



**PARLIAMENT OF THE DEMOCRATIC
SOCIALIST REPUBLIC OF
SRI LANKA**

FINANCE ACT, No. 35 OF 2018

[Certified on 01st of November, 2018]

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Finance Act, No. 35 of 2018

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L.D.—O. 22/2017

AN ACT TO AMEND THE FINANCE ACT, NO. 25 OF 2003, THE FINANCE ACT, NO. 5 OF 2005, THE FINANCE ACT, NO. 12 OF 2012, THE FINANCE ACT, NO. 16 OF 1995, AND THE FINANCE ACT, NO. 10 OF 2015; AND TO PROVIDE FOR THE IMPOSITION OF LUXURY TAX ON MOTOR VEHICLES, VEHICLE ENTITLEMENT LEVY, ANNUAL COMPANY REGISTRATION LEVY, DEBT REPAYMENT LEVY, CARBON TAX, CELLULAR TOWER LEVY AND MOBILE SHORT MESSAGE SERVICE LEVY; 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 Finance Act, No. 35 of 2018. Short title.

PART I

AMENDMENT OF PART II OF THE FINANCE ACT, NO. 25 OF 2003

2. Part II (Imposition of Tourism Development Levy) of the Finance Act, No. 25 of 2003 (hereinafter in this Part referred to as the “principal enactment”) is hereby amended in section 11— Amendment of section 11 of Act, No. 25 of 2003.

- (1) by the renumbering of section 11 as subsection (1) thereof;
- (2) in the second proviso of renumbered subsection (1) by the substitution for the words “rupees three million” of the words “rupees three million, for the period ending on December 31, 2018.”;

- (3) by the insertion immediately after the second proviso to that subsection of the following new proviso:—

“Provided further, from and after January 1, 2019, such levy shall be charged from any institution having an annual turnover of not exceeding rupees twelve million or a quarterly turnover not exceeding rupees three million at the rate of 0.5 *per centum* on such turnover of such institution.”;

- (4) by the insertion immediately after renumbered subsection (1), of the following new subsection:—

“(2) From and after January 1, 2019, there shall be levied from every institution licensed under the Tourism Act, No. 38 of 2005 a levy of one *per centum* on the turnover of such institutions in any year, to be called the Tourism Development Levy:

Provided however, such levy shall not be charged on the commission carried on the sale of airline tickets from Travel Agents including General Sales Agents licensed under the Tourism Act, No. 38 of 2005:

Provided further, such levy shall be charged from any institution having an annual turnover of not exceeding rupees twelve million or a quarterly turnover not exceeding three million, at the rate of 0.5 *per centum* on such turnover of such institution.”; and

- (5) by the repeal of the marginal note of that section and the substitution therefor of the following:—

“Imposition of Levy on institutions, licensed under Tourism Development Act and Tourism Act”.

3. Section 12 of the principal enactment is hereby amended by the repeal of subsection (2) thereof and the substitution therefor, of the following subsections:—

Amendment of section 12 of the principal enactment.

“(2) The Director General of the Ceylon Tourist Board shall—

- (a) retain the levy so collected under subsection (1), other than the levy collected from the online travel agents licensed under the Tourism Act, No. 38 of 2005 and the levy collected at the rate of 0.5 *per centum* under section 11; and
- (b) remit the levy collected from the online travel agents licensed under the Tourism Act, No. 38 of 2005 and the levy collected at the rate of 0.5 *per centum* under section 11, to the Consolidated Fund.

(3) The Director General of the Ceylon Tourist Board shall furnish such returns in such manner as may be prescribed in that behalf to the Deputy Secretary to the Treasury, within thirty days of the date on which such amount is collected.”.

PART II

AMENDMENT OF PART II OF THE FINANCE ACT, NO. 5 OF 2005

4. Part II (Imposition of Share Transaction Levy) of the Finance Act, No. 5 of 2005, is hereby amended in section 7 thereof, by the repeal of paragraph (b) thereof and the substitution therefor of the following paragraphs:—

Amendment of section 7 of Act, No. 5 of 2005.

- “(b) for any period commencing on or after January 1, 2011, but prior to January 1, 2016, at the rate of 0.3 *per centum*; and
- (c) for any period commencing on or after April 1, 2016, at the rate of 0.3 *per centum*,”.

