BUDGET HIGHLIGHTS 2017

BDO Partners
Chartered Accountants

Tel : +94-11-2421878-79-70
+94-11-2387002-03
Fax : +94-11-2336064
E-mail : bdopartners@bdo.lk
Website : www.bdo.lk

Chartered Accountants
"Charter House"
65/2, Sir Chittampalam A Gardiner Mawatha
Colombo 02
Sri Lanka

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Dear Valued Client,

BUDGET HIGHLIGHTS 2017

BDO Partners take great pleasure in presenting our views on the budget proposals for the year 2017. In this publication, we provide a synopsis of the budget proposals made by Hon. Ravi Karunanayake, Minister of Finance, in his budget speech presented in parliament today.

We believe that being proactive in analysing the tax exposure regarding the proposed changes may provide new tax planning opportunities for the taxpayer. The proposed changes may have an impact on the way you do business and manage your affairs. If you need any further clarifications in relation to the proposed changes our team of tax professionals would be pleased to assist you. Please refer the outer back cover for their contact details.

This publication can also be accessed online through our website www.bdo.lk

At BDO nothing matters more to us more than our clients. Our brand stands for exceptional client service, delivered by exceptional people. We hope you find our comments useful and hope you will engage with us to discuss any tax planning opportunities.

Yours faithfully,

BDO Partners

CHARTERED ACCOUNTANTS

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Economic Analysis

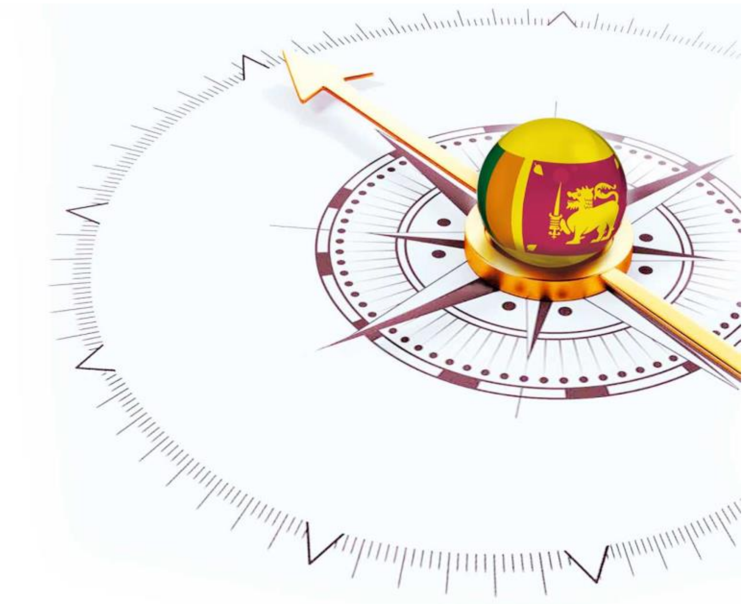
EConomic Analysis

Sri Lanka is on the verge of a paradigm shift in economic policies to meet the development challenges of the island nation and to keep up with the global competitiveness. Key challenges before Sri Lanka include attracting foreign direct investments, enhancing the role of the private sector including the provision of an appropriate environment for increasing productivity and export, creating macro-economic stability and sustainable monitory policy.

During the year 2015, economic growth slightly declined compared to year 2014. A real growth of 4.8 per cent was recorded compared to 4.9 per cent in 2014, consequential upon positive contributions from agriculture, industry and service related activities. A slowdown in the growth of demand in Sri Lanka's traditional export markets impacted the growth of the export sector while a strengthening US economy prompted short term capital outflows. The impact of these developments were offset to some extent by lower international commodity prices.

Keeping up with the target of transforming into a middle income country, Sri Lanka recorded a per capita income of US$ 3,924 in 2015. With the increase in per capita, policy makers will need to adjust their development strategy to focus on innovation with the emphasis on higher skills and tertiary education which meet market needs for a knowledge economy.

It is expected that, with appropriate policies, the economy will return to a high growth path in the medium term.

