in sub-section (1) of that section—

(a) by the substitution, for paragraph (d) of that sub-section, of the following new paragraph:—

"(d) the amount of any loss which has been incurred in any year preceding the year of assessment in any undertaking referred to in section 6, such loss being computed in the manner referred to in sub-section (1A);"; and

(b) by the insertion, immediately after paragraph (d) of that sub-section, of the following new paragraph:—

“(e) in the case of a corporation referred to in section 6, the amount of any loss which that corporation has incurred in any year preceding the year of assessment, such loss being computed in the manner referred to in sub-section (1A).”;

(B) in sub-section (1A) of that section, by the substitution, for the words “end of the period of six years during”, of the words “end of the period during”;

(C) by the insertion, immediately after sub-section (1A) of that section, of the following new sub-section:—

“(1B) (a) The provisions of sub-section (1)(d) and sub-section (1A) shall have no application to any such undertaking as is referred to in sub-section (1) of section 6 if the person carrying on that undertaking has made a declaration to the Commissioner that the provisions of section 6 should not apply to that undertaking.

(b) A declaration made under paragraph (a) in respect of any undertaking may be revoked by the person carrying on that undertaking at any time within the period during which the provisions of sub-section (2) of section 6 would have, but for that declaration, applied to such undertaking and where such declaration is so revoked, the provisions of sub-section (1) (d) and sub-section (1A) shall apply and shall be deemed to have applied to that undertaking as though that declaration had never been made and any assessment already made of the assessable income of that person may be amended by the Assessor notwithstanding the provisions of section 103; and any tax found to have been paid in excess as a result of such amended assessment shall be refunded notwithstanding that the claim for such refund may be made after the expiry of the period of three years prescribed by section 117.”; and

(D) in sub-section (5) of that section by the substitution, for the expression "sub-section (1) (b), (c) and (d)", of the expression "sub-section (1)(b), (c), (d) and (e)".

8. Section 17 of the principal Act, as amended by Act No. 18 of 1965, is hereby further amended in sub-section (3) of that section as follows:—

Amendment of
section 17 of
the principal
Act.

- (a) in paragraph (d) of that sub-section, by the insertion, immediately after the figures "1954,", of the word "or";
- (b) by the insertion, immediately after paragraph (d) of that sub-section, of the following new paragraph:—

"(e) any sum paid on or after April 1, 1967, from a regulated provident fund to an employee (other than such part of that sum as represents his contributions to that fund, and such part of that sum as represents the contributions made by the employer to that fund prior to April 1, 1968, and the interest which accrued on such contributions made by the employer if, but only if, in respect of such contributions made by the employer and the interest which accrued on such contributions made by the employer, tax at the rate of fifteen *per centum* has been paid by the employer);";

- (c) by the substitution, in the third proviso to that sub-section, for the words "no tax shall be so chargeable on such excess.", of the following:—

"no tax shall be chargeable on such excess:

Provided further that, where the excess referred to is in consequence of the inclusion in the statutory income of such sum as is referred to in paragraph (e) of those provisions, the amount of the tax chargeable under those provisions on such excess shall be reduced by—

- (i) the amount of any tax already paid in respect of that sum or any part thereof, and

(ii) an amount equal to the tax calculated at the effective rate at which he was liable to tax for the year of assessment commencing on April 1, 1967, or at fifteen *per centum*, whichever is less, on the contributions made by him to the regulated provident fund prior to April 1, 1966,

and, if the aggregate of the amounts referred to in paragraphs (i) and (ii) is more than the tax so chargeable on such excess, no tax shall be so chargeable on such excess."; and

(d) by the substitution, for the figures " 27, 67 ", of the figures "13, 27, 66, 67".

*Amendment of
section 28 of
the principal
Act.*

9. (1) Section 28 of the principal Act is hereby amended in paragraph (av) by the substitution, for the words "of this Act", of the words "of this Chapter".

(2) The amendment made in section 28 of the principal Act by sub-section (1) of this section shall be deemed to have come into force on the date of commencement of that Act.

*Amendment of
section 31 of
the principal
Act.*

10. (1) Section 31 of the principal Act is hereby amended in sub-section (2) of that section as follows:—

(a) by the substitution, for the words "has any investment", of the words and figures "has made on or before March 31, 1964, any investment"; and

(b) by the substitution, for the words "Ordinance, that", of the words and figures "Ordinance, or has made on or after April 1, 1964, any such investment as is referred to in paragraph (g) of sub-section (2) of section 69A of this Act, that".

(2) The amendments made in section 31 of the principal Act by sub-section (1) of this section shall be deemed to have come into force on April 1, 1965, and shall apply to every year of assessment commencing on or after that date.

*Amendment of
section 68 of
the principal
Act.*

11. (1) Section 68 of the principal Act is hereby amended in sub-section (1) of that section by the substitution, in paragraph (b) of that sub-section, for the words " by the Commissioner,", of the words " by the Commissioner or to a regulated provident fund,".

(2) The amendment made in section 68 of the principal Act by sub-section (1) of this section shall be deemed to have come into force on April 1, 1967, and shall apply to every year of assessment commencing on or after that date.