PART III**AMENDMENT OF PART III OF THE FINANCE ACT, NO. 5 OF 2005**

Amendment of
section 13 of
Act, No. 5 of
2005.

5. Part III (Imposition of Construction Industry Guarantee Fund Levy) of the Finance Act, No. 5 of 2005 (hereinafter in this Part referred to as the “principal enactment”) is hereby amended in subsection (1) of section 13, by the substitution for the words “for every year thereafter,” of the words and figures “for every year thereafter until December 31, 2015,”.

Amendment of
section 13A of
the principal
enactment.

6. Section 13A of the principal enactment is hereby amended in subsection (1), by the substitution for the words and figures “any payment on or after April 1, 2009 to any construction contractor or sub-contractor,” of the words and figures “any payment on or after April 1, 2009 but prior to January 1, 2016 to any construction contractor or sub-contractor,”.

Retrospective
effect.

7. The amendments made to the principal enactment by this Part of this Act, shall be deemed for all purposes to have come into force on January 1, 2016.

PART IV**AMENDMENT OF PART IV OF THE FINANCE ACT, NO. 12 OF 2012**

Amendment of
section 18A of
Act, No. 12 of
2012.

8. Part IV (Exemption from Application of the provisions of Customs Ordinance (Chapter 235), Exchange Control Act (Chapter 423) and the Imports and Exports (Control) Act, No. 1 of 1969) of the Finance Act, No. 12 of 2012, (hereinafter in this Part referred to as the “principal enactment”) is hereby amended in subsection (1) of section 18A thereof, by the substitution for the words “any enterprise engaged in” of the words “enterprises or certain enterprises as specified in that Schedule engaged in”.

9. The Schedule to the principal enactment is hereby amended, by the substitution for item 1 thereof, of the following item:—

Amendment of the Schedule to the principal enactment.

“1. Value Added Tax Act, No. 14 of 2002 (other than an enterprise which carries out activities which are treated as zero rated activities within the meaning of the provisions of Value Added Tax Act and for which the provisions of paragraph (e) of subsection (2) of section 2 of the said Act are applicable on local purchase of goods or services under Simplified Value Added Tax Scheme referred to in that paragraph);”.

10. The amendments made to the principal enactment by this Part of this Act shall come into operation on the date of commencement of this Act.

Application of the provisions of this part.

PART V

AMENDMENT OF PART II OF THE FINANCE ACT, NO. 16 OF 1995

11. The Finance Act, No. 16 of 1995 (hereinafter in this Part, referred to as the “principal enactment”) is hereby amended in subsection (1) of section 3 thereof, by the substitution for the words “every luxury motor vehicle (other than a semi-luxury dual purpose motor vehicle or a wagon)-” of the words and figures “every luxury motor vehicle (other than a semi-luxury dual purpose motor vehicle or a wagon) of which the first year of registration falls prior to January 1, 2019-”.

Amendment of section 3 of Act, No. 16 of 1995.

12. Section 4 of the principal enactment is hereby amended in subsection (1) thereof, by the substitution for the words “every semi-luxury motor vehicle (other than a semi-luxury dual purpose motor vehicle or a wagon)-” of the words and figures “every semi-luxury motor vehicle (other than a semi-luxury dual purpose motor vehicle or a wagon) of which the first year of registration falls prior to January 1, 2019-”.

Amendment of section 4 of the principal enactment.

Amendment of section 5 of the principal enactment.

13. Section 5 of the principal enactment is hereby amended in subsection (1) thereof, by the substitution for the words “every semi-luxury dual purpose motor vehicle (other than a wagon)-” of the words and figures “every semi-luxury dual purpose motor vehicle (other than a wagon) of which the first year of registration falls prior to January 1, 2019.”.

Amendment of section 8 of the principal enactment.

14. Section 8 of the principal enactment is hereby amended in subsection (1) thereof, by the substitution for the words “any specified motor vehicle” of the words and figures “any specified motor vehicle, of which the payment due date of the levy falls prior to January 1, 2019,”.

Amendment of section 8A of the principal enactment.

15. Section 8A of the principal enactment is hereby amended by the substitution for the words “any specified motor vehicle” of the words and figures “any specified motor vehicle, of which the payment due date of the levy falls prior to January 1, 2019,”.

