



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

**VALUE ADDED TAX (AMENDMENT)
ACT, No. 16 OF 2024**

[Certified on 20th of March, 2024]

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[Certified on 20th of March, 2024]

L.D.-O. 74/2023

AN ACT TO AMEND THE VALUE ADDED TAX ACT, NO. 14 OF 2002

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

1. This Act may be cited as the Value Added Tax (Amendment) Act, No.16 of 2024. Short title

2. Section 2 of the Value Added Tax Act, No. 14 of 2002 (hereinafter in this Act referred to as the “principal enactment”) is hereby amended, in sub-paragraph (v) of subsection (1) of that section as follows: -

Amendment of
section 2 of Act,
No.14 of 2002

- (1) by the substitution in item (vii), for the words and figures “at the rate of twelve *per centum* (of which the tax fraction is $\frac{3}{28}$); and”, of the words and figures “at the rate of twelve *per centum* (of which the tax fraction is $\frac{3}{28}$);”;
- (2) by the substitution in item (viii), for the words and figures “for any taxable period commencing on or after October 1, 2022 at the rate of fifteen *per centum* (of which the tax fraction is $\frac{3}{23}$).”, of the words and figures “for any taxable period commencing on or after October 1, 2022 but ending on December 31, 2023 at the rate of fifteen *per centum* (of which the tax fraction is $\frac{3}{23}$); and”; and
- (3) by the addition immediately after the item (viii) of the following new item:-

“(ix) for any taxable period commencing on or after January 1, 2024 at the rate of eighteen *per centum* (of which the tax fraction is 9/59).”.

Amendment of
section 10 of
the principal
enactment

3. Section 10 of the principal enactment is hereby amended in subsection (1) of that section as follows:-

(1) by the substitution in paragraph (vii), for the words and figures “(vii) on or after October 1, 2022,”, of the words and figures “(vii) on or after October 1, 2022 but on or before December 31, 2023,”;

(2) by the addition immediately after paragraph (vii), of the following paragraph:-

“(viii) on or after January 1, 2024, carries on or carries out any taxable activity in Sri Lanka shall be required to be registered under this Act, if-

(a) at the end of any taxable period, the total value of the taxable supplies of goods or services or goods and services of such person, made in Sri Lanka in that taxable period has exceeded fifteen million rupees; or

(b) in the twelve months period then ending, the total value of the taxable supplies of goods or services or goods and services of such person, made in Sri Lanka has exceeded sixty million rupees; or

(c) at any time, there are reasonable grounds to believe that the total value of the taxable supplies of goods or services or goods and services of such person, made in

Sri Lanka, in the succeeding taxable period, is likely to exceed fifteen million rupees or in the succeeding twelve months period is likely to exceed sixty million rupees.”;

- (3) in the third proviso to that subsection, by the substitution for the words “comes into operation.” of the following:-

“comes into operation:

Provided further, for the purposes of paragraph (viii), the requirement for the registration shall arise from the date on which this (Amendment) Act comes into operation.”.

- 4.** 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

