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The Gazette of the Democratic Socialist Republic of Sri Lanka

EXTRAORDINARY

අංක 1747/1 - 2012 පෙබරවාරි 27 වැනි සඳුදා - 2012.02.27

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PART I : SECTION (I) — GENERAL

Government Notifications

EXCISE (SPECIAL PROVISIONS) ACT, No. 13 OF 1989

Order under Section 3C

BY virtue of the powers vested in me by Section 3C of the Excise (Special Provisions) Act, No. 13 of the 1989, as last amended by Act, No. 17 of 2011, I, Mahinda Rajapaksa, Minister of Finance and Planning, do by this Order declare that with effect from 01.03.2012, exempt from the payment of excise duty the excisable articles specified in the Schedule I and grant specific concessions from the payment of excise duty on the specified excisable articles with effect from the dates specified in the Schedule II hereto.

Order made under Section 3C of the said Act and published in *Extraordinary Gazette* No. 1708/21 of 01st June, 2011 is hereby rescinded.

MAHINDA RAJAPAKSA,
Minister of Finance and Planning.

Ministry of Finance and Planning,
Colombo 01,
24th February, 2012.

SCHEDULE I

(1) A Motor Vehicle/Article Imported —

- (a) by a Sri Lanka diplomatic officer who serves in missions abroad under the Ministry of Foreign Affairs Circular No. 165 of 07.04.2000 ;
- (b) under various agreements and MOU's entered into by the Government of Sri Lanka with overseas organizations and foreign governments ;
- (c) by a public officer under the Public Administration Circular No. 22/99 of 08.10.1999 and subsequent amendment ;
- (d) by any person who is recommended by the President of the Democratic Socialist Republic of Sri Lanka rendered distinguished service to the country or awarded to such persons ;
- (e) by a primary holder of Sri Lanka Nation Building Bond (SLNBB) under the circular issued by the Secretary to the Treasury on Concessionary duties and taxes.

SCHEDULE I—(Contd.)

- (2) Goods imported in connection with disaster or reconstruction activities in terms of special directions issued by the Secretary to the Treasury under the special Government orders.
- (3) Locally assembled/ manufactured vehicle using new vehicle components containing not less than 30% of domestic value addition recommended by the Minister-in-charge of the subject of Industries. However with respect to HS Code 87.03, the exemption will be granted only for the vehicles classified under the HS Codes as per the Schedule III, subject to the conditions stipulated in item (3).
- (4) Locally assembled/ manufactured articles, classified under the H.S. Code 84 and 85, with not less than 30% domestic value addition recommended by the Minister-in-charge of the subject of industries.
- (5) Every article entitled to duty free clearance under passenger baggage (exemption) regulations made under Section 107 of the Customs Ordinance.
- (6) Every article cleared ex-bond for use as ship stores or for re-export.
- (7) Every article manufactured in Sri Lanka and supplied to any exporter in Sri Lanka where sufficient proof is furnished to the satisfaction of the Director General of Excise that such manufactured article was exported.
- (8) Hearses imported by registered funeral undertakers, subject to the approval of the Secretary to the Treasury.
- (9) Vehicles imported or locally manufactured which are procured through financial leasing or direct purchasing utilizing funds from the Consolidated Fund by the Government agencies on the approval of Department of National Budget.
- (10) Exemption of payment of Excise (Special Provision) Duty on importation of a motor vehicle for the use of any specified project, identified by the Minister in charge of subject of Finance taking into consideration the economic benefit to the country, on which project the tax is born by the Government, as mentioned in the section f(ii) of the part II of the First Schedule of the Value Added Tax Act No. 14 of 2002.

SCHEDULE II

1. From 23.11.2010, a motor vehicle imported by a public officer with the specific concessionary rates under the Trade, Tariff and Investment Policy Circular No.01/2010
2. From 15.02.2011, a motor vehicle imported by the head/deputy head of the provincial council with the specific concessionary rates under the Provincial council Circular No.01/2011
3. From 24.04.2011, Hybrid – electrical vehicles old than two years and not exceeding three and half years as appear in schedule IV under the category of H.S. code 87.03
4. Reduction of Excise (Special Provision) Duty such that total taxes payable is reduced by 50% on importation of a brand new motor vehicle exceeding 2000 cc which is classified under H. S. Heading 87.03, by any Airport Taxi Operator who holds a valid permit issued by the Airport and Aviation Services (Sri Lanka) Ltd., for the replacement of a motor vehicle which is being used for the use of transportation of air passengers from and to airports and which has been so used not less than five years at the time of such importation, with the recommendation of the Secretary to the Ministry in charge of subject of Airports, as approved by the secretary to the Treasury.

SCHEDULE III

Petrol Vehicles :

<i>H.S. Hdg. (1)</i>	<i>H.S. Code (2)</i>	<i>Description (3)</i>
87.03		Motor cars and other motor vehicles principally designed for the transport of persons (other than those of heading 87.02), including station wagons and racing cars
	8703.21	Of a cylinder capacity not exceeding 1,000 cc :
	8703.21.69	Motor cars including station wagons and racing cars, not more than two years old
	8703.22	Of a cylinder capacity exceeding 1,000 cc but not exceeding 1,500 cc :
	8703.22.59	Motor cars including station wagons and racing cars, not more than two years old
	8703.23.52	Of a cylinder capacity not exceeding 1,600 cc

Diesel Vehicles :

<i>H.S. Hdg. (1)</i>	<i>H.S. Code (2)</i>	<i>Description (3)</i>
	8703.31	Of a cylinder capacity not exceeding 1,500 cc :
	8703.31.70	Motor cars including station wagons and racing cars, not more than two years old
		Motor cars including station wagons and racing cars of a cylinder capacity not exceeding 2,000 cc, not more than two years old
	8703.32.51	Of a cylinder capacity not exceeding 1,600 cc
	8703.32.59	Other
	8703.32.71	Vehicles for the transport of 7 or more persons (adults) including the driver, with non-monocoque body bolted on ladder type heavy duty chasis, with permanent four-wheel drive capability, and a total pay load of (persons and cargo) of over 800 Kgs.
	8703.32.79	Other

SCHEDULE IV

<i>H.S. Hdg. (1)</i>	<i>Description (2)</i>	<i>Concession Duty Rate (3)</i>
87.03	Of a cylinder capacity not exceeding 2,000cc:	Free
	Of a cylinder capacity exceeding 2,000cc: but not exceeding 3,000cc:	12%
	Of a cylinder capacity exceeding 3,000cc:	26%