

PARLIAMENT OF CEYLON

2nd Session 1957



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Income Tax (Amendment) Act, No. 38 of 1957

Date of Assent : September 6, 1957

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AN ACT TO AMEND THE INCOME TAX ORDINANCE AND TO PROVIDE IN CERTAIN CASES FOR THE REFUND OF A PART OF THE TAX PAID UNDER SUB-SECTION (10A) OF SECTION 20 OF THAT ORDINANCE BEFORE THE AMENDMENT OF THAT SUB-SECTION BY THIS ACT.

[Date of Assent: September 6, 1957]

BE it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Senate and the House of Representatives of Ceylon in this present Parliament assembled, and by the authority of the same, as follows:—

1. This Act may be cited as the Income Tax (Amendment) Act, No. 38 of 1957. Short title.

2. Section 2 of the Income Tax Ordinance (hereafter in this Act referred to as the "principal enactment") is hereby amended as follows:—
 - (1) in the definition of "Commissioner", by the substitution, for the words "and the Deputy", of the words "a Deputy"; and
 - (2) in the definition of "Deputy Commissioner", by the substitution, for the words "the Deputy", of the words "a Deputy".Amendment of section 2 of Chapter 188.

3. Section 3 of the principal enactment is hereby amended, in sub-section (2) of that section, by the substitution, for the words "a Deputy Commissioner", of the words "Deputy Commissioners". Amendment of section 3 of the principal enactment.

4. Section 6 of the principal enactment, as amended by Act No. 3 of 1956, is hereby further amended, in sub-section (2) of that section, by the substitution, in sub-paragraph (i) of paragraph (a) of that sub-section, for the words "trienially granted to any such director who is not a citizen of Ceylon in order to enable him to visit his home abroad," of the words "granted to any such director who is not a citizen of Ceylon or to his wife, son or daughter in order to enable him or her to visit his or her home abroad,". Amendment of section 6 of the principal enactment.

Amendment of section 7 of the principal enactment.

5. Section 7 of the principal enactment is hereby amended, in sub-section (1) of that section, as follows:—

(1) by the insertion, immediately after paragraph (ff) of that sub-section as amended by Act No. 53 of 1942, of the following new paragraph:—

“(fff) the profits and income of the United Nations Organization including the net annual value of any land owned in Ceylon by and occupied by or on behalf of that Organization and any improvements on that land;”;

(2) in paragraph (g) of that sub-section as amended by Act No. 17 of 1954—

(a) by the substitution, in sub-paragraph (iii) of that paragraph, for the words “Minister; and”, of the word “Minister;”;

(b) by the substitution, in sub-paragraph (iv) of that paragraph, for the word “Minister:”, of the words “Minister; and”;

(c) by the insertion, immediately after sub-paragraph (iv) of that paragraph, of the following new sub-paragraph:—

“(v) any official of the United Nations Organization who is resident in Ceylon and who is not a citizen of Ceylon;”;

(3) by the insertion, immediately after paragraph (gg) of that sub-section as amended by Act No. 1 of 1949, of the following new paragraph:—

“(ggg) the official emoluments of any citizen of Ceylon who is employed as an expert, adviser or official or a technician by the United Nations Organization or by any Specialised Agency of that Organization;”.

Amendment of section 7A of the principal enactment.

6. Section 7A of the principal enactment, as amended by Act No. 36 of 1951 and Act No. 28 of 1954, is hereby amended, in sub-section (1) of that section, by the substitution, for the words “six years”, of the words “eight years”.

7. Section 7B of the principal enactment, as amended by Act No. 36 of 1951, Act No. 28 of 1954 and Act No. 3 of 1956, is hereby amended, in sub-section (1) of that section, by the substitution, in sub-paragraph (a) of paragraph (i) of that sub-section, for the word and figures " March 31, 1957," of the word and figures " March 31, 1959,".

Amendment of section 7B of the principal enactment.

