



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

BETTING AND GAMING LEVY (AMENDMENT)

A

BILL

to amend the Betting and Gaming Levy Act, No. 40 of 1988

Presented by the Minister of Finance on 22nd September, 2015

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Ordered by Parliament to be printed

[Bill No. 7]

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STATEMENT OF LEGAL EFFECT

Clause 2 : This clause amends section 2 in the Betting and Gaming Levy Act, No. 40 of 1988 (hereinafter referred to as the “principal enactment”) and the legal effect of the section as amended is-

- (a) to increase the levy under subsection (1A) to ten *per centum*; and
- (b) to introduce a new levy called “Casino entrance levy” to be charged from every person who enters a place of business of gaming.

Clause 3 : This clause amends section 2A of the principal enactment and the legal effect of the section as amended is to provide for the registration in the Department of Inland Revenue on or after January 1, 2013, but prior to May 31, of 2013.

Clause 4 : This clause amends section 4 of the principal enactment and the legal effect of the section as amended is to provide for the application of provisions of subsection (5) and certain provisions in the Inland Revenue Act, No. 10 of 2006 for the levy payable under subsection (1) and subsection (1A) of section 2 respectively.

Clause 5 : This clause amends section 5(1) of the principal enactment and the legal effect of the section as amended is to provide for the application of the provisions of Inland Revenue Act, No. 10 of 2006 in respect of offences referred to in that section.

Clause 6 : This clause amends section 6 of the principal enactment and the legal effect of the section as amended is to substitute for the words “Deputy-Commissioner or Assessor of the words “Commissioner, Senior-Deputy Commissioner, Deputy Commissioner or Assistant Commissioner”.

Clause 7: This clause inserts a new section 6A in the principal enactment. The new section provides for regulation making powers.

Clause 8 : This clause amends section 8 of the principal enactment and the legal effect of that section as amended is to provide for consequential amendments.

Clause 9 : This clause amends section 9 of the principal enactment and the legal effect of the section as amended is to include the amount of levy chargeable in respect of business of bookmaker and business of gaming in the schedule for every year commencing on or after April 1, 2015.

Betting and Gaming Levy (Amendment)

L.D.—O. 12/2015

AN ACT TO AMEND THE BETTING AND GAMING LEVY ACT,
No. 40 OF 1988

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

5 **1.** This Act may be cited as the Betting and Gaming Levy (Amendment) Act, No. of 2015 and shall be deemed for all purposes, to have come into operation on January 1, 2015. Short title and the date of operation.

2. Section 2 of the Betting and Gaming Levy Act, No. 40 of 1988 (hereinafter referred to as the “principal enactment”), as last amended by Act, No. 19 of 2013 is hereby further amended as follows:- Amendment of Section 2 of the Betting and Gaming Levy Act, No. 40 of 1988.

10 (1) in subsection (1A) of that section, by the substitution for the words “a levy at the rate of five per centum” of the following words:-

 “a Levy-

15 (a) for any year commencing on or after January 1, 2013 but prior to January 1, 2015, at the rate of five *per centum*; or

 (b) for any year commencing on or after January 1, 2015, at the rate of ten *per centum*”.

20 (2) by the insertion immediately after subsection (1A) of that section of the following new subsection:-

25 “(1AA) Every person who carries on the business of gaming in Sri Lanka for any year commencing on or after January 1, 2015, shall collect a Levy (hereinafter referred to as the “casino entrance levy”) of United

- (4) in subsection (1C) of that section by the substitution for the words and figures “subsection (1A),” of the words and figures “subsection (1A) and subsection (1AA),”.

5 **3.** Section 2A of the principal enactment is hereby amended in subsection (1) by the substitution for all the words and figures from “Every person who on or after January 1, 2013”, to the end of that subsection of the words “Every person, who, on or after January 1, 2013, but prior to May 31,
10 2013, carries on the business of a bookmaker or gaming referred to in subsection (1) of section 2, shall register with the Department of Inland Revenue.”.

