

**INSTRUCTIONS TO COMPLETE THE ANNUAL STATEMENT OF EMPLOYER AND SCHEDULES -  
ADVANCE PERSONAL INCOME TAX (APIT)**

**YEAR OF ASSESSMENT 2022 / 2023**

The Annual Statement of Employer - APIT (APIT Annual Statement) entails **three Schedules** namely **Schedule 01, Schedule 02** and **Schedule 03** for the Year of Assessment 2022/2023. These Schedules should be completed and submitted along with the Annual Statement of Employer, manually or electronically through the Inland Revenue web portal ([www.ird.gov.lk](http://www.ird.gov.lk)).

**GUIDE TO SUBMIT THE ANNUAL STATEMENT OF EMPLOYER-APIT AND SCHEDULES**

**1. General Instructions to submit Annual Statement**

You are required to take note of the followings;

- a. New Schedule templates and updated schedule verification tool are available at the IR Web Portal (Make sure to use correct schedule formats. Specified formats are **Schedule 01, Schedule 02, Schedule 03** and **supporting MS Excel Workbook**).  
To download verification tool: IR Web Portal → Download → Tools → Schedule File Verifier Tool
- b. **e-filing link is available from 01<sup>st</sup> April 2023**. To avoid unnecessary technological issues, you are advised to submit early, without waiting until last moment of the due date.
- c. You are strictly advised to submit **one single** APIT Annual Statement for all categories of employees and all branches of your institution.
- d. Please verify the monthly tax payments before filing the APIT Annual Statement and Schedules while filing the Annual Statement via e-service.
- e. When you submit the hard copy of APIT Annual Statement, you may keep copies of **Annual Statement - APIT, Schedule 01, Schedule 02, Schedule 03** and **supporting MS Excel Workbook** for your future reference.
- e. If you come across any difficulties relating to;
  - **System Failure:**  
Please contact IRD Call Center by dialing 1944 and get assistance or keeping a voice record and get a ticket number.
  - **Uploading Trouble and Issues relating to Schedule Verification :**  
Please contact Central Document Management Unit (CDMU) by dialing 011-2134131, 011-2134133 or 011-2134163.

**2. Method of filing**

**a) E – filing**

In terms of Section 113 (1A) of the Inland Revenue Act, No. 24 of 2017 (IRA), as amended by the Inland Revenue (Amendment) Act No. 10 of 2021, with effect from April 1, 2021, e-filing of APIT Annual Statement (file tax Returns electronically ) is mandatory for,

- (a) Companies incorporated in Sri Lanka (all resident limited liability companies);
- (b) Companies incorporated outside Sri Lanka (all non-resident limited liability companies) and;
- (c) Public corporations.

Therefore, such entities are not entitled to furnish their APIT Annual Statement in writing by using the printed specified forms for the year of assessment 2021/2022 and onwards.

Other employers that are not referred to in above are also entitled to submit their APIT Annual Statement electronically. Further, as provided in Section 113(4) of the IRA, other employers shall continue the filing of Annual Statement electronically, if such persons have already filed their APIT Annual Statement electronically in previous year of assessment.

To file APIT Annual Statement, Schedules and Supporting MS Excel Workbook electronically;

- i. APIT Annual Statement and Schedule 01, 02, 03  
IR Web Portal → e-Services → Access to e-Service → Login using SSID → Return/Schedule Management → Pay As You Earn (PAYE)/Advance Personal Income Tax (APIT)  
Period code: 2223
- ii. Supporting MS Excel Workbook  
IR Web Portal → e-Services → Access to e-Service → Login using SSID → Return/Schedule Management → Upload Schedules/Documents → Upload Schedules/Documents hyperlink  
Period code: 2223  
Document Type: Supporting Document (ASMT)  
Sub Document Type: PAYE / APIT Supporting Document for Returns

**b) Manual filing**

Employers who wish to submit their APIT Annual Statement in printed specified forms shall submit the Statement to Central Document Management Unit (CDMU) at the Head Office or any Regional Office of the IRD through hand delivery or post.

If you have submitted APIT Annual Statement through e-service, you are not required to submit a hard copy of the same.

