



PARLIAMENT OF THE DEMOCRATIC  
SOCIALIST REPUBLIC OF  
SRI LANKA

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BETTING AND GAMING LEVY

ACT, No. 40 OF 1988

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[Certified on 24th November, 1988]

*Printed on the Orders of Government*

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*Betting and Gaming Levy Act No. 40 of 1988*

[Certified on 24th November, 1988]

L. D.—O. 68/87.

AN ACT TO PROVIDE FOR THE IMPOSITION OF AN ANNUAL LEVY ON PERSONS CARRYING ON THE BUSINESS OF BOOKMAKER OR GAMING; AND FOR MATTERS CONNECTED THEREWITH OR INCIDENTAL THERETO.

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

1. This Act may be cited as the Betting and Gaming Levy Act, No. 40 of 1988.

Short title.

2. (1) Subject to the other provisions of this Act, and notwithstanding any other law, there shall be charged and levied for the year commencing on April 1, 1988, and in respect of every year thereafter, on every person who carries on in Sri Lanka, whether lawfully or unlawfully, during that year (for whatever period)—

Imposition of the levy.

(a) the business of a bookmaker; or

(b) the business of gaming,

a levy (hereinafter referred to as the "levy") at the respective rates set out in the Schedule to this Act:

Provided however, that where any person commences to carry on any such business as is referred to in paragraph (a) or (b) on or after October 1 of any year, he shall be liable to pay half the levy payable by him under this Act, for that year.

(2) Nothing in the preceding provisions of this section shall be construed as conferring legality on any business referred to in this section if such business is prohibited by law.

3. Where any business of gaming, as is referred to in paragraph (b) of section 2, is carried on in different places by the same person he shall be deemed to carry on a separate business in each such place and shall be liable to pay the levy in respect of each such business.

Business in each place a separate business.

4. (1) A person liable to pay the levy under this Act shall pay such levy, to the Commissioner-General in four equal instalments, on or before the fifteenth day respectively of July, October and January in that year and the fifteenth day of April of the succeeding year:

Payment of the levy.

Provided however, that a person who commences to carry on any such business as is referred to in section 2, after the first day of April in any year, shall pay the levy he

is liable to pay under this Act for that year in such number of instalments, and on such dates, as the Commissioner-General may consider reasonable having regard to all the circumstances of the case :

Provided further that a person who is liable to pay an instalment of the levy on or before the fifteenth day of July, 1988, or on or before the fifteenth day of October, 1988, shall be deemed not to be in default in the payment of such instalment, if he pays such instalment within sixty days of the date of commencement of this Act, and where he fails to pay such instalment within the aforesaid sixty days, such instalment shall be deemed to be in default and the provisions of this Act relating to the recovery of an instalment of the levy shall apply to the recovery of such instalment.

(2) Where any person liable to pay the levy under this Act fails to pay any instalment thereof on or before the date specified or determined under subsection (1), for the payment thereof, the instalment shall be deemed to be in default and such person shall be deemed to be a defaulter, for the purposes of this Act.

(3) Where any instalment of the levy is in default, the defaulter shall, in addition to the instalment in default, pay as penalty—

- (a) a sum equivalent to ten *per centum* of the instalment in default ; and
- (b) where any instalment in default is not paid before the fifteenth day of the month succeeding the month in which such instalment has begun to be in default, a further sum equivalent to two *per centum* of the instalment in default in respect of each period ending on the fifteenth day of each succeeding month or part of such period during which it is in default :

Provided, however, that the total amount payable as penalty under this subsection shall in no case exceed fifty *per centum* of the instalment in default and any such amount may be waived or reduced if the Commissioner-General is satisfied that by reason of any special circumstances in which the default occurred, a waiver or reduction of such amount would be just and equitable.

(4) Any instalment in default together with such penalty as is referred to in subsection (3) of this section may be recovered from the person who is the defaulter.

(5) The provisions of Chapters XI and XII and sections 40, 41, 42, 43 and 57 of the Turnover Tax Act, shall, *mutatis mutandis*, apply to the payment and recovery of any instalment of the levy payable under this Act.

5. (1) Every person who—

Offences.

(a) fails to comply with any requirement imposed on him under section 38 of the Turnover Tax Act read with section 4(5) of this Act :

(b) wilfully furnishes any false information affecting his liability to the levy or the liability of any other person to the levy ;

(c) wilfully resists or obstructs the Commissioner-General or an officer of the Inland Revenue Department in the exercise of the powers conferred on the Commissioner-General or such officer by or under section 43 of the Turnover Tax Act, read with section 4(5) of this Act ;

(d) who being a person required to take an oath under section 57 of the Turnover Tax Act read with section 4(5) of this Act, acts under this Act without taking such oath ; or

(e) acts in contravention of section 57 of the Turnover Tax Act read with section 4 (5) of this Act,

shall be guilty of an offence under this Act and shall, on conviction after summary trial by a Magistrate, be liable to a fine not exceeding ten thousand rupees or to imprisonment of either description for a term not exceeding one year, or to both such fine and imprisonment.

(2) The Commissioner-General may compound any offence under subsection (1) if he is satisfied that by reason of any special circumstances in which the offence was committed, compounding of the offence would be just and equitable.

(3) No prosecution in respect of an offence under subsection (1) shall be instituted in any court except with the sanction of the Commissioner-General.

Adminis-  
tration.

6. (1) The Commissioner-General shall be in charge of the administration of this Act.

(2) The Commissioner-General may delegate in writing, to any Deputy Commissioner or Assessor any power or function conferred on, or assigned to, him by this Act.

(3) Every Deputy Commissioner or Assessor to whom any power or function has been delegated under subsection (2) shall exercise or discharge that power, subject to the directions of the Commissioner-General.

(4) A Deputy Commissioner or Assessor exercising or discharging any power or function of the Commissioner-General under this Act shall be deemed for all purposes to be authorized to exercise or discharge that power or function, until the contrary is proved.

Interpreta-  
tion.

7. In this Act, unless the context otherwise requires—

“Assessor”, “Commissioner-General”, “Deputy Commissioner”, and “persons” shall have the respective meanings assigned to them by section 59 of the Turnover Tax Act;

“bookmaker” means a person who receives or negotiates—

- (a) directly or indirectly;
- (b) in cash or on credit,

bets on horse races run, or proposed to be run, in or outside Sri Lanka;

“business” means any business referred to in paragraph (a) or paragraph (b) of section 2 and includes a like vocation or, entering into transactions of a like nature among members of a club;

“gaming” means the playing of any game for a stake, and includes the playing of baccarat, punto banco, big six, black jack, boule, chemin de fer, chuck-a-luck, crown and anchor, fero, fero bank, hazard, poker dice, pontoon, American or French roulette, trente-et quarante, vingt-et-um, or wheel of fortune, at any premises to which individuals have access—

- (a) with or without payment; or
- (b) whether as of right or not;

“Turnover Tax Act” means the Turnover Tax Act, No. 69 of 1981 ;

“year” means the period of twelve months commencing on the first day of April of any year and ending on the thirty-first day of March in the immediately succeeding year.

**SCHEDULE** [Section 2]

**PART 1—A**

The amount of the levy payable for the year commencing on April 1, 1988 and for each of the immediately succeeding years by a person carrying on the business of a bookmaker shall be one hundred thousand rupees.

**PART 1—B**

The amount of the levy payable for the year commencing on April 1, 1988 and for each of the immediately succeeding years by a person carrying on the business of gaming shall be one million rupees.