Insertion of new section 8B in the principal enactment.

16. The following new section is hereby inserted immediately after section 8A and shall have effect as section 8B of the principal enactment:—

“Levy to be collected at the time of renewal of registration.

8B. (1) Every Divisional Secretary who renews an annual revenue licence in respect of any specified motor vehicle of which the payment due date of the levy falls on or after January 1, 2019, shall, at the time of renewing the annual revenue licence, collect from the registered owner of such motor vehicle an amount equal to such levy and remit the amount so collected to the Commissioner-General who shall credit the same to the Consolidated Fund.

(2) Every Divisional Secretary who collects the levy under subsection (1) shall send a monthly report to the Commissioner-General in such form and containing such particulars as may be specified by the Commissioner-General in respect of the levy so collected and remitted to the Consolidated Fund.

(3) Every Divisional Secretary who collects the levy in accordance with the provisions of subsection (1), shall duly acknowledge the receipt of the levy so collected, in such manner as may be specified by the Commissioner-General.

(4) Any levy so collected by any Divisional Secretary in accordance with the provisions of subsection (1), shall be deemed to have been paid by such registered owner to the Commissioner-General on the date on which such Divisional Secretary collected such levy.”.

PART VI

AMENDMENT OF THE FINANCE ACT, NO. 10 OF 2015

17. Part VII (Mansion Tax) of the Finance Act, No. 10 of 2015 (hereinafter in this Part referred to as the “principal enactment”) is hereby repealed.

Repeal of
Part VII of Act,
No. 10 of 2015.

18. Part IX (Motor Vehicle Importers Licence Fee) of the principal enactment is hereby repealed, with effect from January 1, 2016.

Repeal of Part
IX of the
principal
enactment.

PART VII

IMPOSITION OF LUXURY TAX ON MOTOR VEHICLES

Imposition of
Luxury Tax on
motor vehicles.

19. There shall be charged, a tax to be called the “Luxury Tax” (hereinafter in this Part referred to as “the tax”) on every specified motor vehicle of which the first year of registration falls on or after the date, and at the rates, as may be prescribed by regulations made under this Act.

Collection of
tax at the time
of importation.

20. (1) The tax payable under section 19 on any specified motor vehicle imported into Sri Lanka on or after the date prescribed under section 19, shall be paid to the Director-General of Customs, by the person importing such vehicle, at the time of removing the vehicle from Sri Lanka customs, together with the import duties payable in respect of such vehicle in terms of any written law.

(2) The provisions of the Customs Ordinance (Chapter 235) applicable for the collection and recovery of any Customs Duty, shall, *mutatis mutandis*, apply for the collection and recovery of the tax under this section.

Collection of tax
at the time of
registration.

21. (1) The tax payable under section 19 on any specified motor vehicle imported into Sri Lanka prior to the date prescribed under section 19, or assembled in Sri Lanka shall be paid by the registered owner of such vehicle to the Commissioner-General at the time of issuing the first Certificate of Registration in respect of such vehicle.

(2) The Commissioner-General shall remit the tax collected under subsection (1) to the Consolidated fund.

Certain vehicles
to be exempted
from the
payment of the
tax.

22. Nothing in this Part shall apply to any specified motor vehicle providing services to a Diplomatic Mission of any State within the meaning of the Diplomatic Privileges Act, No. 9 of 1996 or to an International, Multilateral or Bilateral Organization recognized in terms of that Act.

23. In this Part of this Act, unless the context otherwise requires— Interpretation.

“Commissioner General” means the Commissioner General of Motor Traffic appointed under the Motor Traffic Act (Chapter 203);

“Director- General of Customs” means the Director-General of Customs appointed under section 2 of the Customs Ordinance (Chapter 235);

“specified motor vehicle” means any assembled or unassembled diesel motor vehicle of which the cylinder capacity exceeds 2,300 CC or a petrol motor vehicle of which the cylinder capacity exceeds 1,800 CC or an electric vehicle of which motor power of the engine exceeds 200 Kw, but shall not include a dual purpose petrol motor vehicle the cylinder capacity of which does not exceed 2,200 CC, dual purpose electric motor vehicle, a van, a single cab or a wagon.