8. Section 9 of the principal enactment, as amended by Act No. 3 of 1956, is hereby amended, in sub-section (1) of that section, by the substitution, in paragraph (g) of that sub-section, for all the words from " any contribution to a pensions fund " to " society or fund," , of the following:—

Amendment of section 9 of the principal enactment.

" any contribution to a pension fund made in any year preceding the year of assessment commencing on April 1, 1957, any contribution by any employer to a pensions, provident or savings fund, or to a provident or savings society,".

9. Section 20 of the principal enactment, as amended by Act No. 3 of 1956, is hereby further amended, in sub-section (10A) of that section, as follows:—

Amendment of section 20 of the principal enactment.

(a) by the substitution, for the words " in that year:", of the following:—
" in that year:

Provided that for any year of assessment commencing on or after the first day of April, 1956, the rate of tax chargeable on such excess shall not exceed fifteen per centum:"; and

(b) by the substitution, for the words " Provided that, where he was ", of the words " Provided further that, where he was ".

10. Where under the provisions of sub-section (10A) of section 20 of the principal enactment any individual was charged for the year of assessment commencing on the first day of April, 1956, with tax on that part of his taxable income to which that sub-section applies at such effective rate referred to in that sub-section as exceeds fifteen per centum and the amount of the tax so charged has already been paid, he shall, notwithstanding anything in section 75 of the principal enactment, be entitled to a refund of such portion of that

Refund of certain part of tax paid under sub-section (10A) of section 20 of the principal enactment.

amount as exceeds the amount which he would have been liable to pay if that effective rate was not more than fifteen per centum.

Amendment of heading " JJJ " and section 44B of the principal enactment.

11. (1) The heading " JJJ " immediately preceding section 44B of the principal enactment is hereby amended by the substitution, for the words " Life Insurance Policies, and Provident Fund Contributions " occurring in that heading, of the words " Life Insurance Policies and Annuities, and Provident or Pensions Fund Contributions ".

(2) Section 44B of the principal enactment, as amended by Act No. 3 of 1956, is hereby amended as follows:—

(a) in sub-section (1) of that section—

(i) by the relettering of paragraph (b) of that sub-section as paragraph (c),

(ii) by the insertion, immediately after paragraph (a) of that sub-section, of the following new paragraph:—

“ (b) during the year preceding any year of assessment commencing on or after April 1, 1956, pays any premia for the purchase of an annuity, or ”,

(iii) by the substitution, in relettered paragraph (c) of that sub-section, for the word " Commissioner," of the words " Commissioner, or ”

(iv) by the insertion, immediately after the relettered paragraph (c) of that sub-section, of the following new paragraph:—

“ (d) during any period of employment, the profits from which are included in the total statutory income in any year of assessment commencing on or after April 1, 1958, makes any contribution to a pensions fund approved by the Commissioner,”,

(v) by the addition, at the end of that sub-section, of the following:—

“ Provided further that the preceding provisions of this sub-section shall not apply to—

(a) any life insurance policy issued outside Ceylon after July 4, 1957,

(b) any premia paid outside Ceylon on such life insurance policy,

(c) any annuity purchased outside Ceylon after July 4, 1957, and

(d) any premia paid outside Ceylon after July 4, 1957, for the purchase of an annuity.”;

(b) in sub-section (2) of that section by the substitution, for the word “ policy ”, of the words “ policy or annuity ”; and

(c) in the marginal note to that section by the substitution, for the words “ policies and provident fund ”, of the words “ policies and annuities and provident or pensions fund ”.

12. Section 67 of the principal enactment is hereby amended, in sub-section (2) of that section, by the substitution, for the word and figures “ section 20 ”, of the following:—

Amendment of section 67 of the principal enactment.

“ section 20 or under sub-section (2) of section 20A ”.

13. Section 73 of the principal enactment is hereby amended, in sub-section (9) of that section, by the substitution, for the words “ one hundred rupees,”, of the words “ two hundred and fifty rupees,”.

Amendment of section 73 of the principal enactment.