PARLIAMENT OF THE DEMOCRATIC

SOCIALIST REPUBLIC OF

SRI LANKA

STRATEGIC DEVELOPMENT PROJECTS

ACT, No. 14 OF 2008

[Certified on 29th February, 2008]

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Act, No. 14 of 2008

[Certified on 29th February, 2008]

L.D.—O. 5/2008.

AN ACT TO PROMOTE STRATEGIC DEVELOPMENT PROJECTS ; TO

PROVIDE A TAX FREE PERIOD IN RELATION TO IDENTIFIED

STRATEGIC DEVELOPMENT PROJECTS ; AND TO PROVIDE FOR

MATTERS CONNECTED THEREWITH OR INCIDENTAL THERETO.

BE it therefore enacted by the Parliament of the Democratic

Socialist Republic of Sri Lanka as follows :—

1. This Act may be cited as the Strategic Development Short title.

Projects Act, No. 14 of 2008.

2. From and after the date of the coming into operation of Objective of the

this Act, there shall be certain projects identified in accordance Act.

with the following provisions contained herein, as Strategic

Development Projects for the purposes of this Act, to which

exemptions from the applicability of the provisions of the

enactments specified in the Schedule to this Act, may from

time to time be granted :

Provided that the period of any exemption granted in terms

of this section shall in no event exceed a period of twenty-five

years.

3. (1) The Board of Investment of Sri Lanka established Identification of

by the Board of Investment of Sri Lanka Law, No. 4 of 1978, Strategic

Development

shall identify in consultation with the relevant line Ministries,

Projects.

any proposed project as a Strategic Development Project.

(2) On a project being identified in terms of subsection (1)

as a Strategic Development Project, the Minister in charge of

the subject of Investment shall by Notification published in

the Gazette publish the relevant information relating to each

proposed project and the exemptions to be granted in respect

of the same.

(3) On the expiration of a period of thirty days from the date

of the Notification published under subsection (2), the Minister

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in charge of the subject of Investment, shall in consultation

with the Minister in charge of the subject of Finance take such

steps as are necessary to inform the Cabinet of Ministers of—

(a) the rationale for considering such project as a

Strategic Development Project ; and

(b) the period of exemption proposed to be granted,

and obtain the approval of the Cabinet of Ministers for the

identification of the project as a Strategic Development Project

and for the granting of exemptions to such Project in terms of

section 2.

(4) If the Cabinet of Ministers grants approval for such

Project to be considered as a Strategic Development Project

and for the aforesaid exemptions to be granted to such Project

in terms of section 2, the Minister in charge of the subject of

Investment shall, within six weeks from the date on which the

approval of the Cabinet is granted, by Order published in the

Gazette, specify the name of the Strategic Development

Project, the date of commencement of such Project and the

date on which the exemptions from the enactments specified

in the Schedule hereto, granted in terms of section 2 will

become operative and the date from which the same shall

cease to be operative.

(5) Every Order made in terms of subsection (4) shall be

placed before the Parliament within three months from the

date of publication of the Order in the Gazette.

Procedure for 4. Every Order made under subsection (4) of section 3

operation of shall,—

order.

(a) become operative immediately upon approval by

Resolution of Parliament ; and

(b) if not approved by Parliament, be deemed to be

rescinded with effect from the date of such

Resolution, without prejudice to anything previously

done thereunder.

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5. In the event of any inconsistency between the Sinhala Sinhala text to

and the Tamil texts of this Act, the Sinhala text shall prevail. prevail in case

of inconsistency.

6. Unless the context otherwise requires, “Strategic Interpretation.

Development Project” means a project which is in the national

interest and which is likely to bring economic and social benefit

to the country and which is also likely to change the landscape

of the country, primarily through—

(a) the strategic importance attached to the proposed

provision of goods and services, which will be of

benefit to the public ;

(b) the substantial inflow of foreign exchange to the

country ;

(c) the substantial employment which will be generated

and the enhancement of the income earning

opportunities ; and

(d) the envisaged transformation in terms of technology.

SCHEDULE

(Section 2)

1. The Inland Revenue Act, No. 10 of 2006

2. The Value Added Tax Act, No. 14 of 2002

3. The Finance Act, No. 11 of 2002

4. The Finance Act, No. 5 of 2005

5. The Excise (Special Provision) Act, No. 13 of 1989

6. The Economic Service Charge Act, No. 13 of 2006

7. The Debits Tax Act, No. 16 of 2002

8. Customs Ordinance (Chapter 235)

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