PART VIII

IMPOSITION OF VEHICLE ENTITLEMENT LEVY

24. There shall be charged with effect from January 1, 2016, a levy to be called the “Vehicle Entitlement Levy” (hereinafter in this Part referred to as “the levy”) from every importer of motor vehicles, who imports a motor vehicle specified in the First Schedule hereto, at the respective rates set out in that Schedule for each category of vehicle identified under the harmonized commodity description and coding system numbers: Imposition of Vehicle Entitlement Levy.

Provided however, an importer of vehicle who imports such vehicle in unassembled form shall not be liable to pay the levy.

Collecting the
levy for the
period
commencing
from January 1,
2016 to January
1, 2019.

25. (1) The Levy payable for any period commencing on January 1, 2016 but ending prior to January 1, 2019 shall have been collected by the bank at which the Letter of Credit in respect of the vehicle imported is opened, at the time of opening such Letter of Credit and shall be remitted in the manner specified in subsection (2) by such bank to the Commissioner-General.

(2) The levy collected by the bank within the period Commencing—

- (a) on the 1st day of any month to the 15th day of that month shall have been remitted on or before the end of that month; and
- (b) on the 16th day of any month to the end of that month shall have been remitted on or before the 15th day of the succeeding month,

to the Commissioner-General.

(3) Every bank which remit the levy in terms of the preceding provisions of this section shall, submit a statement setting out the following, to the Commissioner-General:—

- (a) the name and address of each importer relating to each remittance;
- (b) category of the vehicle;
- (c) value of the Letter of Credit;
- (d) amount collected; and
- (e) any other details as may be required by the Commissioner-General, from time to time.

(4) Any bank which collects the levy from any importer shall issue a copy of the Letter of Credit to such importer certifying that the levy has been paid. Any vehicle imported on a Letter of Credit opened on or after January 1, 2016 shall not be allowed to be removed from the Sri Lanka Customs, unless the importer submits the copy of the Letter of Credit which is endorsed by the bank.

(5) In any event where the Letter of Credit is cancelled and a refund being requested by the importer who has paid the levy on such Letter of Credit, prior to the remittance of such levy to the Commissioner-General, the bank may refund the levy so paid.

26. (1) The levy payable under section 24 for any period commencing on or after January 1, 2019, on any vehicle in respect of which the Letter of Credit has been opened on or after January 1, 2019 and imported into Sri Lanka, shall be paid by the importer of the vehicle to the Director-General of Customs, at the time of removing the vehicle from Sri Lanka Customs together with the import duties payable in respect of such vehicle in terms of any written law.

Collecting the
levy for any
period
commencing on
or after
January 1, 2019.

(2) Upon payment of the levy, the Director-General of Customs shall issue a certificate called "Vehicle Entitlement Certificate" in the form as may be prescribed, by regulations made under this Act.

(3) The provisions of the Customs Ordinance (Chapter 235) which apply for the collection and recovery of any customs duty, shall, *mutatis mutandis*, apply for the collection and recovery of the levy under this Part.

Certain vehicles to be exempted from the payment of the levy.

27. Nothing in this Part shall apply to any vehicle imported to Sri Lanka for providing services to a Diplomatic Mission of any State within the meaning of the Diplomatic Privileges Act, No. 9 of 1996 or to an International, Multilateral or Bilateral Organization recognized in terms of that Act.

Validation.

28. Where a levy of such amount under section 24 has been collected by a bank on behalf of the Commissioner General, in terms of this Part of this Act, during the period commencing on January 1, 2016, and ending on the date of the commencement of this Act, from any person who imports a motor vehicle, such collection shall be deemed for all purposes to have been, validly made, and the bank and the Commissioner General are hereby indemnified against all action civil or criminal, in respect of such collection.

Amendment of the rates of the levy by resolution of Parliament.

29. The Parliament may by resolution amend the rates of the levy payable under section 24 and set out in the First Schedule hereto.

Interpretation.

30. In this Part of this Act, unless the context otherwise requires—

“bank” means a licensed commercial bank within the meaning of the Banking Act, No. 30 of 1988;

“Commissioner-General” means the Commissioner General of Inland Revenue appointed or deemed to be appointed under the Inland Revenue Act, No. 24 of 2017;

“Director General of Customs” means the Director General of Customs appointed under section 2 of the Customs Ordinance (Chapter 235).