**Submit Schedules for APIT by considering followings;**

- a. If the aggregate number of employees liable for APIT is greater **than 20**;
  - i. It is compulsory that you submit your **Schedules using soft copy through e-service/upload to the system** (You may please refer to the Guide).
  - ii. If e-service facility is not available with you, you can submit your schedules (a soft copy) by yourself making use of e-service facility available at “**Nanasala**”, established in the Head Office-Ground Floor or at **any Regional office of the IRD**.
  - iii. If you are not familiar with the uploading procedure, you may bring a soft copy of the relevant Schedules to the Head office and get the assistance of IRD officers stationed at the "**Nanasala**", or at **any Regional office of the IRD**.
- b. If the aggregate number of employees liable for APIT is **equal or less than 20**, you have an option to submit hard copies or soft copies of the Schedules.

To download Schedules and supporting MS Excel Workbook;

  - i. Soft copies : IR Web Portal → Download → Schedules → Other taxes → PAYE/APIT
  - ii. Hard copies : IR Web Portal → Download → Forms and Returns → Other Tax Returns → PAYE/APIT

## GUIDE TO FILL ANNUAL STATEMENT OF EMPLOYER – APIT AND SCHEDULES

### ❖ APIT ANNUAL STATEMENT – YEAR OF ASSESSMENT (Y/A) 2022/2023

#### 1. PART I

##### Number of Employees

- Enter the number of employees in the respective cages whose tax have not been deducted under APIT scheme, as mentioned below;
  - Employees who are considered to be on Primary Employment and from whom no tax have been deducted under APIT scheme during the year of assessment 2022/2023 should be included in **Cage “A1” (Not Liable\*)**
  - Remuneration from primary employment is liable to tax, but tax has not been deducted due to non-submission of consent to deduct tax or submission of consent not to deduct tax for the first nine month period of the Y/A 2022/2023 However, if any tax has been deducted from employees of primary employment within the year of assessment Y/A 2022/2023 (from April 01, 2022 to March 31, 2023) should not be included in **Cage “A2” (Consent Not Given - Primary\*\*)**
  - Remuneration from secondary employment is liable to tax, but tax has not been deducted due to non-submission of consent to deduct tax or submission of consent not to deduct tax for the first nine month period. However, if any tax has been deducted from employees of secondary employment within the year of assessment (from April 01, 2022 to March 31, 2023) should not be included in **Cage “A3” (Consent Not Given – Secondary\*\*\*)**
- Enter the number of employees whose tax have been deducted under Primary Employment and come under each range of gross remuneration during the Y/A 2022/2023, in Cages “i” to “iv”. **(Information relates with the Schedule 01).**
- Enter the number of employees who are considered to be on Secondary Employment, in **Cage “C”**. **(Information relates with the Schedule 01).**
- Enter the number of employees, whose employment have been terminated during the Y/A 2022/2023 on both Primary and Secondary Employment, in **Cage “E” (Information relates with the Schedule 02).**

##### Total Gross Remuneration LKR

Enter the total of gross remuneration earned by **each category** of employees.

##### Tax Deductions LKR

Enter the APIT deductions made under **each category** of employees.

#### 2. PART II

##### (a) Exempt / Excluded Remuneration LKR

Enter the aggregate of excluded /exempted remuneration paid in terms of the Inland Revenue Act, No. 24 of 2017, to employees whose tax have been deducted under APIT during each month of the Y/A 2022/2023 in column “A”. **(Information relates with the Schedule 01).**

##### (b) Total Gross Remuneration liable for APIT and Tax Deducted LKR

Enter the **aggregate of remuneration paid** to employees, whose tax have been deducted under APIT, in Column "B". Enter the **aggregate of such tax deductions** made in each month in Column "C". **(Information relates with the Schedule 01)**

(c) **Payments Made (Excluding penalty & Interest) LKR**

**PLEASE SPECIALLY NOTE** to enter the amount of tax remitted (excluding penalty and interest) to the Inland Revenue Department in each month in Column "**D**". Please enter cents value clearly.

(d) **Total Terminal Benefits and Tax Deducted LKR**

Enter the total terminal benefits paid to employees in each month during the year of assessment in Column "**E**". Enter the aggregate of such tax deductions on terminal benefits made in each month in Column "**F**". (**Information relates with the Schedule 02**)

(e) **Payments Made (Excluding penalty & Interest) LKR**

Enter the amount of tax deducted from terminal benefits and remitted to the Inland Revenue Department during each month in Column "**G**". Please enter cents value clearly.

**3. PART III: DECLARATION**

Mark whether the APIT Annual Statement or part of the APIT Annual Statement is prepared by and Approved Accountant or any other person for a payment in the cages of 'YES' or 'NO'.

