



INLAND REVENUE DEPARTMENT

Notice to the Taxpayers

IMPLEMENTATION OF BUDGET PROPOSALS - 2023

As the National Budget of 2023 presented and passed in Parliament, following proposals specified under item No.1.3 of the technical note to improve the clarity of Income Tax Liability on dividend during the period from October 1, 2022 to December 31, 2022, be implemented, as instructed by the Ministry of Finance on January 03, 2023, pending formal amendments being made to the Inland Revenue Act, No. 24 of 2017.

1. Dividend received or derived by a non-resident during the period from October 1, 2022 to December 31, 2022, is exempt from Income Tax.
2. Applicable Income Tax rate for dividend received or derived by residents during the period from October 1, 2022 to December 31, 2022 is 15%.
3. Dividend paid by a resident company to a member to the extent that such dividend payment is attributable to, or derived from, another dividend received by that resident company or another resident company, is exempt from Income Tax, during the period from October 1, 2022 to December 31, 2022.

Commissioner General of Inland Revenue



TAXES - FOR A BETTER FUTURE