



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

**SPECIAL COMMODITY LEVY
ACT, No. 48 OF 2007**

[Certified on 15th October, 2007]

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*Special Commodity Levy
Act, No. 48 of 2007*

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L.D.—O. 40/2007.

AN ACT TO PROVIDE FOR THE IMPOSITION OF A COMPOSITE LEVY ON CERTAIN SPECIFIED COMMODITY ITEMS IN LIEU OF THE AMOUNT CHARGEABLE ON SUCH COMMODITY ITEMS AS A TAX, DUTY, LEVY, CESS OR ANY OTHER CHARGE IN ORDER TO OVERCOME THE COMPLEXITIES ASSOCIATED WITH THE APPLICATION AND ADMINISTRATION OF MULTIPLE TAXES ON SUCH SPECIFIED COMMODITY ITEMS; AND TO PROVIDE 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 Special Commodity Levy Act, No. 48 of 2007.

Short title.

2. (1) From and after the date of the coming into operation of this Act, there shall be imposed a levy to be called the “Special Commodity Levy” on certain commodity items which shall from time to time be specified by the Minister by Order published in the *Gazette*.

Imposition of
Special
Commodity
Levy.

(2) The period of validity of every such Order and the rate of the Special Commodity Levy to be imposed in respect of each such specified item, either on *ad valorem* or specific basis, shall also be specified in the Order.

(3) Every Order made under subsection (1) which is valid for a period of over thirty days, may be amended or varied by adding thereto or removing therefrom any item or by revising the rates specified therein.

(4) No Order made under subsection (3) may be amended or varied until the expiration of thirty days from the date of the making thereof.

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(5) The Special Commodity Levy so imposed shall be a composite levy and during the period any Order published in terms of subsection (1) is in force, no other tax, duty, levy or cess or any other charge imposed in terms of any of the laws specified in the Schedule to this Act, shall be applicable in respect of the commodity items specified in any such Order.

Collection, administration and recovery of the Special Commodity Levy.

3. The Special Commodity Levy, imposed under section 2, in lieu of any tax, duty, levy or cess or any other charge imposed in terms of any of the laws specified in the Schedule to this Act, shall notwithstanding anything to the contrary in this Act, be collected, administered and recovered by the Director - General of Customs, in accordance with the provisions of the Customs Ordinance (Chapter 235).

Special Commodity Levy to be remitted to the Consolidated Fund.

4. The Director - General of Customs shall remit all sums collected by him as Special Commodity Levy in terms of this Act, to the Consolidated Fund.

Minister may waive the Special Commodity Levy on certain commodities.

5. (1) Notwithstanding the provisions of section 2, the Minister may, where he is of opinion that in view of the prevailing economic considerations that it is expedient so to do, by Order published in the *Gazette* waive for a period of time to be specified in such Order, the Special Commodity Levy chargeable under section 2 in respect of any specified item.

(2) During the period any Order published in terms of subsection (1) is in force, no other tax, duty, levy or cess or any other charge imposed in terms of any of the laws specified in the Schedule to this Act, shall be applicable in respect of the commodity items specified in any such Order.

Determination of the applicable rate.

6. Where any commodity item is made subject to an Order under section 2, the rate payable in respect of such commodity item shall be such rate as is applicable to such item at the time of submission of the Bill of Entry.

7. Every Order made by the Minister in terms of section 2 and section 5, shall—

Order to be placed before Parliament & c..

- (i) be in operation immediately upon the Minister affixing his signature thereto;
- (ii) be published in the *Gazette* as soon as convenient;
- (iii) be approved by Resolution of Parliament as soon as convenient thereafter; and
- (iv) 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.

8. Where an Order made under section 2 or section 5 is rescinded as provided for in paragraph (iv) of section 7, the commodity items to which the Orders relate shall become subject to the payment of any tax, duty, levy or cess or other charge imposed in terms of any of the laws specified in the Schedule to this Act.

Effect of an Order being deemed to be rescinded.

9. In the case of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail.

Sinhala Text to prevail in case of inconsistency.

SCHEDULE

(Sections 2 and 8)

1. The Finance Act, No. 11 of 2002 (Part I).
2. The Value Added Tax Act, No. 14 of 2002.
3. The Finance Act, No. 5 of 2005 (Part I).
4. The Customs Ordinance (Chapter 235).
5. The Sri Lanka Export Development Act, No. 40 of 1979.
6. The Excise (Special Provisions) Act, No. 13 of 1989

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