PART IX

ANNUAL COMPANY REGISTRATION LEVY

31. (1) There shall be charged and levied for the year commencing on January 1, 2016, and ending on December 31, 2016 from every company incorporated or registered under the Companies Act, No. 7 of 2007, a levy to be called “Annual Company Registration Levy” (hereinafter in this Part referred to as “the levy”) at the respective rates as specified for each category of Company in the Second Schedule:

Imposition of
Annual
Company
Registration
Levy.

Provided however, the provisions of this section shall not apply to-

- (a) an off-shore company; and
- (b) a company limited by guarantee.

(2) The levy shall be collected by the Registrar of Companies from every relevant company on or before December 31, 2019 and be remitted to the Consolidated Fund.

(3) The provisions which may be necessary for the implementation of the provisions of this Part shall be prescribed by regulations made under this Act.

32. Notwithstanding anything to the contrary in the provisions of section 31, any company which is incorporated under the Companies Act, No. 7 of 2007, within the period commencing on January 1, 2016 and ending on December 31, 2016 shall not be liable to pay the levy.

Certain
companies to be
exempted from
payment of the
levy.

Default in
payment of the
levy.

33. (1) Any company which fails to pay the levy as provided for in section 31, shall be deemed to be a defaulter under this Act.

(2) The provisions of section 34 shall apply to, and in relation to, the prosecution against any such defaulter and for the recovery of such levy.

Recovery of the
Levy in default.

34. (1) Where the amount of the levy or part thereof is in default, the Registrar of Companies shall issue a certificate containing particulars of the amount in default and the name and address of the company, to the Magistrate having jurisdiction over such place.

(2) The Magistrate shall thereupon summon the defaulter to show cause why proceedings for the recovery of the amount of the levy in default shall not be taken against him.

(3) If sufficient cause is not shown by the defaulter, the amount of the levy in default shall be recovered by Order of the Magistrate, as if it was a fine imposed by the Magistrate on such defaulter, and when recovered be remitted to the Registrar of Companies to be credited to the Consolidated Fund.

Validation.

35. Where a levy of such amount under section 31 has been collected for the period specified in that section by the Registrar of Companies, in terms of this Part of this Act, during the period commencing on January 1, 2016, and ending on the date of the commencement of this Act, from any company incorporated or registered under the Companies Act, No. 7 of 2007, such collection shall be deemed for all purposes to have been, validly made, and the Registrar of Companies is hereby indemnified against all action civil or Criminal, in respect of such collection.

PART X

DEBT REPAYMENT LEVY

36. (1) There shall be charged and levied for every month commencing on October 1, 2018 but ending on December 31, 2021, from every financial institution, a levy of 7 *per centum* to be called the “Debt Repayment Levy” (hereinafter in this Part referred to as “the levy”) on the value addition attributable to the supply of financial services by each such institution.

Imposition of
Debt Repayment
Levy.

(2) For the purposes of this section the value addition attributable to the supply of financial services shall be calculated based on the provisions specified in section 25C of the Value Added Tax Act, No. 14 of 2002.

(3) The amount of the operating profit or loss of the financial institution considered for calculating the value addition attributable to the supply of financial services under this section, shall be the amount of the profit or loss of such financial institution prior to deducting the tax payable under this section, the value Added tax payable under section 25A of the Value Added Tax Act, No. 14 of 2002 and the Nation Building Tax payable under paragraph (iii) of subsection (2) of the Nation Building Tax Act, No. 9 of 2009.

(4) The levy for every month shall be remitted to the Commissioner-General, along with a value addition statement in respect of such remittance on or before the twentieth day of the month succeeding the relevant month.

(5) A financial institution shall in respect of each financial year of such financial institution furnish a return in the form specified by the Commissioner-General within a period of six months from the end of that financial year.

37. The Minister may, having regard to the economic development of the country, by Order published in the *Gazette*, exempt any transaction of a financial institution

exemption from
the Default in
payment of the
levy.

specified in such Order, from the payment of the levy payable under this Part, subject to such condition as may be specified in such Order.

Default in
payment of the
Levy.

38. (1) Where any financial institution, which is liable to pay the levy under this Part fails to pay the levy as provided for in section 36, such financial institution shall be deemed to be a defaulter under this Act.

