



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

**NATION BUILDING TAX (AMENDMENT)
ACT, No. 11 OF 2013**

[Certified on 23rd April, 2013]

Printed on the Order of Government

Published as a Supplement to Part II of the **Gazette of the Democratic
Socialist Republic of Sri Lanka** of April 26, 2013

PRINTED AT THE DEPARTMENT OF GOVERNMENT PRINTING, SRI LANKA
TO BE PURCHASED AT THE GOVERNMENT PUBLICATIONS BUREAU, COLOMBO 5

Price : Rs. 5.00

Postage : Rs. 5.00

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L. D.—O. 7/2013.

AN ACT TO AMEND THE NATION BUILDING TAX ACT, NO. 9 OF 2009

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

1. This Act may be cited as the Nation Building Tax (Amendment) Act, No. 11 of 2013 and shall be deemed to have come into operation from January 1, 2013, unless different dates of operation are specified in the relevant sections.

Short title and date of operation.

2. Section 3 of the Nation Building Tax Act, No. 9 of 2009 as last amended by Act, No. 9 of 2012 (hereinafter referred to as the “principal enactment”) is hereby further amended as follows :—

Amendment of section 3 of Act, No. 9 of 2009.

(1) in subsection (3) of that section by the substitution in paragraph (iii) thereof, for the words, “paid in that quarter;” of the words and figures “paid in that quarter other than such excise duty paid on the importation with effect from February 1, 2009;”; and

(2) in subsection (4) of that section –

(a) by the repeal of paragraph (iii) thereof and the substitution therefor of the following paragraph:—

“(iii) the liable turnover of such person from the supply of any goods or services other than services referred to in paragraph (iv) and which does not exceeds—

(a) the sum of five hundred thousand rupees if such relevant quarter is any quarter commencing on or after January 1, 2011 but prior to January 1, 2013; and

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- (b) the sum of three million rupees if such relevant quarter is any quarter commencing on or after January 1, 2013;”;
- (b) by the substitution in paragraph (iv) thereof, for the words “twenty five million rupees.” of the words “twenty five million rupees;” and
- (c) by the addition immediately after paragraph (iv) of the following new paragraph:—

“(v) such quarter is a quarter commencing on or after January 1, 2013 and the liable turnover being turnover of any new business of manufacture of any article other than liquor or tobacco, or the provision of any service by any individual who is a citizen of Sri Lanka for a period of five years reckoned from the beginning of the year of assessment in which the commercial operation commences, if such individual—

- (i) return from foreign employment on or after January 1, 2013; and
- (ii) invests his foreign earnings to commence such business.”.

Amendment of
First Schedule of
the principal
enactment.

3. The First Schedule to the principal enactment as last amended by Act, No. 9 of 2012 is hereby further amended as follows:—

- (1) In PART I of that schedule:—
 - (a) by the substitution in item (i) for the word “manufacture”, of the word “manufacturer”;
 - (b) by the substitution in paragraph (iv) of item (iv) for the words “within a period of one year from the date of importation of such article to

Sri Lanka;”, of the words “within a period of one year from the date of importation of such article to Sri Lanka or within a period of ninety days after the completion of such project;”;

- (c) by the substitution in item (xxxvi) for the words and figures “cess of Rs. 75 per kilogram”, of the words and figures “cess at the rate specified in a *Gazette* Notification issued under the Sri Lanka Export Development Act, No. 40 of 1979”;
- (d) by the substitution in item (xxxviii) for the words “artist thereof.” of the words “artist thereof;”
- (e) by the insertion immediately after item (xxxviii), of the following new items:-

“(xxxix) solar panel modules, accessories or solar home systems for the generation of solar power energy classified under Harmonized Commodity Description and Coding Numbers for custom purposes at the point of importation;

(xl) coal;

(xli) articles imported for any international event approved by the Minister of Finance;

(xlii) gems imported subject to special service fee at the rate specified under paragraph (a) of section 6A of the Customs Ordinance (Chapter 235), and any subsequent sale of such gems as processed gem;

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- (XLIII) any gully bowser, machinery or equipment imported for the use of garbage disposal activities carried out by any local authority, for the purpose of provision of such services to the public as approved by the Secretary to the relevant line Ministry;
- (XLIV) any article manufactured by a company identified as a Strategic Development Project in terms of subsection (4) of section 3 of the Strategic Development Project Act, No. 14 of 2008 sold to another Strategic Development Project or to a specialized project approved by the Minister of Finance or to a company registered with Board of Investment of Sri Lanka established under Board of Investment Law, No. 4 of 1978, so far as such articles are considered as import replacement and supplied during the project implementation period; and
- (XLV) any machinery or equipment imported for the purpose of generating electricity by the Ceylon Electricity Board established under the Ceylon Electricity Board Act, No. 17 of 1969 or any institution which has entered into an agreement with the Ceylon Electricity Board to supply electricity, being machinery or equipment classified under Harmonized Commodity Description Coding Numbers for customs purposes and approved by the Minister of Finance.”.

- (2) In PART II of that schedule
- (a) by the substitution in item (xxvi) for the words “port or airline”, of the words “port or airport”; and
- (b) by the addition immediately after the item (xxxiv) of the following new items:-
- “(xxxv) any service provided by the Central Bank of Sri Lanka established under the Monetary Law Act (Chapter 422); and
- (xxxvi) any service provided free of charge by any public corporation out of the funds voted by Parliament from the Consolidated Fund or out of any loan arranged through the Government, on behalf of the Government.”.

4. Where the Commissioner-General of Inland Revenue or the Director-General of Customs as the case may be, collects under the provisions of section 4 or section 5 respectively of the principal enactment the tax calculated considering the provisions of this Act, during the period commencing from January 1, 2013 and ending on the date on which the certificate of the Speaker is endorsed in respect of this Act from a person to whom the provisions of this Act applies, such collection shall be deemed for all purposes to have been, and to be, validly made: Validation.

Provided that the aforesaid provisions of this section shall not affect any decision or order made by any Court or any proceedings pending in any Court in respect of any tax collected during the aforesaid period.

5. 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.

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