



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

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**STAMP DUTY (AMENDMENT)  
ACT, No. 29 OF 1993**

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**[Certified on 29th July, 1993]**

*(Printed on the Orders of Government)*

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Stamp Duty (Amendment)  
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[Certified on 29th July, 1993]

L.D.—O. 88/92

AN ACT TO AMEND THE STAMP DUTY ACT,

No. 43 of 1982

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

1. This Act may be cited as the Stamp Duty (Amendment) Act, No. 29 of 1993.

Short title.

2. Section 5 of the Stamp Duty Act, No. 43 of 1982 (hereinafter referred to as the "principal enactment"), as last amended by Act No. 27 of 1991, is hereby further amended as follows:—

Amendment of section 5 of Act No. 43 of 1982.

(1) by the repeal of paragraphs (20a) and (20b) of that section, and the substitution therefor of the following paragraphs:—

(20a) share certificate issued in respect of any share, in any quoted public company or the Credit Information Bureau of Sri Lanka, established by the Credit Information Bureau of Sri Lanka Act, No. 18 of 1990;

(20b) instrument executed for the transfer of any share, in any quoted public company or the Credit Information Bureau of Sri Lanka, established by the Credit Information Bureau of Sri Lanka Act, No. 18

of 1990;

(20c) convertible debenture certificate or such other instrument of a similar character as shall be determined by the Minister, issued in respect of any convertible debenture or other convertible security as the case may be, in any quoted public company and any instrument executed for the transfer of such debenture or of such other convertible security, where such issue was made or transfer was done on or after April 21, 1993; and

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(2) by the addition, immediately after paragraph (22) of that section, of the following new paragraph:—

“(23) certificate of deposit (other than any such certificate which bears the name of the depositor or his nominee) issued on or after April 1, 1993 for a period not less than four years and which is not encashed at any time prior to the expiry of that period.”.

Amendment  
of section  
6 of the  
principal  
enactment.

3. Section 6 of the principal enactment is hereby amended in subsection (2) of that section as follows:—

(1) by the substitution in paragraph (c) of that subsection, for the words “otherwise negotiates it.”, of the words “otherwise negotiates it;”; and

(2) by the addition immediately after paragraph (c) of that subsection, of the following new paragraph:—

“(d) a certificate of deposit referred to in paragraph (23) of section 5 of this Act, and which is encashed prior to the expiry of the period referred to therein and stamped on the date of such encashment.”.

Amendment  
of section  
13 of the  
principal  
enactment.

4. Section 13 of the principal enactment as last amended by Act No. 27 of 1991 is hereby further amended as follows:—

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

(a) by the insertion immediately after paragraph (b) of that subsection, of the following new paragraph:—

“(bb) any company supplying proxy forms to shareholders of such company,”;

(b) by the substitution for the words “shares or debenture stock issued by such company or” of the words “shares or debenture stock issued or created by such company or on proxy forms supplied by such company or”;

(c) by the substitution in paragraph (ii) of that subsection, for the words “shares or debenture stock issued by such company or”, of the words “shares or debenture stock issued or created by such company or on proxy forms supplied by such company or”;

(d) by the insertion immediately after sub-paragraph (b) of paragraph (iii) of that subsection, of the following sub-paragraph :—

“ (bb) the proxy forms supplied to shareholders by such company,” ; and

(e) by the omission of all the words from “ For the purpose ”, to the end of that paragraph ;

(2) by the repeal of paragraph (ii) of subsection (2) of that section and the substitution therefor of the following paragraph :—

“ (ii) every bank, approved credit agency or institution shall collect the stamp duty payable in respect of every bill of exchange (other than a cheque), promissory note, trust receipt, letter of trust or declaration of trust taken by it, every pledge in respect of corporeal movables made to it, every application made to it for a letter of credit, every certificate of deposit issued by it, and any one of the documents of payment presented to it in respect of any corporeal movable (being any corporeal movable in respect of which a letter of credit has not been opened with it), ” ;

(3) by the repeal of subsection (4) of that section, and the substitution therefor, of the following subsection :—

