



PARLIAMENT OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA

FINANCE (AMENDMENT) ACT, No. 35 OF 1997

[Certified on 10th December, 1997]

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Finance (Amendment) Act, No. 35 of 1997

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L.D.—O. 63/96.

AN ACT TO AMEND THE FINANCE ACT, NO. 11 OF 1963

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

1. This Act may be cited as the Finance (Amendment) Act, No. 35 of 1997.

Short title.

2. Section 11 of the Finance Act, No. 11 of 1963 (hereinafter referred to as the "principal enactment") is hereby repealed and the following section substituted therefor :—

Replacement
of section 11
of Act No. 11
of 1963.

"Audit of
Accounts.

11. Article 154 of the Constitution relating to the audit of the accounts of public corporations shall apply to the audit of the accounts of the Fund of the Board."

3. Section 14 of the principal enactment is hereby repealed and the following section substituted therefor :—

Replacement
of section 14
of the
principal
enactment.

"National
lotteries.

14. (1) The Board shall, in addition to any lotteries conducted by it under subsection (2), conduct the prescribed number of lotteries every year. Every such lottery shall be conducted by the Board, in such manner as may be prescribed.

(2) The Board may conduct lotteries for, or on behalf of, any Ministry, government department or public corporation on such terms as may be agreed between the Board and such Ministry, government department or public corporation, as the case may be, (including, *inter alia*, terms providing for the crediting of prizes which are not won in any lottery conducted under such agreement, to a prize reserve account, to be used for the award of prizes in subsequent lotteries conducted under such agreement and the manner in which prizes which are forfeited, in lotteries conducted under such agreement, are to be disposed of).

(3) Every lottery conducted by the Board under this part of this Act is hereinafter referred to as a "national lottery".

**Amendment of
section 16 of the
principal
enactment.**

4. Section 16 of the principal enactment is hereby amended as follows :—

(1) by the repeal of subsection (1) of that section, and the substitution of the following subsection therefor :—

"(1) (a) The number of prizes to be awarded in a national lottery conducted by the Board, otherwise than under an agreement entered into under subsection (2) of section 14, and the value of each such prize shall be as prescribed.

(b) The number of prizes to be awarded in a lottery conducted by the Board under an agreement entered into under subsection (2) of section 14, and the value of each such prize shall be as specified in such agreement."

(2) by the repeal of subsection (3) of that section and the substitution of the following subsection therefor :—

"(3) (a) The prize winners in every national lottery conducted by the Board, otherwise than under an agreement entered into under subsection (2) of section 14, shall be determined in such manner as may be prescribed.

(b) The prize winners in a national lottery conducted by the Board, under an agreement entered into under subsection (2) of section 14, shall be determined in such manner as may be specified in such agreement."

(3) by the repeal of subsection (4) of that section, and the substitution, of the following subsection therefor :—

“(4) After the expiration of a period of six months reckoned from the date of determination of the winners in a national lottery conducted by the Board, any prize in such national lottery which has not been granted to the person entitled thereto by reason of the fact that such person is not to be found shall be forfeited, and shall, if such prize relates to a national lottery, conducted by the Board otherwise than under an agreement entered into under subsection (2) of section 14, be paid to the Fund of the Board, and if such prize relates to a national lottery conducted by the Board, under an agreement entered into under subsection (2) of section 14, be disposed of in accordance with the terms of such agreement :

Provided however, that where any action or proceeding arising out of any claim made in respect of such prize is pending before any court at the expiration of the period aforesaid, such forfeiture shall not be made, and if in the final determination of that action or proceeding any person is declared to be entitled to such prize, the Board shall grant such prize to that person, and if no person is so declared, such prize shall be forfeited and shall, if such prize relates to a national lottery conducted by the Board, otherwise than under an agreement entered into under subsection (2) of section 14, be paid to the Fund of the Board, and if such prize relates to a lottery conducted by the Board under an agreement entered into under subsection (2) of section 14, be disposed of in accordance with the terms of such agreement.”.

Amendment of
section 17 of the
principal
enactment.

5. Section 17 of the principal enactment is hereby amended as follows :—

- (1) by the insertion immediately after subsection (1) of that section of the following subsection :—

“(1A) Where a prize consisting of money in a national lottery conducted by the Board, otherwise than under an agreement entered into under subsection (2) of section 14, is not won by any person, such prize money shall notwithstanding anything to the contrary in this section, be credited to a Prize Reserve Account and the monies accumulated in such account shall be used for the award of prizes at subsequent national lotteries conducted by the Board otherwise than under an agreement entered into under subsection (2) of section 14.”.

- (2) in subsection (2) of that section, by the substitution for the words “every national lottery after the deduction from such proceeds of an amount approved by the Permanent Secretary” of the words “every national lottery conducted by the Board, otherwise than under an agreement entered into under subsection (2) of section 14, after deducting therefrom such proceeds of an amount approved by the Secretary to the Ministry of the Minister.”.

- (3) by the addition, at the end of that section of the following subsections :—

“(3) The Board shall pay to the Ministry, government department or public corporation with which the Board has entered into an agreement under subsection (2) of section 14, through the Consolidated Fund, the proceeds of every national lottery conducted by the Board for such Ministry, government department or public corporation, as the case may be, under such agreement, after deduction from such proceeds, of the value of the prizes awarded in such national lottery, and of any fees payable, under the terms of that agreement, to the Board for conducting such national lottery.

(4) All prizes in a national lottery conducted by the Board, otherwise than under an agreement entered into under subsection (2) of section 14, which have been forfeited and paid to the Fund of the Board, under section 16, shall be credited by the Board to the Consolidated Fund.”.

6. Section 18 of the principal enactment is hereby repealed.

Repeal of section 18 of the principal enactment.

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

Replacement of section 19 of the principal enactment.

“Application of Lotteries Ordinance.

19. The Lotteries Ordinance shall not apply to or in relation to any national lottery conducted by the Board under this Part of this Act.”.

8. Section 20 of the principal enactment is hereby amended in paragraph (a) of subsection (2) of that section, by the substitution, for the words “in every national lottery are to be sold”, of the words “in every national lottery, conducted by the Board, otherwise than under an agreement entered into under subsection (2) of section 14, are to be sold”.

Amendment of section 20 of the principal enactment.

9. Section 23 of the principal enactment is hereby amended as follows :—

Amendment of section 23 of the principal enactment.

(1) by the repeal of the definition of “financial year”, and the substitution, of the following definition therefor :—

“financial year” means the period commencing on January 1 in any year and ending on December 31 of that year;”;

(2) by the repeal of the definition of “Minister” and the substitution, of the following definition therefor :—

“Minister” means the Minister to whom the subject of Finance has been assigned.”; and

(3) by the addition, at the end of that section, of the following definition :—

“Public Corporation” means any corporation, board or other body which was or is established by or under any written law other than the Companies Act, No. 17 of 1982, with funds or capital wholly or partly provided by the Government, by way of grant, loan or otherwise.”.

Sinhala text to prevail in case of inconsistency.

10. In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail.