



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

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**ECONOMIC SERVICE CHARGE  
(AMENDMENT) ACT, No. 16 OF 2009**

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[Certified on 31st March, 2009]

*Printed on the Order of Government*

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*Economic Service Charge (Amendment)  
Act, No. 16 of 2009*

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L.D.—O. 51/2008.

AN ACT TO AMEND THE ECONOMIC SERVICE CHARGE  
ACT, No. 13 OF 2006

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

**1.** This Act may be cited as the Economic Service Charge (Amendment) Act, No. 16 of 2009. Short title.

**2.** Section 2 of the Economic Service Charge Act, No. 13 of 2006 (hereinafter referred to as the "principal enactment") is hereby further amended as follows :- Amendment of section 2 of Act, No. 13 of 2006.

(1) by the repeal of the proviso to subsection (2) of that section and the substitution therefor, of the following proviso :-

"Provided that the service charge chargeable from any person or partnership shall in no case exceed -

- (i) rupees fifteen million for any relevant quarter ending on or before March 31, 2009 ; and
- (ii) rupees thirty million for any relevant quarter commencing on or after April 1, 2009.";

(2) in subsection (3) of that section –

- (a) by the repeal of the proviso to paragraph (a) of that subsection ;
- (b) in item (ii) of sub-paragraph (a) of paragraph (b) of that subsection, by the substitution for the words "Capital asset ; and" of the words "Capital asset ;";

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(c) by the addition, immediately after item (iii) of sub-paragraph (a) of paragraph (b) of that subsection, of the following new items :-

"(iv) the proceeds of sale of any foreign currency denominated sovereign bond issued by the Government of Sri Lanka to any licensed commercial bank or to any non-resident person (effective from October 21, 2008) ;

(v) the proceeds of sale -

(a) of any Treasury Bill issued under the Local Treasury Bills Ordinance (Chapter 417) ; or

(b) of any Treasury Bond issued under the Registered Stocks and Securities Ordinance (Chapter 420),

purchased out of the funds drawn from any Treasury Bond Investment External Rupees Account (effective from June 1, 2008) ;

(vi) receipts from the export of any article or goods, effected on or after January 1, 2009 but on or before December 31, 2009 ;

(vii) receipts from the supply, effected on or after January 1, 2009 but on or before December 31, 2009, by the manufacturer of any article or goods to any exporter for export without further processing or manufacture by the exporter ;

(viii) receipts from any operations, effected on or after January 1, 2009 but on or before December 31, 2009, of any—

(a) hotel;

(b) inbound tour operation ; or

(c) inbound tour agent,

being a hotel, operator or agent as the case may be, approved by the Sri Lanka Tourism Development Authority established under Tourism Act, No. 38 of 2005 ; and"; and

(d) in paragraph (a) of the proviso to paragraph (b) of that subsection, by the substitution for the words, "be deemed to form part of the turnover of such bank ; and", of the words –

"be deemed to form part of the turnover of such bank.

For the purposes of this paragraph -

"bank" shall be deemed to include a financial institution or pawn broker ; and

"financial institution" means any person corporate or unincorporated, whose business or part of whose business consists in the acceptance of money by way of deposit or loan in the form of debenture or bond or in any other form and the payment of interest thereon, whether such acceptance is on its own behalf or on behalf of any other person; and".

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- Effective date. **3.** The amendment made to section 2 of the principal enactment by subsection (1) and paragraphs (a) and (d) of subsection (2) of section 2 of this Act shall come into force with effect from April 1, 2009.
- Sinhala text to prevail in case of inconsistency. **4.** In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail.

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