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SUPPLEMENT

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BETTING AND GAMING LEVY (AMENDMENT)

A

BILL

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

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STATEMENT OF LEGAL EFFECT

Clause 2 : This clause amends section 2 of 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 to-

- (a) increase the levy on the gross collection of the business of Bookmaker or business of Gaming to fifteen *per centum*;
- (b) provide for the collection of a casino entrance levy from any citizen of Sri Lanka who enters a place of business of gaming;
- (c) provide for the manner and the procedure for the payment and the collection of the casino entrance levy.

Clause 3 : This clause amends section 4 of the principal enactment and the legal effect of the section as amended is to –

- (a) extend the application of subsections (2), (3) and (4) of that section to the levy on the gross collection and to the casino entrance levy;
- (b) extend the application of certain provisions of the Inland Revenue Act No. 24 of 2017 to the principal enactment.

Clause 4 : This clause amends section 5 of the principal enactment and the legal effect of the section as amended is to provide for the application of certain provisions of the Turn over Tax Act No. 69 of 1981 together with the provisions of section 4(5) of the principal enactment.

Clause 5 : This clause amends section 7 of the principal enactment by the insertion of a new definition for the expression “citizen of Sri Lanka”.

Clause 6 : This clause amends Part II of the Schedule to the principal enactment by including the relevant amounts in respect of levies chargeable for every year commencing on or after October 1, 2019.

Betting and Gaming Levy (Amendment)

L.D.—O 10/2019

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: -

1. This Act may be cited as the Betting and Gaming Levy (Amendment) Act, No. of 2019. Short title.

5 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. 14 of 2015 is hereby further amended as follows: - Amendment of section 2 of Act, No. 40 of 1988.

10 (1) in paragraph (a) of subsection (1A) of that section by the substitution for the words, “*five per centum*; or” of the words, “*five per centum*;”;

15 (2) in paragraph (b) of subsection (1A) of that section by the substitution for the words and figures, “on or after January 1, 2015, at the rate of *ten per centum*” of the words and figures, “on or after January 1, 2015 but prior to October 1, 2019 at the rate of *ten per centum*; or”;

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

“(c) for any year commencing on or after October 1, 2019, at the rate of *fifteen per centum*.”;

25 (4) in subsection (1AA) of that section, by the substitution for the words and figures starting from, “Every person” to “business of gaming:” of the following words and figures:-

2 *Betting and Gaming Levy (Amendment)*

“(1AA) Every person who carries on the business of gaming in Sri Lanka shall collect a levy (hereinafter referred to as the “casino entrance levy”) for any relevant quarter -

5 (a) commencing on or after January 1, 2015 but ending prior to October 1, 2019 a levy of United States Dollars one hundred or its equivalent in any other convertible foreign currency or in Sri Lanka currency from any person who enters such place of business of gaming;

10 (b) commencing on or after October 1, 2019 a levy of United States Dollars fifty or its equivalent in any other convertible foreign currency or in Sri Lanka currency from any citizen of Sri Lanka who enters such place of business of gaming,

15 and pay such casino entrance levy so collected to the Commissioner General in accordance with the provisions of paragraph (b) of subsection (1B) of this section:”

20 (5) in subsection (1B) of that section -

25 (a) by the substitution for the words, “Every person who is liable to pay the levy under subsection (1A) and subsection (1AA),” of the words, “ Every person who is liable to pay the levy under subsection (1A) and every person who is liable to collect and pay the levy under subsection (1AA),”;

30 (b) in paragraph (b) of that subsection by the substitution for the words, “ remit the levies” of the words, “pay to the Commissioner General the levies”.

35

- (6) by the repeal of subsection (1C) of that section and the substitution therefor, of the following subsection: -

5 “(1C) (a) Where any person who is liable to pay the levy referred to in subsections (1), (1A) of this section and collect and pay the casino entrance levy referred to in subsection (1AA) of this section fails to collect or pay such levies as the case may be, the provisions of subsections (2), (3), (4), (5), 10 (5A) and (6) of section 4 as applicable shall apply in respect of such failure;

(b) The manner and the procedure relating to the payment and collection of the levy under subsection (1AA) may be prescribed by the 15 Minister.”.

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

Amendment of section 4 of the principal enactment.

- (1) by the repeal of subsection (2) of that section and the substitution therefor of the following 20 subsection: -

“(2) Where any person who is liable to pay the levy referred to in subsections (1), (1A) and collect and pay the casino entrance levy referred to in subsection (1AA) of section 2, fails –

- 25 (a) to pay any installment of the levy or part thereof or the levy on gross collection or part thereof or to collect and pay the casino entrance levy, respectively referred to in subsections 30 (1), (1A) and (1AA) of that section, on or before the dates specified in this Act; or

4 *Betting and Gaming Levy (Amendment)*

5 (b) to pay the levy on gross collection or part thereof referred to in subsection (1A) of that section, assessed by an Assistant Commissioner for any period, and required to be paid on or before the date specified in the notice of assessment,

10 such installment of the levy or part thereof or the levy on gross collection or part thereof or the casino entrance levy shall be deemed to be in default and such persons shall be deemed to be a defaulter for the purposes of this Act.”;

(2) in subsection (3) of that section :-

15 (a) by the substitution for the words, “where any installment of the levy is in default and-” of the words, “where any installment of the levy or part thereof or the levy on gross collection or part thereof or the casino entrance levy, respectively referred to in subsections (1), (1A) and (1AA) of the section 2 is in default and –”;

25 (b) in paragraph (a) of that subsection by the substitution for the words, “the default is in respect of an installment” of the words, “the default is in respect of an installment of the levy under subsection (1) of section 2”;

30 (c) in paragraph (b) of that subsection by the substitution for the words, “ the default is in respect of an installment” of the words, “the default is in respect of an installment of the levy under subsection (1) of section 2”;

(3) by the insertion immediately after the proviso to paragraph (b) of subsection (3) of that section of the following new paragraph: -

“(c) the default is in respect of levies payable under subsections (1A) and (1AA) of section 2, the defaulter shall in addition to the levy in default, pay-

- 5 (i) a penalty of a sum equivalent to ten *per centum* of such levy; and
- (ii) where such levy is not paid before the expiry of thirty days, from the time it begins to be in default, a further penalty of a sum equivalent to ten *per centum* of the levy in default in respect of each further period of thirty days or part thereof, during which it remains in default:
- 10

15 Provided that, the total amount payable as a penalty under this paragraph shall in no case exceed fifty *per centum* of the levy in default.”;

- (4) in subsection (4) of that section, by the substitution for the words, “Any installment in default together” of the words, “Any installment of the levy or part thereof or the levy on gross collection or part thereof or the casino entrance levy, respectively referred to in subsections (1), (1A) and (1AA) of section 2, as the case may be is in default together”;
- 20
- (5) by the repeal of subsection (6) inserted by the Betting and Gaming Levy (Amendment) Act, No. 14 of 2015;
- 25
- (6) by the insertion immediately after subsection (5) of that section of the following new subsection: -

5 “(5A) In addition to the provisions of
subsection (5) of this section, the provisions of
Chapter IX, X, XII, XIII, XIV, XV, XVI, XVII,
XVIII, XIX and XX of the Inland Revenue Act,
10 No. 24 of 2017, for the relevant year of
assessment commencing on or after April 1, 2018,
relating respectively to Administration
Provisions, Record Keeping and Information
Collection, Assessments, Objection and Appeals,
15 Liability for and Payment of Tax, Interest,
Recovery of Tax, Penalties, Criminal
Proceedings, Regulations and Interpretation
shall *mutatis mutandis* apply respectively to
Administration Provisions, Record keeping, and
Information Collection, Assessments, Objection
and Appeals, Liberty for and Payment of Tax,
Interest, Recovery of Tax, Penalties, Criminal
Proceedings, Regulations and Interpretation
under this Act.”.

20 **4.** Section 5 of the principal enactment is hereby amended in subsection (1) of that section 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 190
of the Inland Revenue Act” of the words and figures,
25 “section 38 of the Turnover Tax Act”;

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

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

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

5 **5.** Section 7 of the principal enactment is hereby amended by the insertion immediately after the definition of the expression “Commissioner- General” and “Deputy Commissioner” of the following definition: - Amendment of section 7 of the principal enactment.

10 “citizen of Sri Lanka” means, a person who possesses the status of a citizenship of Sri Lanka under the Citizenship Act (chapter 349)”

15 **6.** The Schedule to the Betting and Gaming Levy Act, as last amended by Act, No. 14 of 2015 is hereby further amended by the repeal of PART II therefor and the substitution therefor of the following: - Amendment of the schedule to the principal enactment.

“PART II

20 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>Year</i>	<i>Column II</i> <i>Amount of Levy</i>
25 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

8 *Betting and Gaming Levy (Amendment)*

	<i>Column I</i> <i>Year</i>	<i>Column II</i> <i>Amount of Levy</i>
5	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
10	(ii) for carrying on the business of only playing rudjino.	Five hundred thousand rupees
15	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
20	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
25	6. For carrying on the business of gaming including playing rudjino for every year commencing on or after April 1, 2015 but prior to October 1, 2019	Two hundred million rupees
	7. For every year commencing on or after October 1,2019: -	
30	(i) For carrying on the business of gaming (other than the business of only playing rudjino).	Four hundred million rupees
	(ii) For carrying on the business of only playing rudjino.	One million rupees”.

7. 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.