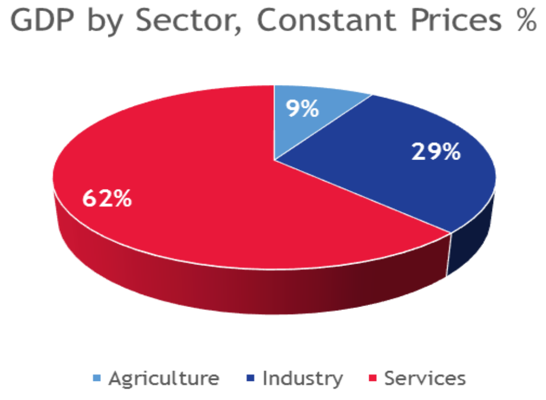


The year 2015 being the year of elections, reflected strong consumption patterns which were driven by easy credit and fiscal incentives. As a result, the growth in real GDP in 2015 was largely driven by the increase in consumption demand, while investment activities made a modest contribution. This resulted in imbalances, with the balance of payments weakening in 2015 due to strong import growth amidst weak exports, and the fiscal deficit widening.

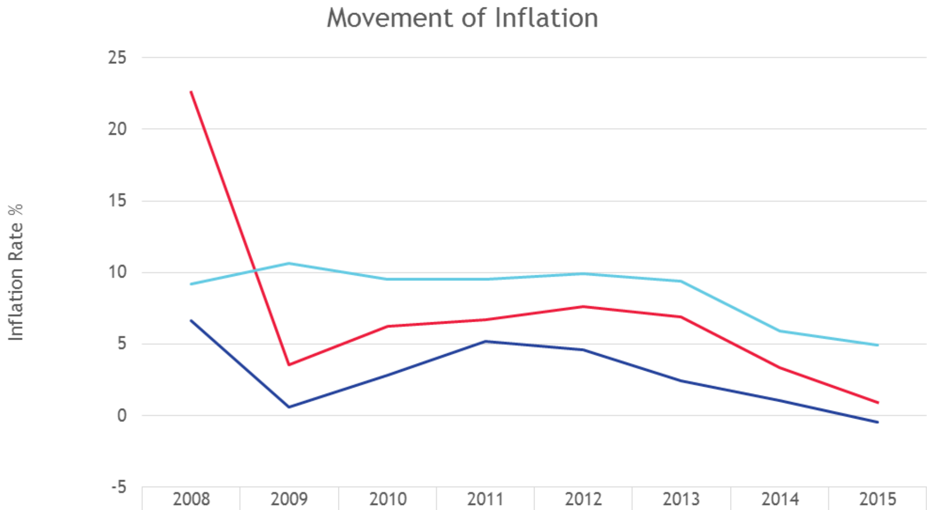
Sri Lanka's economy gradually transitioned from a rural-based agriculture economy towards a more urbanized economy driven by services. The service sector accounts for 56.6 per cent of the GDP which saw a growth of 5.3 per cent in value added terms in 2015, in comparison to 5.2 per cent in the year 2014. Growth in the financial service activities, which benefitted from the relaxed monetary policies and growth in real estate activities largely contributed towards the growth in the service sector.

The agricultural sector accelerated its growth momentum increasing its share of GDP to 7.9 per cent in 2015. Measures taken by the Government to increase the output of the agricultural sector contributed towards the growth of the sector.

The growth in the Industry sector slowed down to 3.0 per cent in 2015, marginally reducing the share of industry in GDP to 26.2 per cent. Government incentives towards industrial development continued with fiscal concessions, technical assistance and upgrading of infrastructure facilities to promote regional industry development initiatives.



Inflation, based on CCPI (2006/07=100), was in a negative terrain during the period July to September, 2015, mainly due to subdued commodity prices. This was the first time the inflation turned negative since 1995. However, at the end of the year 2015, inflation was recorded at 2.8 per cent, compared to 2.1 per cent in the year 2014. The continued low inflation could be attributed to prudent demand management policies, improved domestic supply conditions and low international commodity prices. Nevertheless, the very low headline inflation in 2015 was also the result of sharp downward adjustments to domestic administered prices of fuel and energy as well as the reductions in prices of selected essential food items.



