

(Internet Version)



PARLIAMENT OF THE DEMOCRATIC
SOCIALIST REPUBLIC OF
SRI LANKA

**FINANCE (AMENDMENT)
ACT, No. 24 OF 1999**

[Certified on 30th August, 1999]

Printed on the Order of Government

Published as a Supplement to Part II of the **Gazette of the Democratic
Socialist Republic of Sri Lanka** of September 03, 1999

PRINTED AT THE DEPARTMENT OF GOVERNMENT PRINTING, SRI LANKA
TO BE PURCHASED AT THE GOVERNMENT PUBLICATIONS BUREAU, COLOMBO 01

Price: Rs. 6.75

Postage: Rs. 3.50

Finance (Amendment) Act, No. 24 of 1999

[Certified on 30th August, 1999.]

L.D. - O. 23/96.

AN ACT TO AMEND THE FINANCE ACT, NO. 16 OF 1995.

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. 24 of 1999 .

Short title.
- 2.** (Section 2 of the Finance Act, No. 16 of 1995 (hereinafter referred to as the “principal enactment”) is hereby repealed and the substitution therefor of the following :-

Replacement of Section 2 of the Finance Act, No. 16 of 1995.

“Annual diesel motor vehicle levy.”

2. There shall be charged, levied and paid, on every diesel motor vehicle, a diesel motor vehicle levy (in this part referred to as “the levy”), for the years commencing respectively, on April 01, 1995 and April 01 1996 of a sum equal to ten thousand rupees, and for every year commencing on or after April 01, 1997, of a sum equal to five thousand rupees . The levy payable for every such year shall be paid by the registered owner of the diesel motor vehicle, on or before the relevant date.”
- 3.** Section 3 of the principal enactment is hereby amended by the substitution, for the words “There shall be charged, levied and paid, on every luxury motor vehicle (other than a semi-luxury dual purpose motor vehicle) for”, of the words “There shall be charged, levied and paid on every luxury motor vehicle (other than a semi luxury dual purpose motor vehicle or a wagon) for”.

Amendment of section 3 of the principal enactment.
- 4.** Section 4 of the principal enactment is hereby amended by the substitution, for the words “There shall be charged, levied and paid, on every semi luxury motor vehicle for”, of the words “ There shall be charged, levied and paid on every semi luxury motor vehicle (other than a semi luxury dual purpose motor vehicle or a wagon for”.

Amendment of section 4 of the principal enactment.

Amendment of section 5 of the principal enactment.

5. Section 5 of the principal enactment is hereby amended by the substitution, for the words “There shall be charged, levied and paid, on every semi-luxury dual purpose motor vehicle for”, of the words “There shall be charged, levied and paid, on every semi-luxury dual purpose motor vehicle (other than a wagon) for”.

Amendment of section 6 of the principal enactment.

6. Section 6 of the principal enactment is hereby amended by the substitution, for the words “semi luxury motor vehicle levy and semi luxury dual purpose motor vehicle levy and any penalty added thereto”, of the words “semi luxury motor vehicle levy and semi luxury dual purpose motor vehicle levy”.

Insertion of new section 7A in the principal enactment.

7. The following new section is hereby inserted immediately after section 7 and shall have the effect as section 7A of the principal enactment:-

“Exemption from diesel motor vehicle levy for non user.

7A. The Commissioner may exempt the registered owner of a motor vehicle from the payment of the whole or any part of the diesel motor vehicle levy payable by such registered owner for any year, where he is satisfied that such registered owner has given a notice of non-user for a period exceeding six months in respect of that year, under section 37 of the Motor Traffic Act or any corresponding provision in any statute of a Provincial Council relating to Motor Traffic”.

Insertion of new section 8A in the principal enactment.

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

“When registered owner is the State, or a local authority.

“8A Notwithstanding the provisions of subsection (1) of section 8, where the registered owner of any specified motor vehicle is the State or a local authority as the case may be, such registered owner may pay the levy to any insurer

and the provisions of subsections (2), (3), (4), (5), (6) of section 8 and section 9 shall, *mutatis mutandis*, apply to, and in relation to, such payment.”.

9. Section 9 of the principal enactment is hereby repealed and the following new section substituted therefor -

Replacement of section 9 of the principal enactment

“Registered owner to prove payment of the levy.

(1) The registered owner of every specified motor vehicle shall produce to the insurer at the time he applies for the issue or renewal of an insurance policy in respect of such motor vehicle for any year, proof of payment of the levy in respect of that specified motor vehicle for that year and the preceding year.

(2) Where the registered owner fails to show proof of payment of any levy referred to in subsection (1), the insurer shall notify the Commissioner forth with of such non payment”.

10. Section 10 of the principal enactment is hereby amended as follows:-

Amendment of section 10 of the principal enactment.