(2) The provisions of Chapter IX, Chapter XI, Chapter XII, Chapter XIII, Chapter XIV, Chapter XV, Chapter XVI, Chapter XVII and Chapter XVIII of the Inland Revenue Act, No. 24 of 2017 shall, *mutatis mutandis*, apply to, and in relation to, any such defaulter.

Interpretation.

39. In this Part of this Act, unless the context otherwise requires—

“Commissioner-General” means the Commissioner-General of Inland Revenue appointed or deemed to be appointed under the Inland Revenue Act, No. 24 of 2017;

“financial institution” means—

- (a) a licensed commercial bank or a licensed specialized bank within the meaning of the Banking Act, No. 30 of 1988;
- (b) a finance company licensed under the Finance Business Act, No. 42 of 2011.

PART XI

CARBON TAX

Imposition of
Carbon Tax.

40. (1) There shall be levied for every year commencing from January 1, 2019, from the registered owner of every motor vehicle specified in the Third Schedule hereto, a tax to be called the “Carbon Tax” (hereinafter in this Part referred to as “the tax”) at such rates as may be specified in that Schedule.

(2) The tax imposed under subsection (1) shall not apply for any electric vehicle.

41. (1) The registered owner of any relevant vehicle shall pay the tax for every year, other than for the first year of registration of such motor vehicle, to the Divisional Secretary, on or before the due date of renewal of annual registration.

Registered owner to pay the tax.

(2) Every Divisional Secretary who collects any amount in accordance with the provisions of subsection (1) shall duly acknowledge the receipt of the tax so collected and remit such amount to the Commissioner-General, in such manner as may be prescribed.

(3) The provisions which may be necessary for the implementation of the provisions of this Part and collection of the tax shall be prescribed by regulations made under this Act.

42. The Parliament may by resolution amend the rates of the tax payable under section 40 and set out in the Third Schedule hereto.

Amendment of the rates of the tax by resolution of Parliament.

43. In this Part of this Act, unless the context otherwise requires—

Interpretation.

“Commissioner-General” means the Commissioner-General of Motor Traffic appointed under the Motor Traffic Act (Chapter 203).

PART XII

CELLULAR TOWER LEVY

44. (1) There shall be levied for every year commencing from January 1, 2019, from every mobile telephone operator who owns a cellular tower, a levy to be called the “Cellular Tower Levy” (hereinafter in this Part referred to as “the levy”) of rupees two hundred thousand *per annum* for each cellular tower.

Imposition of Cellular Tower Levy.

(2) The levy shall be paid by such mobile telephone operator, to the Telecommunication Regulatory Commission (hereinafter in this Part referred to as “the Commission”) in four equal instalments, respectively as follows:—

- (a) first instalment on or before the fifteenth day of April of the relevant year;
- (b) second instalment on or before the fifteenth day of July of the relevant year;
- (c) third instalment on or before the fifteenth day of October of the relevant year;
- (d) fourth instalment on or before the fifteenth day of January of the year succeeding the relevant year.

(3) (a) The levy payable under subsection (1) in respect of any cellular tower not owned by any mobile telephone operator, shall be paid by the mobile telephone operator who uses the cellular tower.

(b) Where the cellular tower is used by more than one mobile telephone operator, the levy shall be paid by such mobile telephone operators in equal shares.

(4) The Commission shall remit the amount of the levy so collected to the Consolidated Fund within fifteen days from the date of collection.

Default in
payment of the
levy.

45. (1) Any mobile telephone operator who fails to pay the levy as provided for in section 44, shall be deemed to be a defaulter under this Act.

(2) The Provisions of section 46 shall apply to, and in relation to the prosecution against any such defaulter and for the recovery of such levy in default.

46. (1) Where the amount of the levy or part thereof is in default, the Commission shall issue a certificate containing particulars of the amount in default, the name and the address of the last known place of residence or business of the defaulter, to the Magistrate having jurisdiction over such place.

Recovery of the levy in default.

(2) The Magistrate shall thereupon summon the defaulter to show cause why proceedings for the recovery of the amount of the levy in default shall not be taken against him.

(3) If sufficient cause is not shown by the defaulter, the amount of the levy in default shall by Order of the Magistrate be recovered as if it was a fine imposed by the Magistrate on such defaulter and shall when recovered, be remitted to the Commission to be credited to the Consolidated Fund.

