



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

**CEILING ON HOUSING PROPERTY
(AMENDMENT)**

ACT, No. 56 OF 1980

[Certified on 18th December, 1980]

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**Ceiling on Housing Property (Amendment)
Act, No. 56 of 1980**

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L. D.—O. 91/79.

**AN ACT TO AMEND THE CEILING ON HOUSING PROPERTY LAW,
No. 1 of 1973**

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

1. This Act may be cited as the Ceiling on Housing Property (Amendment) Act, No. 56 of 1980. Short title.

(2) by the insertion, immediately after the renumbered No. 1 of 1973 (hereinafter referred to as the “principal enactment”) is hereby amended as follows:— Amendment of section 4 of Law No. 1 of 1973.

(1) by the renumbering of that section as subsection (1) of that section; and

(2) by the insertion, immediately after the renumbered subsection (1) of that section, of the following subsection:—

“ (2) Where any person constructs a house for the purpose of sale, being a house comprised in a housing project approved by the Minister by Order published in the *Gazette* as being essential to the implementation of the housing development policy of the Government, such person shall be deemed, for the purposes of this Law, not to own such house if—

(a) such house is not occupied by such person before it is sold; and

(b) such house is sold within twenty years of the date on which it was, in the opinion of the Commissioner, ready for occupation.”.

3. Sections 21, 22 and 23 of the principal enactment are hereby repealed and the following sections substituted therefor:— Replacement of sections 21, 22 and 23 of the principal enactment.

‘Provisions to be complied with by the Commissioner on receipt of claims

21. Upon the receipt of any claim made under section 20, the Commissioner shall forward such claim to the Secretary to the Ministry of the Minister for reference to a Board of Valuation for the determination of the price payable in respect of the house which is the subject-matter of the claim.

Reference to Board of Valuation for award as to price payable.

22. (1) The Secretary to the Ministry of the Minister shall refer to a Board of Valuation for determination of the price payable in respect of every house vested in the Commissioner and shall transmit to the

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Board all claims made to such price together with all documents furnished by the claimants in support of their claims.

(2) A reference made under subsection (1) to a Board of Valuation is hereafter in this Law referred to as a "reference for an award as to price".

Determin-
ation
of price
payable.

23. The price payable for any house vested in the Commissioner under this Law shall be—

(a) the market value of the house as at the date of vesting, such market value being determined in the case of a house let to a tenant on the basis that recovery of possession of such house is possible only in accordance with the provisions of the Rent Act, No. 7 of 1972, as were in force on the date of vesting; or

(b) where the ownership of the house was acquired by purchase or otherwise prior to April 1, 1957, or otherwise than by purchase on or after April 1, 1957, the market value thereof as at April 1, 1957, increased by an amount calculated at a rate of *six per centum* of such value for each year up to the date of vesting, and where the ownership of the house was acquired by purchase on or after April 1, 1957, the lowest purchase price as specified in any deed of purchase in respect of such house executed after April 1, 1957, increased by an amount calculated at a rate of *six per centum* of such purchase price for each year from the date of such deed up to the date of vesting and an additional amount equal to the reasonable value of any additions and improvements made to such house by any owner after the date of such deed, reduced by the net income for that period,

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whichever amount is lower, and where the provisions of paragraph (b) are not applicable, the amount as determined under the provisions of paragraph (a) :

Provided however that—

- (i) in determining the price payable for any house vested under section 13A or section 14, the fact that the owner of such house is not entitled to institute action or proceedings for the ejectment of the tenant thereof on the ground that such house is reasonably required for occupation as a residence by the landlord of such house or any member of his family shall not be taken into consideration ; and
- (ii) in the case of a land where there are tenements the price payable for any land in excess of the lands which are appurtenant to such tenements shall be on the basis that the only development possible is by the construction of similar tenements in such excess land. ’

4. Section 28 of the principal enactment is hereby amended by the repeal of subsection (1) of that section and the substitution therefor of the following subsection :—

Amendment
of section
28 of the
principal
enactment.

“ (1) The amount payable to any person as the price of any house vested in the Commissioner under this Law shall—

- (a) in a case where only one house of that person has been so vested—
 - (i) be paid in cash, if such amount does not exceed fifteen thousand rupees ; or
 - (ii) be paid in cash in respect of the first fifteen thousand rupees, and in bonds issued by the Central Bank of Ceylon in respect of the balance sum, if such amount exceeds fifteen thousand rupees ; or
- (b) in a case where two or more houses of that person have been so vested—

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- (i) be paid in cash, if the total amount does not exceed fifteen thousand rupees; or
- (ii) be paid in cash in respect of the first fifteen thousand rupees and in bonds issued by the Central Bank of Ceylon in respect of the balance sum, if such amount exceeds fifteen thousand rupees."

Amendment
of section
29 of the
principal
enactment.