12. The following section is hereby inserted in the principal Act immediately after the heading "L—APPROVED INVESTMENTS", and shall have effect as section 68A of that Act:—

' Relief on account of approved investments made by companies and bodies of persons.'

68A. (1) In this section—

"approved investment" means any sum invested in the purchase of shares in any approved undertaking, such shares being allotted not later than March 31, 1969, and such investment being made not later than three years after the date of such allotment;

"approved undertaking" means any such undertaking referred to in paragraph (v) or paragraph (vi) of sub-section (1) of section 6 as is considered by the Minister of Finance to be essential for the economic progress of Ceylon and is on the recommendation of the Ceylon Tourist Board established under the Ceylon Tourist Board Act, No. 10 of 1966, approved by him for the purposes of this section by notice published in the *Gazette*.

(2) Where in the year preceding any year of assessment commencing on or after April 1, 1967, a company or a body of persons makes an approved investment, then—

- (a) the actual amount of that investment, or
- (b) an amount representing one-fifth of the assessable income of that company or body of persons for that year of assessment, or

Insertion of new section 68A in the principal Act.

(c) two hundred thousand rupees,

whichever amount is the least, shall, for the purposes of sub-section (4) of this section, be the permitted allowance in relation to such investment.

(3) Where a company or a body of persons has made in any year of assessment two or more approved investments, the aggregate amount of such investments shall be treated as one approved investment for the purposes of this section.

(4) Where a company or body of persons, in the year preceding any year of assessment commencing on or after April 1, 1967, makes an approved investment, such company or body of persons shall be entitled, on account of that investment, to such relief from income tax as will secure that the tax payable by such company or body of persons is reduced to the amount which would be payable as the tax if the permitted allowance in relation to that investment were deducted from the statutory income of such company or body of persons:

Provided, however, that the relief from tax on account of that investment shall not exceed one-half of such permitted allowance.

(5) Where the ownership of any investment in respect of which relief is granted to a company or body of persons under sub-section (4) changes, otherwise than by the dissolution of, or the cessation of the business carried on by, that company or body of persons, within a period of six years after the date of such investment, then in respect of the year of assessment in which such relief is granted an additional assessment consisting of the difference between the amount of income tax to which that company or body of persons would have been liable if such relief were not granted and the amount of tax which that company or body of persons has paid for that year of

assessment shall, notwithstanding anything in this Act, be made in respect of that company or body of persons and the provisions of this Act relating to notice of assessment, appeal and other proceedings shall apply in relation to such additional assessment.'

13. Section 69 of the principal Act is hereby amended in the marginal note to that section by the substitution, for the words "approved investments.", of the words " approved investments by individuals.".

Amendment of
section 69 of
the principal
Act.

14. (1) Section 69A of the principal Act, inserted by Act No. 18 of 1965, is hereby amended as follows:—

Amendment of
section 69A of
the principal
Act.

(a) in sub-section (4) of that section—

(i) in paragraph (c) of that sub-section, by the substitution, for the expression "paragraph (b);", of the following:—

"paragraph (b) or out of the amount, sum or value, as the case may be, referred to in paragraph (d), (e), (f), (g) or (i);";

(ii) in paragraph (d), by the substitution, for all the words from "any gift" to the end of that paragraph, of the following:—

" any cash received by that individual by way of gift or inheritance;";

(iii) in paragraph (h), by the substitution for the words " gift; or ". of the word " gift; ";

(iv) in paragraph (i) of that sub-section, by the substitution, for the words "by that individual.", of the words "by that individual; or"; and

(v) by the insertion, immediately after paragraph (i) of that sub-section, of the following new paragraph:—

"(j) the amount of any loan obtained on the security of any approved saving referred to in paragraph (b) or paragraph (c) or paragraph (g) of sub-section (2)."; and

- (b) in sub-section (5) of that section, in paragraph (a) of that sub-section, by the substitution, for the words "gift; or", of the words "gift or paying any gifts tax due from that individual; or".
- (2) The amendments made in section 69A of the principal Act by sub-section (1) of this section shall be deemed to have come into force on April 1, 1967, and shall apply to any year of assessment commencing on or after that date.

**Insertion of
new heading
and new
section 73A in
the principal
Act.**

- 15.** (1) The following heading is hereby inserted immediately after section 73 of the principal Act :—

**"NN. RELIEF IN RESPECT OF CERTAIN
PROFITS AND INCOME."**

- (2) The following section is hereby inserted in the principal Act immediately after the heading inserted therein by sub-section (1) of this section, and shall have effect as section 73A of that Act :—

**Relief in
respect of
certain profits
and income.**

73A. Where a company carries on an undertaking which is referred to in paragraph (v) or paragraph (vi) of sub-section (1) of section 6 and which has been approved thereunder by the Minister prior to April 1, 1969, such company shall, in respect of its profits and income from that undertaking for the period of fifteen years immediately following the period of five years for which the profits and income of that undertaking are exempt from income tax under sub-section (2) of that section, be entitled to a deduction from the income tax payable by that company of a sum equal to fifty *per centum* of the specified sum.