Amendment of section 2A of the principal enactment.

4. Section 4 of the principal enactment is hereby amended as follows:-

Amendment of section 4 of the principal enactment.

15 (1) in subsection (5) of that section by the substitution for the words “levy payable under this Act.” of the words “Levy payable under subsection (1) of section 2 of this Act.”;

20 (2) by the addition at the end of subsection (5) of that section of the following new subsection:-

25 “(6) In addition to the provisions of subsection (5) of this section, the provisions of sections 106, 107, 108 and 112 of Chapter XII relating to Returns etc., Chapter XXII relating to Assessments, Chapter XXIII relating to Appeals, Chapter XXIV relating to Finality of Assessments and Penalty for incorrect Returns, Chapter XXVI relating to Recovery of Tax, and Chapter XXXI relating to General matters, of the Inland Revenue Act, No. 10 of 2006, shall *mutatis mutandis* apply to the furnishing of returns, assessments, appeals against assessments, finality of assessments and
30

penalty for incorrect returns, recovery of tax, and the payment of the Levy referred to in subsection (1A) of section 2 of this Act.”

5 **5.** Subsection (1) of section 5 of the principal enactment is hereby amended as follows :- Amendment
of section 5
of the
principal
enactment.

(1) by the substitution in paragraph (a) of that subsection, for the words and figures “section 38 of the Turnover Tax Act”, of the words and figures
10 “section 190 of the Inland Revenue Act”;

(2) by the substitution in paragraph (c) of that subsection, for the words and figures “section 42 or section 43 of the Turnover Tax Act,”, of the words and figures
15 “section 214 or section 215 of the Inland Revenue Act.”;

(3) by the substitution in paragraph (d) of that subsection, for the words and figures “section 57 of the Turnover Tax Act”, of the words and figures
“section 209 of the Inland Revenue Act”; and

20 (4) by the substitution in paragraph (e) of that subsection, for the words and figures “section 57 of the Turnover Tax Act”, of the words and figures
“section 209 of the Inland Revenue Act”.

6. Section 6 of the principal enactment is hereby amended Amendment
of section 6
of the
principal
enactment.
25 in subsections (2), (3) and (4) of that section by the substitution for the words “Deputy Commissioner or Assessor” wherever such words occur in those subsections
of the words “Commissioner, Senior Deputy Commissioner,
Deputy Commissioner or Assistant Commissioner”
30 respectively.

7. The following new section is hereby inserted immediately after section 6 of the principal enactment and shall have effect as section 6A of that enactment:-

Insertion of new section 6A in the principal enactment.

5 “Regulations. 6A. (1) The Minister may make regulations in respect of any matter which is required or authorized by this Act to be prescribed.

10 (2) Every regulation made by the Minister shall be published in the *Gazette* and shall come into operation on the date of such publication or on such later date as may specified in the regulation.

15 (3) Every regulation made by the Minister, shall, as soon as convenient after its publication in the *Gazette*, be brought before Parliament for approval. Any regulation which is not so approved shall be deemed to be rescinded as from the date of disapproval but without prejudice to anything previously done thereunder.

20 (4) Notification of the date on which any regulation is deemed to be rescinded under subsection (3) shall be published in the *Gazette*.

25 8. Section 7 of the principal enactment is hereby amended by the repeal of the definition of expression “Assessor”, “Commissioner-General”, and “Deputy Commissioner” and the substitution therefor of the following definition of expression:-

Amendment of section 7 of the principal enactment.

30 “Commissioner-General”, and “Deputy Commissioner” shall have the respective meanings assigned to them by section 59 of the Turnover Tax Act;”

9. The Schedule to the principal enactment is hereby replaced and the following Schedule is substituted therefor:-

Replacement of the Schedule to the principal enactment.

