



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

**SRI LANKA INSTITUTE OF TAXATION
(INCORPORATION) (AMENDMENT)**

A

BILL

**to amend the Sri Lanka Institute of Taxation (Incorporation)
Act, No. 21 of 2000**

*Presented by the Hon. Madhura Withanage, M. P.
for Colombo District on 12th of August, 2022*

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*Sri Lanka Institute of Taxation
(Incorporation) (Amendment)*

AN ACT TO AMEND THE SRI LANKA INSTITUTE OF TAXATION
(INCORPORATION) ACT, NO. 21 OF 2000

WHEREAS the Sri Lanka Institute of Taxation was incorporated by the Sri Lanka Institute of Taxation (Incorporation) Act, No. 21 of 2000: Preamble

AND WHEREAS the Sri Lanka Institute of Taxation now
5 wishes to change its name to:

“The Chartered Institute of Taxation of Sri Lanka”:

WHEREAS the said Sri Lanka Institute of Taxation has now applied to have the said Act amended to give effect to such change in its name and it will be expedient to grant such
10 application:

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

1. This Act, may be cited as the Sri Lanka Institute of Taxation (Incorporation) (Amendment) Act, No. of 2022. Short title

15 2. (1) Sri Lanka Institute of Taxation (Incorporation) Act, No. 21 of 2000 (hereinafter referred to as the “principal enactment”) is hereby amended by the substitution for the words “Sri Lanka Institute of Taxation” wherever they appear in the principal enactment of the words “Chartered Institute of Taxation of Sri Lanka”. General amendment to the Sri Lanka Institute of Taxation (Incorporation) Act, No. 21 of 2000
20

(2) In any written law, there shall be substituted for the words “Sri Lanka Institute of Taxation” of the words “Chartered Institute of Taxation of Sri Lanka”.

25 3. (1) All rights, liabilities, obligations, contracts, agreements, certificates or other instruments, documents, whatsoever, made, issued signed in writing or executed prior the the date of the commencement of this Act, by or in favour of the “Sri Lanka Institute of Taxation” shall be deemed from Continuation of contracts, agreements, actions, appeals, rights and liabilities

(2) All suits, actions, appeals and other legal proceedings
5 instituted by or against the “Sri Lanka Institute of Taxation”
and pending on the day immediately prior to the date of
commencement of this Act, shall not abate or be discontinued,
and may be continued or enforced by or against “The
Chartered Institute of Taxation of Sri Lanka”.

Amendment
to section 3
of the
principal
enactment

(a) the following new section is hereby inserted as subsection (a) of that section:–

15 “(a) to provide for a professional organization for
 persons providing advice on practice of
 taxation”;

(b) by renumbering subsections (a), (b), (c), (d), (e), (f) and (g) of that section as (b), (c), (d), (e), (f), (g) and (h) respectively;

20 (c) by the insertion immediately after the renumbered subsection (h) of that section, the following new subsection;

25 “(i) to prescribe and conduct or approve courses
of study for the membership or for persons
seeking to qualify for membership and for
grant of the required professional
qualifications.”.

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

Amendment
to section 4
of the
principal
enactment

(a) subsection (a) of that section is hereby repealed and the following subsection inserted therefore:—

5 “(a) to prescribe the qualifications and
disqualifications applicable for the
membership to the Corporation and to
establish standards of professional conduct
and ethics for the members of the
10 Corporation;”;

(b) the following new section are hereby inserted:—

 “(r) to import equipment required for the purpose
of the Corporation and receive equipment,
funds and any other assistance for carrying
15 out the objects of the Corporation.”.

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

Amendment
to section 5
of the
principal
enactment

(a) by the insertion of the following new section as subsection 5 of that section:—

20 “(5) The Council shall have the power to—

(i) conduct qualifying examinations for
membership of the Corporation and for
courses of study approved or prescribed
by the Corporation;

25 (ii) determine the classification awarded to
members in terms of the Rules adopted
by the Corporation;

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 (Incorporation) (Amendment)

