



PARLIAMENT OF THE DEMOCRATIC  
SOCIALIST REPUBLIC OF  
SRI LANKA

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DEFENCE LEVY (AMENDMENT)  
ACT, No. 62 OF 1993

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[Certified on 29th December, 1993]

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**Defence Levy (Amendment) Act, No. 62 of 1993**

[Certified on 29th December, 1993]

L. D.—O. 72/93.

**AN ACT TO AMEND THE DEFENCE LEVY ACT, NO. 52 OF 1991**

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

1. This Act may be cited as the Defence Levy (Amendment) Act, No. 62 of 1993. **Short title.**

2. The long title of the Defence Levy Act, No. 52 of 1991 (hereinafter referred to as "the principal enactment") is hereby amended by the substitution, for the words and figures, "FOR THE YEARS COMMENCING RESPECTIVELY, ON JANUARY 1, 1992 AND ON JANUARY 1, 1993", of the words and figures, "FOR THE YEARS COMMENCING RESPECTIVELY, ON JANUARY 1, 1992, ON, JANUARY 1, 1993 AND ON JANUARY 1, 1994". **Amendment of the long title of Act No. 52 of 1991.**

3. Section 3 of the principal enactment is hereby amended as follows:—

(1) in subsection (1) of that section, by the substitution for the words and figures, "for every quarter of the years commencing respectively, on January 1, 1992 and on January 1, 1993", of the words and figures, "for every quarter of the years commencing respectively, on January 1, 1992, on January 1, 1993 and on January 1, 1994"; and **Amendment of section 3 of the principal enactment.**

(2) in subsection (2) of that section by the repeal of paragraph (d) of that subsection and the substitution therefor of the following paragraph:—

"(d) the proceeds from the sale of any article to any exporter, if the Commissioner-General is satisfied, on the production of a letter of credit opened in any bank in Sri Lanka in respect of the export of that article or other documentary evidence, that such article has in fact been exported from Sri Lanka."

4. Section 4 of the principal enactment is hereby amended by the repeal of paragraph (c) of that section and the substitution therefor of the following paragraphs:—

"(c) for every quarter commencing on or after July 1, 1992 but prior to January 1, 1994—

(i) an amount equivalent to three per centum of the turnover of that person for the first month of that quarter, on or before the fifteenth day of the second month of that quarter;

**Amendment of section 4 of the principal enactment.**

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- (ii) an amount equivalent to three *per centum* of the turnover of that person for the second month of that quarter, on or before the fifteenth day of the third month of that quarter ; and
- (iii) the amount of the levy payable by such person for that quarter, reduced by the aggregate of the amounts paid by him in accordance with the provisions of sub-paragraph (i) and of sub-paragraph (ii) of this paragraph, on or before the fifteenth day of the month immediately succeeding the end of that quarter ;
- (d) for every quarter commencing on or after January 1 1994—
- (i) an amount equivalent to three and one-half *per centum* of the turnover of that person for the first month of that quarter, on or before the fifteenth day of the second month of that quarter ;
- (ii) an amount equivalent to three and one-half *per centum* of the turnover of that person for the second month of that quarter, on or before the fifteenth day of the third month of that quarter ; and
- (iii) the amount of the levy payable by such person for that quarter reduced by the aggregate of the amounts paid by him in accordance with the provisions of sub-paragraph (i) and of sub-paragraph (ii) of this paragraph, on or before the fifteenth day of the month immediately succeeding the end of that quarter.”.

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

**(1) by the repeal of subsection (1) of that section and the substitution herefor, of the following subsection :—**

**“(1) every bank shall—**

**Amendment  
of section 5  
of the  
principal  
enactment.**

(a) at the time at which it opens any letter of credit in any month in any relevant quarter, on an application made in that behalf being made by any person to whom this Act applies, being an importer of any article, collect from such person an amount equal to—

- (i) one *per centum* of the value of that letter of credit, where such letter of credit is opened prior to August 7, 1992;
- (ii) three *per centum* of the value of that letter of credit, where such letter of credit is opened on or after August 7, 1992 but prior to January 1, 1994; and
- (iii) three and one-half *per centum* of the value of that letter of credit, where such letter of credit, is opened on or after January 1, 1994;

(b) at the time when one of the documents of payment in respect of an article (not being an article in respect of which a letter of credit has been opened by such bank) is presented to it, in any month in any relevant quarter, commencing on or after January 1, 1994, by any person to whom this Act applies, collect from such person an amount equal to the amount which such bank would have been required to collect in accordance with the preceding provisions of this section, had a letter of credit been opened by it, on the date on which such document is presented to it, in respect of such article,

and shall remit the amount so collected to the Commissioner-General on or before the fifteenth day of the month immediately succeeding the month in which the amount was collected, together with a declaration in

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such form and containing such particulars as may be specified by the Commissioner-General.”.

(2) in subsection (2) of that section, by the substitution for the words, “the letter of credit with reference to which”, of the words “the letter of credit or, to the document of payment referred to in paragraph (b) of subsection (1), as the case may be, with reference to which”.

**Amendment  
of section 8  
of the  
principal  
enactment.**

6. Section 8 of the principal enactment is hereby amended by the substitution for the words and figures, “Chapters, V, VII, IX, X and XII of the Turnover Tax Act”, of the words and figures “Chapters V, VIII, IX, X, XII and XIV of the Turnover Tax Act”.

**Amendment  
of section 10  
of the  
principal  
enactment.**

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

(1) by the substitution for the expressions “Commissioner-General”, “person” and “quarter” of the expressions “Commissioner-General” and “quarter”; and

(2) by the insertion, immediately, after the definition of “manufacture”, of the following definition:—

“person” includes a company or body of persons or any Government department but does not include the United Nations Organization or any specialized agency of such Organization or the diplomatic mission of any foreign Government or any member of the diplomatic staff of such mission;’.

**Replacement  
of the  
Schedule to  
the principal  
enactment.**

8. The Schedule to the principal enactment is hereby repealed and the following Schedule substituted therefor:—

**“ SCHEDULE**

**[Section 3]**

<b>Quarter</b>	<b>Rate</b>
For the quarter commencing on January 1, 1992	1 per centum
For the quarter commencing on April 1, 1992	2.3 per centum

Quarter	Rate
For every quarter commencing on or after July 1, 1992 but prior to January 1, 1994	3 per centum
For every quarter commencing on or after January 1, 1994 but prior to January 1, 1995	3.5 per centum'.

9. 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.