- (1) by the substitution, in subsection (3) of that section, for the words “Ievy in default within”. of the words “Ievy in default and any penalty added thereto within” ;
- (2) by the repeal of subsection (4) of that section and the substitution therefor of the following :-
 - “(4) A notice shall be deemed to have been duly served on a defaulter where he is -
 - (a) a registered owner of any specified motor vehicle, if such notice was served on him personally or was sent by registered post addressed to him at the address set out in the Certificate of Registration of that vehicle ; or

(b) an insurer, if such notice was served on him personally or was sent by registered post addressed to him at his registered office or principal place of business,

and in the case of a notice sent to a defaulter by registered post, the notice shall be deemed to have been received by the defaulter on the date on which it would ordinarily be delivered to him.”.

Insertion of new sections 10A and 10B in the principal enactment.

11. The following new sections are hereby inserted immediately after section 10, and shall have effect as sections 10 A and 10B respectively of the principal enactment:-

“Power of Commissioner to waive or reduce penalty.

10A The Commissioner may waive or reduce the amount of any penalty payable by a registered owner under subsection (2) of section 10, if the Commissioner is satisfied that the failure of the registered owner to pay the levy before the relevant date was due to circumstances beyond his control and that waiver or reduction of such penalty is just and equitable in all the circumstances of the case.

Power of Commissioner to set off or refund penalty

10B Where the registered owner of a motor vehicle has paid a penalty in respect of a levy which is deemed to be in default, the Commissioner may -

(a) set off the penalty paid by such registered owner against the levy payable by him for any succeeding year;

(b) refund the penalty paid by such registered owner

where the Commissioner is satisfied that the failure of the registered owner to pay the levy before the relevant date was due to circumstances beyond his control and the set off or refund of the penalty paid by such registered owner is just and equitable in all the circumstances of the case.

12. Section 11 of the principal enactment is hereby repealed and the following new section substituted therefor:-

“Recovery of
levy

11. Where the amount of the levy and any penalty added thereto, has not been paid before the expiry of the date referred to in a notice sent under section 10, the Commissioner may issue a certificate, containing the amount of such levy and any penalty added thereto and the name and last known place of residence of the defaulter to a Magistrate having jurisdiction in the division in which such place is situated. The Magistrate shall thereupon summon such defaulter before him to show cause why further proceedings for the recovery of the levy and any penalty added thereto, should not be taken against him, and in default of sufficient cause being shown the levy in default and any penalty added thereto, shall be deemed to be a fine imposed by a sentence of the Magistrate on such defaulter for an offence punishable with fine only, not punishable with imprisonment, and the provisions of subsection (1) of section 291 (except paragraphs (a), (d) and (i) thereof) of the Code of Criminal Procedure Act, No. 15 of 1979, relating to default of payment of a fine imposed for such an offence shall thereupon apply and the Magistrate may make any direction which, by the provisions of that subsection, he could have made at the time of imposing such sentence.”

Replacement of
section 11 of the
principal
enactment.

13. Section 12 of the principal enactment is hereby repealed.

Repeal of section
12 of the principal
enactment

14. Section 16 of the principal enactment is hereby amended by the substitution for all the words from “if he pays the levy to the Commissioner within three months of the date of commencement of this Act” to the end of that section, of the following, “if he pays the levy to the

Amendment of
section 16 of the
principal
enactment.

Commissioner on or before September 05, 1996. Where any such levy is not so paid such levy shall be deemed to be in default after the expiration of such date and such registered owner shall be deemed to be a defaulter within the meaning of this Act, with effect from such date.”.

Amendment of
section 17 of the
principal
enactment.

15. Section 17 of the principal enactment is hereby amended as follows:-

- (1) by the repeal of all the words from “motor cycle” to “Motor Traffic Act” and the substitution of the following therefor:-

“invalid carriage”, “motor ambulance”, motor cycle”, “motor hearse”, motor tricycle”
“om nibus and private coach” shall have the respective meanings assigned to them by the Motor Traffic Act”;

- (2) in the definition of “motor vehicle”, by the substitution for all the words from “lorry” , to the end of that definition of the following:-

“lorry, omnibus, private coach, tractor, hand tractor or trailer, which is constructed or adapted for the carriage of not more than ten persons (including the driver) and their effects;”

- (3) by the repeal of the definition of “semi luxury dual purpose vehicle” and the substitution of the following definition therefor:-

“semi luxury dual purpose motor vehicle” means a luxury motor vehicle or a semi luxury motor vehicle which is registered as a dual purpose motor vehicle;

- (4) by the insertion immediately after the definition of “specified motor vehicle” , of the following definition therefor:-

“wagon” means a motor vehicle designed as a single unit and constructed or adapted for the purpose of transporting passengers or goods or passengers and goods.’

16. The amendment made to section 2 of the principal enactment by section 2 of this Act shall be deemed to have come into force on April 01, 1997.

Retrospective effect.

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

Sinhala text to prevail in case of inconsistency.

Annual subscription of English Bills and Acts of the Parliament Rs.885 (Local). Rs.1,180 (Foreign).
Payable to the SUPERINTENDENT. GOVERNMENT PUBLICATIONS BUREAU, No. 32, TRANSWORKS HOUSE,
LOTUS ROAD, COLOMBO 01 before 15th December each year in respect of the year following.