



PARLIAMENT OF THE DEMOCRATIC  
SOCIALIST REPUBLIC OF  
SRI LANKA

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PROVINCIAL COUNCIL TURNOVER TAXES  
(LIMITS AND EXEMPTIONS)  
ACT, No. 25 OF 1995

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[Certified on 17th November, 1995]

*Printed on the Order of Government*

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**Provincial Council Turnover Taxes (Limits and  
Exemptions) Act, No. 25 of 1995**

[Certified on 17th November, 1995]

L.D.--O. 37/95

AN ACT TO PRESCRIBE THE LIMITS WITHIN WHICH, AND THE  
EXEMPTIONS SUBJECT TO WHICH, PROVINCIAL COUNCILS MAY  
IMPOSE TURNOVER TAXES ON WHOLESALE AND RETAIL SALES

WHEREAS the Constitution confers power on Provincial  
Councils to make Statutes imposing turnover taxes on  
wholesale and retail sales, within such limits, and subject  
to such exemptions, as may be prescribed by law made by  
Parliament :

**Preamble.**

AND WHEREAS it is expedient that Parliament prescribes  
such limits and exemptions, with a view to enabling the  
Provincial Councils to exercise this power effectually :

NOW THEREFORE be it enacted by the Parliament of  
the Democratic Socialist Republic of Sri Lanka as  
follows :—

1. This Act may be cited as the Provincial Council Turn-  
over Taxes (Limits and Exemptions) Act, No. 25 of 1995.

**Short title.**

2. (1) A turnover tax imposed by a Statute made by a  
Provincial Council on wholesale and retail sales shall be  
within the limits set out in subsection (2) of this section  
and subject to the exemptions set out in subsection (3)  
of this section read with the Schedule to this Act.

**Limits  
of, and  
exemptions  
from,  
turnover  
taxes  
imposed by  
Provin-  
cial Coun-  
cils.**

(2) The rate at which such turnover tax shall be levied  
shall in no case exceed five *per centum* of the turnover on  
which it is imposed.

(3) The turnover arising from the wholesale and retail  
sales set out in the Schedule to this Act shall be exempt  
from such turnover tax

3. 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  
inconsis-  
tency.**

4. In this Act, unless the context otherwts requires—  
“article” and “manufacturer” have the respective  
meanings assigned to them by the Turnover Tax Act,  
No. 69 of 1981 ;

**Inter-  
pretation.**

“Provincial Council” means a Provincial Council estab-  
lished by Chapter XVIII A of the Constitution.

SCHEDULE

[Section 2 (1)]

Wholesale and retail sales by a manufacturer, of any articles manufactured by him.

Wholesale and retail sales of any articles to buyers outside Sri Lanka.

Wholesale and retail sales by a Co-operative Society registered under the Co-operative Societies Law, No. 5 of 1972.

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