



INLAND REVENUE DEPARTMENT

NATION BUILDING TAX (NBT)

Furnishing of Returns and Making Payments for the quarter ended 30.06.2017

Persons liable to pay Nation Building Tax (NBT) are reminded that the last date for furnishing Returns and making final payment of NBT for the quarter ended 30.06.2017, is

July 20, 2017

Every Person (Individual, Company, Body of Persons) or Partnership who or which,

- (a) carries on the business of **manufacture of any article** (other than any excepted article); or
- (b) carries on the business of **providing any service** including business of providing any Financial Service (other than any excepted service) ; or
- (c) carries on the **Wholesale or Retail Trade** [other than the sale of goods which are subjected to the Special Commodity Levy being sales made directly by the importer of such goods, pharmaceuticals, gems or jewellery for payment in foreign currency by authorized persons, any printed book, fresh milk, green leaf, cinnamon or rubber (latex, crape or sheet rubber) purchased from any manufacturer or producer thereof, or export of any article, or the sale of any article to any exporter for export, or the distribution of LP Gas, or sale of any article at duty free shops for payment in foreign currency, and sale of petrol, diesel or kerosene in a filling station, cigarettes, vehicles or liquor categorized under HS code Chapter 87, 2203, 2204, 2205, 2206, 2207 and 2208 which are subjected to Excise (Ordinance) Duty or Excise (Special Provisions) Duty as the case may be being sales made directly by the importer or manufacturer of such goods].

is required to pay NBT at **2% on the liable turnover.**(The threshold of liable turnover of NBT per quarter is Rs. 3 Mn)

Note :

- The following components **do not form part** of liable turnover of any of the above categories:
 - the **VAT component**;
 - **bad debts incurred** (However, bad debts previously written off and recovered subsequently to be taken into account);
 - any **Excise Duty paid** under the Excise Duty (Special Provisions) Act No. 13 of 1989 in that quarter, other than such Excise Duty paid on the importation;
 - **Rebate paid** under Export Development Rebate Scheme;
 - Any turnover from the supply of any goods or services in relation to any **international event approved by the Minister.**
- Any **article imported** (other than excepted articles) is liable to NBT at the point of **Customs** on the value for VAT purposes at that point. If such article is sold subsequently without subjecting it to any manufacturing process, sale of such article is liable to NBT as Wholesale or Retail sale.
- 75% of the liable turnover from wholesale of any distributor (as defined in the Economic Service Charge Act) and 50% of the liable turnover from the other wholesale or retail sale can be deducted as a rebate. **[Liability exists if the liable turnover exceeds the exempt threshold per quarter before making this adjustment.]**
- The liable turnover of any person carrying on the **business of Banking or Finance** should be the aggregate of value addition computed based on the value attributable method from financial services and the turnover from non financial services (subject to any exemption).

Payments can be made to any branch of the Bank of Ceylon to the credit of Account No. 7041556 at Taprobane Branch of Bank of Ceylon except any person carrying on the business of banking or finance. Those who are carrying on the business of banking or finance can make the payments to any branch of the Bank of Ceylon to the credit of Account No. 7041560 at Taprobane Branch of Bank of Ceylon. Cheques should be drawn in favour of the Commissioner General of Inland Revenue.

Please be informed that the penalty imposed on non-payment of NBT on due dates will not be waived or reduced unless proved to the satisfaction of the Commissioner General that such failure is due to any special circumstances and the waiver or reduction of penalty would be just and equitable.

Please indicate the TIN and the Taxable Period on the reverse of the Cheque.

Please note that when you are making NBT payments, you should use the new paying in slips and indicate following payment codes relevant to the respective period.

Periods		Due date	Payment Code
01.06.2017	30.06.2017	20.07.2017	17203

For further clarification, please contact IRD Call Centre by Dialing 1944.

Inland Revenue Web Portal - www.ird.gov.lk

PLEASE MAKE PAYMENTS IN TIME

Commissioner General of Inland Revenue



TAXES - FOR A BETTER FUTURE