



PARLIAMENT OF THE DEMOCRATIC  
SOCIALIST REPUBLIC OF  
SRI LANKA

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DEFENCE LEVY (AMENDMENT)  
ACT, No. 25 OF 1994

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[Certified on 30th December, 1994]

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**Defence Levy (Amendment)**

**Act. No. 25 of 1994**

[Certified on 30th December, 1994]

**L.D.—O. 59/94**

**AN ACT TO AMEND THE DEFENCE LEVY ACT, No. 52 OF 1991**

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

**1. This Act may be cited as the Defence Levy (Amendment) Act, No. of 1994.**

**Short title.**

**2. The long title of the Defence Levy Act, No. 52 of 1991 (hereinafter referred to as "the principal enactment") is hereby amended by the substitution for the words and figures "ON JANUARY 1, 1993 AND ON JANUARY 1, 1994", of the words and figures, on JANUARY 1, 1993, ON JANUARY 1, 1994 AND ON JANUARY 1, 1995".**

**Amendment of the long title of Act No. 52 of 1991**

**3. Section 3 of the principal enactment is hereby amended in subsection (1) of that section, by the substitution for the words and figures "on January 1, 1993 and on January 1, 1994", of the words and figures "on January 1, 1993, on January 1, 1994 and on January 1, 1995".**

**Amendment of section 3 of the principal enactment.**

**4. Section 4 of the principal enactment is hereby amended by the substitution, for the words and figures "subject to the provisions of sections 5 and 6, every person", of the words and figures "subject to the provisions of sections 5, 5A and 6, every person".**

**Amendment of section 4 of the principal enactment.**

**5. 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) in paragraph (a) of that subsection—**

**(a) by the substitution, for the words, "any month in any relevant quarter, on an application made", of the words and figures "any month in any relevant quarter ending on or before December 31, 1994, on an application made"; and**

**(b) in sub-paragraph (iii) of that paragraph, by the substitution, for the words and figures "opened on or after January 1, 1994;", of the words and figures "opened on or after January 1, 1994, but prior to January 1, 1995,"; and**

**(3) in paragraph (b) of that subsection, by the substitution, for the words and figures, "any relevant quarter commencing on or after January 1, 1994, by any person", of the words and figures, "any relevant quarter commencing on or after January 1, 1994, but prior to January 1, 1995, by any person."**

**Defence Levy (Amendment)  
Act, No. 25 of 1994**

Insertion  
of new  
section 5A  
in the  
principal  
enactment.

**6.** The following new section is hereby inserted immediately after section 5 of the principal enactment, and shall have effect as section 5A of that enactment :—

Director-General of Customs to collect levy in advance from importers.

**5A.** (1) The Director-General of Customs shall collect from a person to whom this Act applies, being an importer of an article, at the time of the import of such article, an amount equal to three and one-half per centum of the following :—

- (a) the value of such article (representing the true cost, insurance and freight value) ascertained for the purposes of customs duty in accordance with the Customs Ordinance ; and
- (b) the amount of customs duty, if any, paid on such article ; and
- (c) twenty-five per centum of the amount resulting from the addition of the amounts referred to in paragraphs (a) and (b),

and shall make an endorsement on the import invoice relating to such article specifying the amount so collected.

(2) Any amount collectible under subsection (1) shall, for the purposes of collection and recovery of such amount and notwithstanding anything to the contrary in any other provision of this Act, be deemed to be customs duty payable under the Customs Ordinance and accordingly, the provisions of the Customs Ordinance shall apply to the collection and recovery of such amount.

(3) Any amount collected by the Director-General of Customs from any person to whom this Act applies in accordance with the provisions of subsection (1), shall be deemed to have been paid to the Commissioner-General by such person on the date on which such amount was collected by the Director-General of Customs and shall be set off against the levy payable by such person for the relevant quarter in which such amount was deemed to have been paid by him.

(4) Where any article manufactured outside Sri Lanka and imported into Sri Lanka is sold—

(a) by the Director-General of Customs for any levy due under the Customs Ordinance;

(b) by the Sri Lanka Ports Authority established by the Sri Lanka Ports Authority Act, No. 51 of 1979 for any dues under that Act; or

(c) by the Commissioner-General,

the purchaser of such article shall be deemed to be a person who imports such article and the provisions of this Act shall apply to him accordingly.

(5) Where at the time of the import of any article by any importer, the Director-General of Customs is satisfied that any amount, has been collected from such importer by—

(a) the Commissioner-General; or

(b) any bank in accordance with the provisions of paragraph (a) or paragraph (b) of subsection (1) of section 5,

in respect of such article, the Director-General of Customs shall set-off the amount so collected against the amount collectible under subsection (1).

7. The Schedule to the principal enactment is hereby repealed and the following Schedule substituted there for :—

Replacement  
of the  
Schedule  
to the  
principal  
enactment.

**Defence Levy (Amendment)  
Act, No. 25 of 1984**

**"SCHEDULE**

**(Section 3)**

Quarter	Rate
For the quarter commencing on January 1, 1992.	1 per centum
For the quarter commencing on April 1, 1992	2.3 per centum
For any quarter commencing on or after July 1, 1992 but prior to January 1, 1994	3 per centum
For any quarter commencing on or after January 1, 1994 but prior to January 1, 1996	3.5 per centum

Sinhala  
text to  
prevail  
in case  
of inconsis-  
tency.

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

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