



PARLIAMENT OF THE DEMOCRATIC
SOCIALIST REPUBLIC OF
SRI LANKA

MUNICIPAL COUNCILS AND
URBAN COUNCILS (AMENDMENT)
ACT, No. 10 OF 1981

[Certified on 27th February, 1981]

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*Municipal Councils and Urban Councils
(Amendment) Act, No. 10 of 1981*

[Certified on 27th February, 1981]

L.D.—O. 37/79.

AN ACT TO AMEND THE MUNICIPAL COUNCILS ORDINANCE AND
THE URBAN COUNCILS ORDINANCE.

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

1. This Act may be cited as the Municipal Councils and
Urban Councils (Amendment) Act, No. 10 of 1981, and shall
come into operation on such date as the Minister may
appoint by Order published in the Gazette.

Short title
and date of
operation.

PART I

AMENDMENTS TO THE MUNICIPAL COUNCILS ORDINANCE

2. Section 230 of the Municipal Councils Ordinance, as
amended by Acts Nos. 5 of 1967 and 57 of 1979, is hereby
further amended by the insertion immediately after
subsection (1A) of that section of the following new
subsections :—

Amendment
of section 230
of the
Municipal
Councils
Ordinance.

“(1A) In pursuance of the powers under subsection
(1) the Council may impose a higher rate on premises
used for business or commercial purposes.

(1AB) (a) The Council may, with the approval of the
Minister, exempt from the payment of rates all
residential premises the annual value of which does not
exceed an amount that may be determined by the Council
under paragraph (b).

(b) In determining the amount of the annual value
of residential premises that may be exempted, the Council
shall have regard to—

- (i) the state of development of the Municipality ;
- (ii) the nature of the services and amenities provided by
the Council to residential premises with lesser
annual values ;
- (iii) the loss of revenue that may result from the grant of
any exemption and the means proposed by the
Council to recover such loss.

(c) Where any residential premises are exempted under
the provisions of paragraph (b) the benefit of such
exemption shall accrue to the occupier thereof.”

PART II

AMENDMENTS TO THE URBAN COUNCILS ORDINANCE

Amendment
of section 160
of the Urban
Councils
Ordinance.

3. Section 160 of the Urban Councils Ordinance is hereby amended by the insertion immediately after subsection (1) of that section of the following new subsections :—

" (1A) In pursuance of the powers under subsection (1), the Council may impose a higher rate on premises used for business or commercial purposes.

(1AA) (a) The Council may, with the approval of the Minister, exempt from the payment of rates all residential premises the annual value of which does not exceed an amount that may be determined by the Council under paragraph (b).

(b) In determining the amount of the annual value of residential premises that may be exempted, the Council shall have regard to—

- (i) the state of development of the town for which the Council is constituted ;
- (ii) the nature of the services and amenities provided by the Council to residential premises with lesser annual values ;
- (iii) the loss of revenue that may result from the grant of any exemption and the means proposed by the Council to recover such loss.

(c) Where any residential premises are exempted under the provisions of paragraph (b) the benefit of such exemption shall accrue to the occupier thereof."

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