“ (4) Where the payment of the stamp duty with which every bill of exchange (other than a cheque) promissory note, trust receipt, letter of trust, declaration of trust, pledge in respect of corporeal movables, application made for a letter of credit or certificate of deposit or any one of the documents of payment presented to it in respect of any corporeal movable (being any corporeal movable in respect of which a letter of credit has not been opened with it) has been compounded or collected and remitted, as the case may be, in accordance with this section the company bank approved credit agency or the institution as the case may be shall certify on such bill of exchange, (other than a cheque) Promissory note, trust receipt, letter of trust, declaration of trust, pledge in respect of corporeal movable, application made for a letter of credit or certificate



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of deposit or document of payment, as the case may be, that the stamp duty on it has been compounded or collected and remitted as the case may be. Such certificate shall be substantially in the following form :—

“ It is hereby certified that the stamp duty payable in respect of this instrument, namely Rs. — has been compounded or collected and remitted in terms of section 13 of the Stamp Duty Act.” ;

(4) in subsection (6) of that section, by the substitution for the words “ has been compounded as aforesaid, ”, of the words “ has been compounded or collected and remitted as aforesaid, ” ; and

(5) by the addition, immediately after subsection (6) of that section, of the following new subsection :—  
“ (7) For the purposes of this section “ institution ” means any person or a body of persons authorised by the Central Bank of Sri Lanka established by the Monetary Law Act to encash travellers cheques or issue certificate of deposit.”.

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

5. Section 45 of the principal enactment is hereby amended by the repeal of subsection (2) of that section and the substitution therefor of the following subsection :—

“ (2) Where the duty authorized to be compounded or required to be collected and remitted under section 13, is not remitted at the end of such periods as are specified by the Commissioner-General under subsection (1) of that section or at the end of each such quarter as is referred to in subsection (2) of that section, such duty together with a penalty equivalent to ten per centum of the duty payable for every month of non payment shall be deemed to be in default and the person who is so authorized to be compounded or so required to collect and remit such duty shall be deemed to be a defaulter for the purposes of this Act :

Provided that the total amount payable as penalty under this subsection shall not exceed fifty per centum of the duty in default."

6. Section 54 of the principal enactment as amended by Act No. 27 of 1991 is hereby further amended as follows:—

Amendment  
of section  
54 of the  
principal  
enactment.

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

(a) by the substitution for the words, "an allowance for unused or spoiled stamps in the following instances:—", of the words, "an allowance for unused or spoiled stamps or where stamp duty has been paid other than by affixing stamps, in the following instances:—";

(b) by the substitution, in paragraph (e) of that subsection, for the words, "has not been made use of in any manner whatsoever.", of the words, "has not been made use of in any manner whatsoever;"; and

(c) by the addition, immediately after paragraph (e) of that subsection, of the following new paragraph:—

"(f) where a letter of credit, issued in pursuance of a duly stamped application made for such letter of credit has been made use of only in part, so however that allowance made shall be on such part of the stamp duty paid as is attributable to that part of the value the letter of credit which has not been made use of.";

(2) in subsection (2) of that section, by the substitution for the words, "from the date of purchase of the unused or spoiled stamps.", of the words, "from the date of purchase of the unused or spoiled stamps, or from the date of payment of the stamp duty, as the case may be."; and

(3) by the repeal of subsection (3) of that section and the substitution therefore of the following subsection—

“ (3) the Commissioner-General may, on an application for an allowance under subsection (1)—

(a) where the stamps are unused or spoiled, give to the applicant either—

(i) other stamps of the same description and value, or

(ii) the value of the stamps in money or by an order to pay money, after deducting five *per centum* of such value, or

(b) where stamp duty has been paid other than by affixing stamps, refund the stamp duty paid, after deducting five *per centum* of the duty so paid”.

Amendment of section 71 of the principal enactment.

7. Section 71 of the principal enactment at last amended by Act No. 27 of 1991 is hereby further amended in the definition of the word “document” by the substitution in paragraph (a) thereof for words “citation, application other than motion, interrogatories,” of the words “citation, application other than motion, interrogatories,”.

Retrospective effect.

8. The amendments to section 54 of the principal enactment made by section 6 of this Act, shall be deemed for all purposes to have come into force on November 12, 1986, and every person entitled to make an application for an allowance under section 54, as amended by section 6 of this Act, shall be deemed to have complied with subsection (2) of that section if he makes such application within a period of three months from the date of commencement of this Act.

Sinhala text to prevail in case of inconsistency.

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