



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

**FINANCE (AMENDMENT)
ACT, No. 22 OF 1998**

[Certified on 15th May, 1998]

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Finance (Amendment) Act, No. 22 of 1998

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L.D.—O. 40/95.

AN ACT TO AMEND THE FINANCE ACT, NO. 11 OF 1963

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

1. This Act may be cited as the Finance (Amendment) Act, No. 22 of 1998. Short title.

2. Section 11 of the Finance Act, No. 11 of 1963 (hereinafter referred to as the “principal enactment”) is hereby repealed and the following section substituted therefor :— Amendment of section 11 of Act No. 11 of 1963.

“Audit of Accounts. 11. Article 154 of the Constitution relating to the audit of the accounts of public corporations shall apply to the audit of the accounts of the Fund of the Board.”

3. Section 14 of the principal enactment is hereby repealed and the following section substituted therefor :— Replacement of section 14 of the principal enactment.

“National lotteries. 14. (1) The Board may conduct lotteries for the purposes of this Part of this Act.

(2) The Board may enter into agreements with any other person, for the conduct by such other person, of lotteries for the purposes of this Part of this Act, on behalf of the Board.

(3) The Board may by licence issued in that behalf, authorize the conduct by any other person, of lotteries for the purposes of this Part of this Act,

(4) Every lottery conducted by the Board under subsection (1) or conducted on behalf of the Board under an agreement entered into under subsection (2) or conducted under the authority of a licence issued under subsection (3) is in this Part of this Act referred to as a “national lottery”.

Insertion of new section 14A in the principal enactment.

4. The following new section is hereby inserted after section 14 and shall have effect as section 14A of the principal enactment :—

“Terms and conditions &c. of licence issued under section 14.

14A. (1) Every licence issued by the Board under subsection (3) of section 14 shall be subject to such terms and conditions as may be determined by the Board and approved by the Minister.

(2) There shall be paid in respect of every licence issued under subsection (3) of section 14, a fee of such amount as may be prescribed. The fee shall be paid to the Board by the person to whom the licence is issued and shall be credited by the Board to the Consolidated Fund.

(3) It shall be lawful for the Board to cancel a licence issued by it under subsection (3) of section 14, if the holder of the licence fails to comply with, any term or condition to which the licence is subject or any provision of this Act.”.

Amendment of section 15 of the principal enactment.

5. Section 15 of the principal enactment is hereby amended by the substitution, for the words “conducted in”, of the words “conducted or authorized to be conducted in”.

Amendment of section 16 of the principal enactment.

6. Section 16 of the principal enactment is hereby amended as follows :—

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

“(1) The number of prizes to be awarded in a national lottery and the value of each such prize shall—

(a) in the case of a lottery conducted by the Board, be as prescribed ;

- (b) in the case of a lottery conducted on behalf of the Board under an agreement entered into under subsection (2) of section 14, be as specified in such agreement ;
 - (c) in the case of a lottery conducted under the authority of a licence issued under subsection (3) of section 14 be as specified in the terms and conditions of such licence.”.
- (2) by the repeal of subsection (3) of that section and the substitution of the following subsection therefor :—

“(3) The prize winners in every national lottery shall be determined—

- (a) in the case of a lottery conducted by the Board, in such manner as may be prescribed ;
 - (b) in the case of a lottery conducted on behalf of the Board, under an agreement entered into under subsection (2) of section 14, in such manner as may be specified in such agreement ; and
 - (c) in the case of a lottery conducted under the authority of a licence issued under subsection (3) of section 14, in such manner as may be specified in the terms and conditions of such licence.”.
- (3) in subsection (4) of that section :—
- (a) by the substitution, for the words “the date of the drawing of lots for the prizes in”, of the words “the date of the determination of the winners of ;”;

- (b) by the substitution, for the words "the Board shall grant such prize", of the words "the Board or the person conducting such national lottery on behalf of the Board or the person conducting such national lottery under the authority of a licence issued under subsection (3) of section 14, as the case may be, shall grant such prize".

Amendment of section 17 of the principal enactment.

7. Section 17 of the principal enactment is hereby amended as follows :—

- (1) in subsection (1) of that section, by the substitution, for the words "every national lottery shall", of the words "every national lottery conducted by the Board shall".

- (2) by the substitution immediately after subsection (1) of that section of the following subsection :—

"(1A) Where the prize consisting of money in a national lottery conducted by the Board, is not won by any person, such prize money shall notwithstanding anything to the contrary in this section, be credited to a Prize Reserve Account and the monies accumulated in such account shall be used for the award of prizers at subsequent national lotteries conducted by the Board."

- (3) in subsection (2) of that section, by the substitution for the words "approved by the Permanent Secretary", of the words "approved by the Secretary to the Ministry of the Minister."

- (4) by the addition, at the end of that section of the following subsections :—

"(3) The Board shall pay to the Consolidated Fund through the Secretary to the Ministry of the Minister, the proceeds of every national lottery

conducted on behalf of the Board under an agreement entered into under subsection (2) of section 14, after a deduction from such proceeds, the value of the prizes awarded in such national lottery and of any management fees payable, under the terms of that agreement, to the person conducting such national lottery and of an amount approved by the Secretary as being an amount necessary for the purposes of meeting any payments and liabilities referred to in paragraphs (b), (c), (d) and (e) of subsection (2).

(4) All prizes in a national lottery which have been forfeited and paid to the Fund of the Board, under section 16, shall be credited by the Board to the Consolidated Fund.”.

8. Section 18 of the principal enactment is hereby repealed.

Repeal of section 18 of the principal enactment.

9. Section 23 of the principal enactment is hereby amended as follows :—

Amendment of section 23 of the principal enactment.

- (1) by the repeal of the definition of “financial year”, and the substitution, of the following definition therefor :—

“financial year” means the period commencing on January 1 in any year and ending on December 31 of that year; and

- (2) by the repeal of the definition of “Minister” and the substitution, of the following definition therefor :—

“Minister” means the Minister to whom the subject of Finance has been assigned.

10. 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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