“SCHEDULE

PART I

(Section 2)

5 The amount of the levy payable by a person carrying on the business of a bookmaker for every year specified in Column I hereto, shall be equivalent to the amount specified in the corresponding entry in Column II hereto –

| <i>Column I</i> | <i>Column II</i> |
|--|--|
| <i>Year</i> | <i>Amount of Levy</i> |
| 1. For every year commencing on or after April 1, 1988, but prior to April 1, 2001. | One hundred thousand rupees. |
| 2. For every year commencing on or after April 1, 2001, but prior to April 1, 2002. | One million rupees. |
| 3. For every year commencing on or after April 1, 2002 but prior to April 1, 2005 – | |
| (i) where live telecast facilities are used in carrying on the business. | Thirty thousand rupees. |
| (ii) where live telecast facilities are not used in carrying on the business. | Ten thousand rupees. |
| 4. For every year commencing on or after April 1, 2005 but prior to April 1, 2006 for .business of bookmaker carried out – | |
| (i) through Agents | One million rupees. |
| (ii) by the use of live telecast facilities in carrying on the business. | Two hundred and fifty thousand rupees. |

- (iii) where live telecast facilities are not used in carrying on the business. Twenty five thousand rupees.

5. For every year commencing on or after April 1, 2006 but prior to April 1, 2013 for business of bookmaker carried out –

- (i) through Agents. One million rupees.
- (ii) by the use of live telecast facilities in carrying on the business. Three hundred thousand rupees.
- (iii) where live telecast facilities are not used in carrying on the business. Fifty thousand rupees.

6. For every year commencing on or after April 1, 2013 but prior to April 1, 2015 for business of bookmaker carried out –

- (i) through Agents. Two million rupees.
- (ii) by the use of live telecast facilities in carrying on the business. Three hundred thousand rupees.
- (iii) where live telecast facilities are not used in carrying on the business. Twenty five thousand rupees.

7. For every year commencing on or after April 1, 2015 for business of bookmaker carried out –

- (i) through Agents. Four million rupees.
- (ii) by the use of live telecast facilities in carrying on the business. Six hundred thousand rupees.
- (iii) where live telecast facilities are not used in carrying on the business. Fifty thousand rupees.

8 *Betting and Gaming Levy (Amendment)*

PART II

The amount of the levy payable by a person carrying on the business of gaming for every year specified in Column I hereto, shall be equivalent to the amount specified in the corresponding entry in Column II hereto –

| <i>Column I</i> | <i>Column II</i> |
|---|-------------------------------|
| <i>Year</i> | <i>Amount of Levy</i> |
| 1. For every year commencing on or after April 1, 1988, but prior to April 1, 2001. | One million rupees. |
| 2. For every year commencing on or after April 1, 2001, but prior to April 1, 2002. | Twenty five million rupees. |
| 3. For every year commencing on or after April 1, 2002, but prior to April 1, 2005 – | |
| (i) for carrying on the business of gaming (other than for playing rudjino). | Twelve million rupees. |
| (ii) for carrying on the business of only playing rudjino. | Five hundred thousand rupees. |
| 4. For carrying on the business of gaming including playing rudjino for every year commencing on or after April 1, 2005, but prior to April 1, 2013 | Fifty million rupees. |
| 5. For carrying on the business of gaming including playing rudjino for every year commencing on or after April 1, 2013, but prior to April 1, 2015 | One Hundred million rupees. |
| 6. For carrying on the business of gaming including playing rudjino for every year commencing on or after April 1, 2015. | Two Hundred million rupees. |

10 **10.** The amount of the Levies charged and collected under paragraph (b) of subsection (1A) and subsection (1AA) of section 2 of the principal enactment by or on behalf of the Commissioner General by any person authorized under the
5 principal enactment from any person during the period commencing from January 1, 2015, and ending on the date on which the certificate of the speaker is endorsed in respect of this Act, shall be deemed for all purposes, to have been validly charged and collected by the Commissioner-General or by
10 any such person under the principal enactment: Validation.

 Provided that the aforesaid provisions shall not affect any decision or Order made by any Court or any Proceedings pending in any court in respect of any levy charged and collected during that period.

15 **11.** In the event 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.

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