**PART (A): DETAILS OF APPROVED ACCOUNTANT/ ANY OTHER PERSON**

Where the statement or part of the statement is prepared by an approved accountant, or any other person for a payment other than a full time employee of the taxpayer, fill PART (A) and attach the certificate/s issued by such person.

**PART (B): DECLARATION OF THE EMPLOYER**

In terms of Section 126(4) of the IRA, a taxpayer or the taxpayer's duly authorized agent, shall sign the APIT annual Statement, attesting to its accuracy and completeness. Therefore, the Managing Director/ Head of the Department/ President or Active Partner/ Director of Finance/ Director/ Secretary/ Trustee/ Accountant/ Administration Officer/ Principal Officer/ Duly Authorized Agent shall sign (and date) the Annual statement indicating his/her name and designation.

❖ **APIT SCHEDULES**

**1. Schedule 01 - Remuneration other than Once-and-for-all Payments (Terminal Benefits) from 01.04.2022 to 31.03.2023**

This is the document for employees' information, whose **tax were deducted** under APIT scheme from their gross remuneration under primary or secondary employment.

Enter information and figures related to each Employee, **including non-residents**, (other than Once-and-for-all payments) extracted from APIT Pay Sheet in respective cages in "**Schedule 01**".

**2. Schedule 02 - Once-and-for-all Payments (Terminal Benefits) from 01.04.2022 to 31.03.2023**

This is the document for employees' information, with regard to Once-and-for-all payments.

Enter information and figures related to **all employees who have been terminated or ceased** their employment during the year of assessment. But, do not enter the information of employees whose tax liability on Once-and-for-all payments have not been finalized within 90 days from the date of retention.

Please note that information related to Once-and-for-all payments ("Terminal Benefits") only should be entered in the **"Schedule 02"**.

**3. Schedule 03 – List of employees on non-submission of consent for the First nine – month Period of year of assessment 2022/2023**

This is the document for employees' information on non-submission of consent.

Enter the information and figures related to all employees, who have not submitted the consent to deduct APIT or who have submitted the consent not to deduct APIT, during the first nine –month period of the Y/A 2022/2023. (Please refer to "A2" and "A3" of APIT Annual Statement PART I.)

However, do not enter the details of employees whose gross remuneration have not been liable to deduct APIT in the respective period.

Please note that, any employee who has already got registration with the IRD and obtained a Taxpayer Identification Number (TIN), enter that TIN in Colum "N" of the **Schedule 03**.

❖ **Pay your attention to match the figures among the PART I, PART II, Schedule 01, Schedule 02 and Schedule 03 as set out in the table below;**

	<b>PART I</b>	<b>PART II</b>	<b>Schedule 1</b>	<b>Schedule 2</b>	<b>Schedule 3</b>
<b>Total Gross Remuneration</b>	Cage 'A2'				Cage 'H' - Total Gross Remuneration under Primary Employment
<b>Total Gross Remuneration</b>	Cage 'A3'				Cage 'H' - 'Total Gross Remuneration under Secondary Employment
<b>Total Gross Remuneration</b>	Cage 'B' + Cage 'C'	<b>Total of column 'B'</b>			
<b>Tax Deductions</b>	Cage 'B' + Cage 'C'	<b>Total of column 'C'</b>			
<b>Total Gross Remuneration</b>	Cage 'E'	<b>Total of column 'E'</b>			
<b>Tax Deductions</b>	Cage 'E'	<b>Total of column 'F'</b>			
<b>Total Gross Remuneration</b>	Cage 'B' + Cage 'C'		<b>Total of column 'H'</b>		
<b>Tax Deductions</b>	Cage 'B'		<b>Total of column 'J'</b>		
<b>Tax Deductions</b>	Cage 'C'		<b>Total of column 'K'</b>		
<b>Total Gross Remuneration</b>	Cage 'E'			<b>Total of column 'I'</b>	
<b>Tax Deductions</b>	Cage 'E'			<b>Total of column 'M'</b>	
<b>Number of Employees</b>	Cage A2				<b>Total No. of Employees under Primary Employment</b>
<b>Number of Employees</b>	Cage A3				<b>Total No. of Employees under</b>

					Secondary Employment
Number of Employees	Cage 'B' + Cage 'C'		Total No. of Employees		
Number of Employees	Cage 'E'			Total No. of Employees	
Exempt/ Excluded Remuneration		Total of column 'A'	Total of column 'I'		

### ❖ Supporting MS Excel Workbook

You are provided a supporting MS Excel Workbook to provide additional information related to separate two periods, i.e. first nine-month period (01.04.2022 – 31.12.2022) and second three three-month period ( 01.01.2023 -31.03.2023) for the Y/A 2022/2023 in order to submit along with the APIT Annual Statement and Schedules.

