



PARLIAMENT OF THE DEMOCRATIC
SOCIALIST REPUBLIC OF
SRI LANKA

SURCHARGE ON INCOME TAX
ACT, No. 25 OF 1979

[Certified on 20th April, 1979]

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L.D.—O 8/79.

AN ACT TO IMPOSE A SURCHARGE ON EVERY PERSON CHARGEABLE WITH INCOME TAX FOR THE YEAR OF ASSESSMENT COMMENCING ON APRIL 1, 1978, BY REFERENCE TO THE INCOME TAX PAYABLE BY SUCH PERSON FOR THAT YEAR OF ASSESSMENT; AND TO PROVIDE FOR MATTERS CONNECTED THEREWITH AND INCIDENTAL THERETO.

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

1. This Act may be cited as the Surcharge on Income Tax Act, No. 25 of 1979. Short title.

2. Every person who is chargeable with income tax for the year of assessment commencing on April 1, 1978, (in this Act referred to as the "relevant year") shall, notwithstanding anything contained in any other written law or in any convention, grant or agreement, be liable to pay a surcharge equivalent to twenty *per centum* of the amount of the total income tax payable by him for the relevant year. Imposition of surcharge.

For the purposes of this section "income tax" shall not include—

(a) in the case of a resident company other than a people's company, the income tax payable by that company under paragraph (b) of subsection (1) of section 25 of the Inland Revenue Act;

(b) in the case of a non-resident company, such part of the income tax payable by that company under section 26 of the Inland Revenue Act as is computed under that section at the rate of 33 $\frac{1}{3}$ *per centum*; and

(c) in the case of a people's company, the income tax payable by that company under paragraph (b) of subsection (IB) of section 25 of the Inland Revenue Act,

Special provision relating to persons whose statutory income for the relevant year consists only of profits from employment or profits from employment and profits from sources other than employment.

3. (1) Where the total statutory income of a person for the relevant year consists only of profits from any employment the income tax payable by such person on his profits from any employment carried on by him during the period commencing on January 1, 1979, and ending on March 31, 1979, shall, for the purposes of computing the amount of the surcharge payable by such person under section 2, be deemed to be the total income tax payable by such person for the relevant year.

(2) Where the total statutory income of a person for the relevant year consists of profits from any employment and profits from sources other than employment, then, the aggregate of—

(a) the income tax payable by such person on his profits from any employment carried on by him during the period commencing on January 1, 1979, and ending on March 31, 1979; and

(b) such part of the total income tax payable by such person for the relevant year as is equal to the proportion which his profits and income for that year, from sources other than employment bears to his total statutory income for that year,

shall, for the purposes of computing the amount of the surcharge payable by such person under section 2, be deemed to be the total income tax payable by such person for the relevant year.

Payment of surcharge.

4. Every person liable to pay a surcharge under section 2 shall pay the amount of such surcharge to the Commissioner-General in three equal instalments on or before the fifteenth day respectively, of May, August and November, 1979.

Certain provisions of the Inland Revenue Act to apply to the assessment, recovery and payment of the surcharge

5. The provisions of Chapters XI, XIA, XII, XIII, XIII A and XIV of the Inland Revenue Act relating to the assessment, appeals against the assessment, payment and recovery of income tax shall, *mutatis mutandis*, apply to the assessment, appeals against the assessment, payment and recovery of the surcharge payable under section 2.

Refunds.

6. Where any person is entitled under section 117 of the Inland Revenue Act, to a refund of any amount paid by him as income tax in excess of the amount with which he was properly chargeable for the relevant year such person shall, if he has paid the surcharge payable under

section 2, be entitled to a refund of an additional amount equal to twenty *per centum* of the amount of the refund to which he is entitled under section 117.

7. In this Act unless the context otherwise requires—

Interpretation.

“the Inland Revenue Act” means the Inland Revenue Act, No. 4 of 1963 ;

“income tax” means the income tax charged and levied under the Inland Revenue Act ;

“Commissioner-General”, “company”, “peoples company”, “person”, “profits” “profits and income”, “profits from any employment”, “statutory income”, and “year of assessment” have the same meanings respectively, as in the Inland Revenue Act.