- 5 (iii) Carry out the enrollment, disenrollment and re-enrollment of such persons if the Council is satisfied fit to be so enrolled, dis-enrolled and re-enrolled, as the case may be, in terms of the Rules adopted by the Corporation;
- 10 (iv) levy and recover the fees to be paid in respect of the registration of different categories of membership and for qualifying examinations and approved courses of study and any other service provided by the Corporation;
- (v) recover any arrears in subscriptions from the members;
- 15 (vi) pay fees or charges for any service provided to the Corporation;
- 20 (vii) enforce and ensure compliance with professional standards by members of the Corporation, including the Code of Ethics of the membership, as formulated by the Corporation, and in accordance with the procedure for conducting disciplinary inquiries and professional misconduct as provided for in the Rules;
- 25 (viii) convene special general meetings required by members in terms of the Rules;
- (ix) appoint an Administrative Secretary in terms of the Rules;

- (x) constitute committees consisting of members of the Council for a specific purpose or otherwise and regulate their procedure, quorum and membership;
- 5 (xi) appoint, employ, engage, dismiss, remunerate and exercise disciplinary control over officers and servants of the Corporation;
- 10 (xii) determine the terms and conditions of service of the officers and servants of the Corporation;
- 15 (xiii) establish and regulate Provident Funds and schemes for the benefit of officers and staff and make contributions to any such fund or scheme;
- 20 (xiv) specify exemptions from examinations conducted by the Corporation, to persons holding other educational and/or professional qualifications and/or extensive experience in the field of finance and taxation.”.

(b) by the substitution of the following new section as subsection 6 of that section:-

25 “(6) Every member of the Council shall be appointed to office and hold office in terms of the Rules.”.

7. Section 6 of the principal enactment is hereby amended as follows:-

- 30 (a) by the renumbering of that section as subsection (1) of that section;

Amendment
to section 6
of the
principal
enactment

5 “(2) The persons who have obtained the
membership of the Corporation in terms of the
provisions of subsection (1) and possess practical
experience in the areas specified by the Council for
five years shall be eligible, subject to the approval
of the Council to practice as a “Chartered Tax
Consultant” and to use the designation “Chartered
10 Tax Consultant.”

(c) by the repeal of the marginal note of that section and the substitution thereof of the following :-

“Eligibility for membership”.

8. Section 8 of the principal enactment is hereby Amendment
15 amended as follows:- to section 8

20 (a) paragraph (a) of subsection (1) thereof by the
substitution for the words “(a) classification of
membership, fees payable by each class of member,”
“of the words “(a) classification of membership,
issuing of certificates to members and renewal of
membership" fees payable by each class of
member.”.

Amendment
to section 8
of the
principal
enactment

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

“Use of title
after name

“Use of title after name

9. A fellow of the Corporation shall be entitled to use after his name, the letters FCIT and an Associate of the Corporation shall be entitled to use in like manner the letters ACIT. An Honorary Fellow or Honorary Associate shall be entitled to use the titles Honorary FCIT or Honorary ACIT, respectively, in like manner.”

10. Section 10 of the principal enactment is hereby amended by the substitution for the word “title or letters after his name FTII (Sri Lanka) or Honorary ATII (Sri Lanka)” of the words “title or letters FCIT, Honorary FCIT, ACIT or Honorary ACIT, as the case may be,”.

Amendment
to section 10
of the
principal
enactment

11. Immediately after Section 14 of the principal enactment, the following new sections shall be inserted as Sections 15, 16 and 17:—

Insertion of
new sections
15, 16 and
17 of the
principal
enactment

“15. No person except the Corporation shall take or use the logo of the Corporation unless such person has been authorized in writing by the Council to do so.

16. Any contract entered into with or on behalf of the Corporation by or may be made as follows:—

(a) If made between private persons, would by law be required to be in writing, signed by the parties to be charged therewith, may be made on behalf of the Corporation in writing, under the seal of the Corporation or signed by any Member duly authorized on that behalf by the Corporation;

(b) If made between private persons, would by law be valid though made orally and not reduced into writing, may be made orally or on behalf of the Corporation by any Member duly authorized on that behalf by the Corporation.

Protection of
acts done
under this
Act or under
the directions
of the
Corporation

17. The Corporation, its officers and employees shall not be liable for any act done or purported to be done or any omission made,

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in good faith during the exercise, performance or discharge of its or their powers, duties or functions under this Act, provided that such immunity shall not extend to—

- 5 (a) liability for a criminal offence under any written law for the time being in force;
- (b) any act done in contravention of the provisions of this Act, or any other
- 10 applicable written law, or any regulations made thereunder.”.

12. Sections 15 and 16 of the principal enactment is hereby renumbered as sections 18 and 19 respectively. renumbering of sections 15 and 16 of the principal enactment

13. 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

