



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

**TOBACCO TAX (AMENDMENT)
ACT, No. 9 OF 2004**

[Certified on 08th October, 2004]

Printed on the Order of Government

Published as a Supplement to Part II of the **Gazette of the Democratic
Socialist Republic of Sri Lanka** of October 08, 2004

PRINTED AT THE DEPARTMENT OF GOVERNMENT PRINTING, SRI LANKA

TO BE PURCHASED AT THE GOVERNMENT PUBLICATIONS BUREAU, COLOMBO 1

Price : Rs. 6.75

Postage : Rs. 5.00

Tobacco Tax (Amendment) Act, No. 9 of 2004

[Certified on 08th October, 2004]

L.D.—O. 18/2004.

AN ACT TO AMEND THE TOBACCO TAX ACT, NO. 8 OF 1999

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

1. This Act may be cited as the Tobacco Tax (Amendment) Act, No. 9 of 2004. Short title .

2. The Tobacco Tax Act, No. 8 of 1999 (hereinafter referred to as the “principal enactment”) is hereby amended in the principal enactment as follows :— General Amendment to Act, No. 8 of 1999.

(a) by the repeal of the expression “cigarette substitute”, wherever that expression occurs in such enactment ; and

(b) by the substitution for the words “tobacco leaf”, wherever that words occur in such enactment of the words “tobacco leaf or beedi tobacco”.

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

“Importation of beedi tobacco. **5A.** (1) No person, shall import beedi tobacco, unless he is a holder of a licence issued on that behalf, by the Commissioner General of Excise.

(2) Every application for a licence to import beedi tobacco—

(a) shall be made to the Commissioner-General of Excise in such form as may be prescribed ;

(b) shall be accompanied by an application fee of the prescribed amount.

(3) Every person holding a licence for the importation of beedi tobacco shall whenever so required by the Commissioner- General of Excise, furnish a return containing particulars of the beedi tobacco imported by him in respect of any particular period or periods as the case may be.”.

Replacement of section 7 of the principal enactment.

4. Section 7 of the principal enactment is hereby repealed and the following section is substituted therefor :—

“Powers of inspection with or without a warrant.

7. (1) The Commissioner- General of Excise or any officer of the Excise Department of a rank not below that of Inspector or any officer of the Customs Department of a rank not below that of Superintendent or any police officer not below the rank of a Sub-Inspector of Police—

- (a) may on the authority of a warrant issued by a Magistrate, upon information obtained and after such inquiry as he thinks necessary having reason to believe that an offence under this Act has been or is likely to be committed ; or
- (b) may without a warrant, whenever an offence under this Act is being or likely to be, committed, in case where a search warrant cannot be obtained without affording the offender an opportunity of escape or of concealing evidence of the offence being or likely to be committed, after recording the grounds of his belief,

take such steps as may be necessary to—

- (i) stop and search any person suspected of committing an offence under this Act ;

- (ii) stop and search any boat, vessel, vehicle or container in which any tobacco leaf, cigarettes, cigars, beedis, beedi tobacco or pipe tobacco or any contraband under this Act is being carried or transported or suspected to be carried or transported ;
- (iii) open and examine any package, parcel or container found with such person or carried in such boat, vessel, vehicle or container ; or
- (iv) enter and inspect any factory or premises in which any tobacco leaf, cigarettes, cigars, beedis, beedi tobacco or pipe tobacco is being kept or stored or suspected to be kept or stored,

for the purpose of ascertaining whether an offence under this Act has been or is being committed or for the purpose of ascertaining the quantity of the tobacco leaf, cigarettes, cigars, beedis, beedi tobacco or pipe tobacco which are or is in such boat, vessel, vehicle, container factory or premises or of ascertaining whether or not the tobacco tax, any duty payable in terms of the Excise (Special Provisions) Act, No. 8 of 1994, customs duty or any other tax has been paid or is payable thereon or of verifying the accuracy of any return or any declaration furnished to the Commissioner-General of Excise under this Act or of examining any books or documents relating to such tobacco leaf, cigarettes, cigars, beedis, beedi tobacco or pipe tobacco as the case may be.

(2) Any officer referred to in subsection (1) may, in the exercise of the powers conferred on him by that subsection—

- (a) seize any contraband in possession of such person, carried or transported in any such boat, vessel, vehicle or container, or kept or stored in such factory or premises ;
- (b) seize any document in the possession of any such person, carried in any such boat, vessel, vehicle or container or kept or stored in any factory or premises, which may be produced as evidence of such offence ;
- (c) arrest and detain any person for committing an offence under this Act, if such person is in possession of contraband or if he is in control of any boat, vessel, vehicle or container used in the commission of an offence under this Act ;
- (d) seize any boat, vessel, vehicle, container or any other article or equipment which appears to such officer to have been or being used in the commission of the offence or which may be produced as evidence of such offence.

(3) Every officer referred to in subsection (1), shall be deemed to be a Peace Officer, within the meaning and for the purposes of the Code of Criminal Procedure Act, No. 15 of 1979.

(4) Every person who resists or obstructs an officer referred to in subsections (1) and (2), in the exercise by such officer of the powers conferred on him by those subsections, shall be guilty of an offence under this Act.

For the purposes of this section “contraband” means any tobacco leaf, cigarettes, cigars, beedis, beedi tobacco or pipe tobacco on which tobacco tax or any other duty has not been levied.”.

5. Section 12 of the principal enactment is hereby amended by the substitution for the words “beedis, cigarette substitute or pipe tobacco” of the words “beedis, beedi tobacco or pipe tobacco”. Amendment of section 12 of the principal enactment.

6. Section 13 of the principal enactment is hereby amended by the substitution for the words “beedis, cigarette substitute or pipe tobacco” of the words “beedis, beedi tobacco or pipe tobacco”. Amendment of section 13 of the principal enactment.

7. Section 15 of the principal enactment is hereby amended as follows :— Amendment of section 15 of the principal enactment.

- (i) in subsection (2) of that section by the substitution for the words “beedis, cigarette substitute or pipe tobacco” of the words “beedis, beedi tobacco or pipe tobacco”;
- (ii) in subsection (6) of that section by the substitution for the words, “for a sum of money equal to not less than one fifth of the maximum fine imposable for such offence.” of the words “for a sum of money not exceeding five hundred thousand rupees.”;
- (iii) in subsection (7) of that section—
 - (a) by the substitution for the words “beedis, cigarette substitute or pipe tobacco” of the words “beedis, beedi tobacco or pipe tobacco”;

- (b) by the substitution for the words and figures “shall cause the same to be sold by public auction and the proceeds of such sales disposed of as provided for in section 17.”, of the words, “shall cause the same to be destroyed.”.

Amendment of section 17 of the principal enactment.

8. Section 17 of the principal enactment is hereby amended by the repeal of paragraph (b) of that section and substitution therefor of the following paragraph :-

- “(b) the proceeds of sale of the articles and vehicles forfeited under subsection (2) of section 15 excluding the sale of any tobacco leaf, cigarettes, cigars, beedis, beedi tobacco or pipe tobacco.”.

Amendment of section 24 of the principal enactment.

9. Section 24 of the principal enactment is hereby amended by the insertion immediately after the definition of the expression “beedi”, of the following new definition :-

- “ “beedi tobacco” means tobacco used for manufacturing beedi;”.

Sinhala text to prevail in case of inconsistency.

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

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