To download supporting MS Excel Workbook: IR Web Portal → Download → Schedules → Other taxes → PAYE/APIT

There are three excel sheets in the supporting MS Excel Workbook, namely as;

- I. *Two Periods of YA 2223* – Information related to first nine-month period and second three three-month period for the Y/A 2022/2023;
- II. *Emps-Consent not submitted* – List of Employees on non- submission of consent for the First Nine-Month Period of Year of Assessment 2022/2023 (with Monthly Gross Remuneration more than Rs.250,000); and
- III. *Emps-taxed (expt Ter. benefits)* – List of Employees whose Remuneration exceeds Rs. 100,000.00 per Month or Rs. 300,000.00 for the Second Three-month Period of the Year of Assessment 2022/2023.

### I. *Two Periods of YA 2223* – Information related to first nine-month period and second three three-month period for the Y/A 2022/2023

#### PART I – A. FIRST NINE-MONTH PERIOD OF THE YEAR OF ASSESSMENT 2022/2023

#### Number of Employees

- Enter the number of employees in the respective cages whose tax have not been deducted under APIT scheme, as mentioned below;
  - Gross remuneration is less than LKR 2,250,000 per **first nine-month period**
    - in Cage “A1”
  - Consent is not given to deduct APIT under primary employment (Gross remuneration is more than LKR 2,250,000 per **first nine-month period**)
    - in Cage “A2”
  - Consent is not given to deduct APIT under secondary employment
    - in Cage “A3”
- Enter the number of employees whose tax have been deducted under Primary Employment and come under each range of gross remuneration during **first nine-month period**, in Cages “i.1” to “iv.1”.
- Enter the number of employees who are considered to be on Secondary Employment, in Cage “C.1”.
- Enter the number of employees, whose employment have been terminated during **first nine-month period** on both Primary and Secondary Employment, in Cage “E.1”.

#### Total Gross Remuneration LKR

Enter the total of gross remuneration earned by **each category** of employees.

#### **Tax Deductions LKR**

Enter the APIT deductions made under **each category** of employees.

### **PART I – B. SECOND THREE-MONTH PERIOD OF THE YEAR OF ASSESSMENT 2022/2023**

#### **Number of Employees**

- Enter the number of employees who are considered to be on Primary Employment and earned gross remuneration less than 300,000 LKR during the **second three-month period, in Cage “A”**.
- Enter the number of employees who are considered to be on Primary Employment and come under each range of gross remuneration during the **second three-month period, in Cage “i.2” to “vii.2”**.
- Enter the number of employees who are considered to be on Secondary Employment during the **second three-month period, in Cage “C.2”**.
- Enter the number of employees whose employment have been terminated during the **second three-month period** on both Primary and Secondary Employment, in Cage **“E.2”**.

#### **Total Gross Remuneration LKR**

Enter the total of gross remuneration earned by **each category** of employees.

#### **Tax Deductions LKR**

Enter the APIT deductions made under **each category** of employees.

\*\*The Total in the Cage **“F”** in *Two Periods of YA 2223* should be equal to the total of the Cage **“F”** under **PART I** of the APIT Annual Statement.

### **II. *Emps-Consent not submitted* – List of Employees on non-submission of consent for the First Nine-Month Period of Year of Assessment 2022/2023 (with Monthly Gross Remuneration more than Rs.250,000)**

Enter the information and figures related to all employees with monthly gross remuneration more than Rs.250,000, who have not submitted the consent to deduct APIT or who have submitted the consent not to deduct APIT, during the first nine-month period.

### **III. *Emps-taxed (expt Ter. benefits)* – List of Employees whose Remuneration exceeds Rs. 100,000.00 per Month or Rs. 300,000.00 for the second three-month period of the Year of Assessment 2022/2023.**

Enter the information and figures related to all employees with monthly gross remuneration more than Rs.100,000.00 or Rs. 300,000.00 for the second three-month period.