47. In this Part of this Act, unless the context otherwise requires—

Interpretation.

“mobile telephone operator” means an operator licensed under section 17 of the Sri Lanka Telecommunications Act, No. 25 of 1991;

“cellular tower” means a cellular telephone site where antennae and electronic communication equipment are placed;

“Telecommunication Regulatory Commission” means the Telecommunication Regulatory Commission of Sri Lanka established under the Sri Lanka Telecommunications Act, No. 25 of 1991.

PART XIII

IMPOSITION OF LEVY ON MOBILE SHORT MESSAGE SERVICES

48. (1) There shall be charged with effect from January 1, 2019, a levy of 25 *cents* per each mobile short message, on bulk advertisements sent through mobile short message services.

Imposition of levy on mobile short message services.

(2) The levy imposed under subsection (1), shall be paid by the advertiser who intends to advertise through the mobile short message in respect of which the levy is charged.

(3) Regulations shall be made under this Act, specifying the manner of collection and recovery of the levy and for making provisions for the implementation of the provisions of this Part of this Act.

Interpretation.

49. In this Part of this Act, unless the context otherwise requires—

“mobile short message” means a text message which is sent through mobile phones;

“bulk advertisements” means messages being sent through mobile phones to group of recipients for commercial purposes.

PART XIV

GENERAL

Default by body of persons.

50. Where the default in payment of a levy or tax imposed under this Act is made by a body of persons, if that body of persons is—

- (a) a body corporate, every director and officer responsible with the management and control of that body corporate; or
- (b) a firm, every partner of that firm; or
- (c) a body unincorporated other than a firm, every officer responsible with the management and control of that body,

shall be liable to be prosecuted for the recovery of such levy or tax as provided for in this Act.

Regulations.

51. (1) The Minister may make regulations in respect of all matters which are required to be prescribed or for which regulations are authorized to be made under this Act.

(2) Every regulation made by the Minister under subsection (1) shall be published in the *Gazette* and shall come into operation on the date of its publication or on such later date as may be specified therein.

(3) Every regulation made by the Minister shall as soon as convenient after its publication in the *Gazette*, be brought before Parliament for approval. Every regulation which is not so approved shall be deemed to be rescinded from the date of disapproval but without prejudice to anything duly done thereunder.

(4) Notification of the date on which any regulation is deemed to be rescinded shall be published in the *Gazette*.

52. 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 inconsistency.

[Section 24]

FIRST SCHEDULE

| | Category of vehicles identified under the Harmonized Commodity Description and Coding System Numbers for custom purposes. | | Rate (Rs.per vehicle) |
|---|---|---|--------------------------|
| 1 | Trishaws, Tractors and Motorcycles | | 2,000 |
| 2 | (a) | Motor cars and other motor vehicles principally designed for the transport of persons other than the vehicles referred to in item 1 | 15,000 |
| | (b) | Crew cabs, double cabs and cargo vans | |
| 3 | The following vehicles are not covered by the above items 1 and 2 | | 10,000 |
| | (a) | Special purpose vehicles other than those principally designed for the transport of persons or goods | |
| | (b) | Carriages for disabled persons, whether or not motorized or otherwise mechanically propelled | |

[Section 31]

SECOND SCHEDULE

| <i>Category of Company</i> | <i>Rate (Rs. Per annum)</i> |
|----------------------------|-----------------------------|
| Private Company | 30,000/- |
| Listed Public Company | 1,500,000/- |
| Any other Company | 250,000/- |

[Section 40]

THIRD SCHEDULE

| <i>Category of the vehicle</i> | <i>Rate (Rs.)</i> | | |
|--------------------------------|--------------------------|--------------------------|--------------------------|
| | Less than 05 Years | 5 to 10 Years | Over 10 Years |
| Hybrid (Petrol/Diesel) | 0.25 per cm ³ | 0.50 per cm ³ | 1.00 per cm ³ |
| Fuel (Petrol/Diesel) | 0.50 per cm ³ | 1.00 per cm ³ | 1.50 per cm ³ |
| Passenger bus | Rs. 1,000/- | Rs. 2,000/- | Rs. 3,000/- |