In this section "specified sum" in relation to a company which by virtue of the preceding provisions of this sub-section is entitled to a deduction from the income tax payable by the company for any year of assessment shall—

- (a) in the case of a resident company which is entitled to any relief under section 67 or section 70 or section 71, be the amount by which such portion of the tax

payable for that year of assessment by that company under paragraph (a) of sub-section (1) of section 25 as is attributable to the profits and income from that undertaking exceeds the amount which bears to the relief granted under those sections for that year of assessment the same proportion as the profits and income from that undertaking for that year of assessment bears to the total profits and income of that company for that year of assessment;

- (b) in the case of a resident company which is not entitled to any relief under section 67 or section 70 or section 71, be such portion of the tax payable by that company under paragraph (a) of sub-section (1) of section 25 as is attributable to the profits and income from that undertaking;
- (c) in the case of a non-resident company which is entitled to any relief under section 67 or section 70 or section 71, be the amount by which such portion of the tax payable for that year of assessment by that company under section 26 and computed at the rate of fifty *per centum* on its taxable income as is attributable to the profits and income from that undertaking exceeds the amount which bears to the relief granted to that company under those sections for that year of assessment the same proportion as the profits and income from that undertaking for that year of assessment bears to the total profits and income of that company for that year of assessment; and

(d) in the case of a non-resident company which is not entitled to any relief under section 67 or section 70 or section 71, be such portion of the tax payable by that company under section 26 and computed at the rate of fifty *per centum* on its taxable income as is attributable to the profits and income from that undertaking.'

*Amendment of
section 129 of
the principal
Act.*

16. Section 129 of the principal Act, as amended by Act No. 18 of 1965, is hereby further amended in sub-section (1) of that section as follows:—

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

" "authorized representative " means any individual—

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

(a) in any case—

(i) a member of the Institute of Chartered Accountants of Ceylon,

(ii) an accountant approved by the Commissioner,

(iii) an advocate or a proctor, or

(iv) an employee regularly employed by the person concerned:

(b) in the case of an individual, a relative;

(c) in the case of a company, a director or the secretary;

(d) in the case of a partnership, a partner;

(e) in the case of a body of persons, a member of such body; or

- (2) who is authorized in writing from time to time, by a person to act on his behalf for the purposes of this Act in respect of matters relating to such year of assessment as is specified in the authorization and who, being an individual registered as an auditor under the Companies' (Auditors) Regulations, is approved by the Commissioner; ; and
- (b) by the insertion, immediately after the definition of " receiver ", of the following definition:—
- ' " regulated provident fund " means a provident fund—
- (a) established by a body corporate which, under the written law by which such body corporate is constituted, is exempt from the payment of income tax on its profits and income, and
- (b) regulated and maintained under such written law; '.

17. Section 130 of the principal Act, as amended by Act No. 18 of 1965, is hereby further amended in sub-section (4) of that section by the substitution, for paragraph (a) of that sub-section, of the following new paragraph:—

Amendment of
section 130 of
the principal
Act.

'(a) section 2 of that Ordinance is hereby amended by the substitution, for the definition of "authorized representative", of the following new definition:—

" authorized representative " means any individual—

(1) who is authorized in writing by a person to act on his behalf for the purposes of this Ordinance and who is—

(a) in any case—

(i) a member of the Institute of Chartered Accountants of Ceylon,

- (ii) an accountant approved by the Commissioner,
 - (iii) an advocate or a proctor, or
 - (iv) an employee regularly employed by the person concerned;
 - (b) in the case of an individual, a relative;
 - (c) in the case of a company, a director or the secretary;
 - (d) in the case of a partnership, a partner;
 - (e) in the case of a body of persons, a member of such body; or
- (2) who is authorized in writing from time to time, by a person to act on his behalf for the purposes of this Ordinance in respect of matters relating to such year of assessment as is specified in the authorization and who, being an individual registered as an auditor under the Companies' (Auditors) Regulations, is approved by the Commissioner;

Amendment of
the Third
Schedule to
the principal
Act.

18. (1) The Third Schedule to the principal Act, as amended by Act No. 12 of 1964 and Act No. 18 of 1965, is hereby further amended by the substitution, for Part III of that Schedule, of the following new Part:—

“ PART III.

Rates of Wealth Tax for any year of assessment commencing on or after April 1, 1965.

1. For a person other than a charitable institution or a non-resident company having immovable property in Ceylon—

| | |
|---|--------------------------|
| On the first Rs. 200,000 of taxable wealth ... | $\frac{1}{2}$ per centum |
| On the next Rs. 500,000 of taxable wealth ... | $\frac{3}{4}$ per centum |
| On the next Rs. 1,000,000 of taxable wealth ... | 1 per centum |
| On the balance of all taxable wealth ... | 2 per centum |

2. For a charitable institution—

On all taxable wealth $\frac{1}{2}$ per centum

3. For a non-resident company having immovable property
in Ceylon—

On all taxable wealth 1 per centum".

(2) The amendments made to the Third Schedule
to the principal Act by sub-section (1) of this section
shall be deemed to have come into force on December
18, 1965, and shall apply in respect of every year of
assessment commencing on or after April 1, 1965.