5. Section 29 of the principal enactment is hereby amended in subsection (1) of that section, by the substitution for the words "a Board of Review", of the words 'a Board of Review (hereinafter referred to as "the Board")'.

Amendment
of section
31 of the
principal
enactment.

6. Section 31 of the principal enactment is hereby amended by the addition, at the end of that section, of the following new subsection:—

"(4) Where pending consideration by the Board of any reference, all the members of such Board resign or are removed from office and a new Board appointed, the new Board shall have power to act on evidence relating to such reference recorded at a meeting of its predecessor and partly recorded at a meeting held by it."

Amendment
of section
36 of the
principal
enactment.

7. Section 36 of the principal enactment is hereby amended by the substitution for the words "Where a reference for an award as to price is made to the Board, the Board shall", of the words "Where a reference for an award as to price is made to a Board of Valuation, the Board of Valuation shall,".

Amendment
of section
37 of the
principal
enactment.

8. Section 37 of the principal enactment is hereby amended by the substitution for the words "the Board", of the words "a Board of Valuation".

Amendment
of section
38 of the
principal
enactment.

9. Section 38 of the principal enactment is hereby amended as follows:—

(1) in subsection (1) of that section—

(a) by the substitution for the words "the Board in respect of any house vested in the Commissioner, the Board shall", of the words "a Board of Valuation in respect of any house vested in the Commissioner, the Board of Valuation shall,"; and

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- (b) in the proviso to that subsection, by the substitution for the words "the Board", of the words "a Board of Valuation";
- (2) in subsection (3) of that section, by the substitution for the words "the Board", of the words "A Board of Valuation";
- (3) in subsection (4) of that section, by the substitution for the words "the Board", of the words "a Board of Valuation"; and
- (4) in the marginal note to that section, by the substitution for the word "Board", of the words "a Board of Valuation".

10. The following new section is hereby inserted immediately after section 39, and shall have effect as section 39A, of the principal enactment:—

Insertion
of new
section 39A
in the
principal
enactment.

"Constitution
of Boards of
Valuation.

39A. (1) The Minister may from time to time appoint a panel consisting of fifteen or more members of whom not less than one-third shall be persons with an adequate knowledge of the valuation of land.

(2) For the purpose of constituting a Board of Valuation to determine a reference for an award as to price made under section 22, the Secretary to the Ministry of the Minister shall select from the panel three members to constitute a Board of Valuation.

(3) A person shall be disqualified for being appointed or being a member of the panel if he is a Member of Parliament.

(4) Every member of the panel shall—

(a) subject to the provisions of subsections (6) and (11), hold office for such period not exceeding three years as the Minister may determine at the time of appointment; and

(b) be eligible for reappointment.

(5) Any member of the panel may without any reason being assigned therefor, be removed from office by the Minister.

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(6) Any member of the panel who is not a public officer may resign from the panel, by letter in that behalf addressed to the Minister.

(7) Where the office of a member of the panel becomes vacant or such member becomes, by reason of illness or other infirmity, or absence from Sri Lanka, temporarily unable to perform the duties of his office, the Minister may appoint another person in place of such member.

(8) The members of the panel shall be remunerated in such manner and at such rates and shall be subject to such conditions of service as may be determined by the Minister with the concurrence of the Minister in charge of the subject of Finance.

(9) Subject to the provisions of this Act, each Board of Valuation may regulate its own procedure at its meetings and in the transaction of business thereat.

(10) The validity of any proceedings of a Board of Valuation shall not be affected by any vacancy among the members or by any defect in the appointment of any member.

(11) Where on the expiration of the term of office of any member of the panel, who has been appointed by the Secretary to the Ministry of the Minister to any Board of Valuation before which there is any reference pending on the day immediately preceding the date of expiration of the term of office of such member, the Minister may extend the term of office of such member, for such period or periods until such reference is determined by such Board."

Amendment
of section
40 of the
principal
enactment.

11. Section 40 of the principal enactment is hereby amended in subsection (1) of that section, by the substitution, for the words "two thousand square feet", of the words "three thousand square feet".

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12. Sections 41, 42 and 43 of the principal enactment are hereby repealed.

Repeal of sections 41, 42 and 43 of the principal enactment.


13. Where, on the day immediately prior to the date of commencement of this Act—

Pending claims and references.

(a) any claim made to the Commissioner under section 20 of the principal enactment has not been referred by him to the Board of Review under section 22 of the principal enactment before its replacement by section 3 of this Act ; or

(b) any reference for an award as to price referred to the Board of Review under section 22 of the principal enactment before its replacement by section 3 of this Act, is pending before that Board,

such claim or reference, as the case may be, shall be forwarded by the Commissioner or the Board of Review, as the case may be, to the Secretary to the Ministry of the Minister, who shall thereupon refer such claim or reference to a Board of Valuation under section 22 of the principal enactment, as replaced by section 3 of this Act.



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