	2008	2009	2010	2011	2012	2013	2014	2015
Sri Lanka	22.6	3.5	6.2	6.7	7.6	6.9	3.3	0.9
India	9.2	10.6	9.5	9.5	9.9	9.4	5.9	4.9
Singapore	6.6	0.6	2.8	5.2	4.6	2.4	1	-0.5

External Sector Developments

The performance of Sri Lanka's external sector reflected the impact of the changing global economic environment as well as a number of developments in the domestic economy. In spite of the benefit of lower expenditure on fuel imports, the merchandise trade deficit widened marginally by 1.7 per cent over the previous year, due to the increase in non-oil imports and the slowdown in export earnings.

Continued increase in tourist arrivals and higher spending by tourists resulted in a growth in earnings from tourism, which contributed substantially to the improved performance of the service sector. Earnings from exports, which grew at a healthy rate in 2014, contracted by 5.6 per cent in 2015 reflecting the decline across all major export categories. The decline in international commodity prices, the slower pace of growth in advanced economies, geopolitical uncertainties in many of Sri Lanka's key export destinations, and restrictions by the European Union (EU) on fish imports from Sri Lanka contributed to the substantial reduction in export earnings.

The government is taking measures to improve export income and to strengthen exports in 2016. Given the consumption patterns, Imports are also expected to rise overall, although lower investment by the government and private sector may slow imports of investment goods. The current account deficit for 2016 is projected at 2.0% of GDP, decreasing marginally to 1.8% in 2017.

Fiscal Sector Developments

Government is taking measures to improve the position in public finance, including the increase in the VAT rates from 11 to 15 percent. Increase of government debt level above 70 per cent of the current GDP is also a concern.

The government revenue to GDP ratio showed an improvement in 2015, mainly benefitting from several one off taxes and the significant expansion in revenue from excise duties on increased motor vehicle imports.

Total expenditure and net lending as a percentage of GDP increased to 20.5 per cent in 2015 from 17.2 per cent in 2014, reflecting a significant increase in both recurrent expenditure and public investment.

The government mainly relied on domestic sources of financing, particularly the non-bank sector, to fund the budget deficit of 7.4 per cent of GDP in 2015.

Monetary Sector Developments

The Central Bank continued to maintain an accommodative monetary policy position during the year 2015, in an environment of persistently low inflation, but initiated a gradual tightening of monetary policy from end 2015 with a view to preempting excessive demand pressures on inflation, emanating from high credit and money expansion.

Rupee liquidity in the domestic money market, although lower than the levels observed in 2014, continued to be in excess throughout 2015. Market interest rates remained low during 2015 although some upward movement was observed during the latter part of the year.

Future Prospects of the Sri Lankan Economy

According to the Prime Minister Hon. Ranil Wickremasinghe Sri Lanka would be targeting to double its current Per Capita of USD 4000 by 2025 through a growth rate of 7% per annum. It is anticipated that this is an achievable target with the expressed willingness of the IMF, the World Bank and the ADB to provide financial assistance at very favourable terms together with the development strategies formulated by the Coalition Government.

The medium term fiscal strategy of the government will focus on strengthening the fiscal consolidation process, by maintaining the budget deficit and public debt at a sustainable level, conducive to the broad based development objective of enhancing the living standards of the people.

The government of Sri Lanka is focussing on developing investor friendly policies so that the country can take advantage among the developing economies. The strategic importance of Sri Lanka as an Indian Ocean hub in the realm of global logistics and commercial activities has also been widely acknowledged. Sri Lankan economy is expected to be developed to be a service hub in future. Given the strategic location of the country and easy access to lucrative markets, the government of Sri Lanka is now planning to develop the island to be a niche manufacturing destination which will produce goods to regional and global value chains, a location for high valued agricultural products and a sought after tourist destination.

People living abroad and in Sri Lanka are expected to be continuously encouraged to invest in construction which will result in a construction boom. The garment industry will see a revival when GSP+ returns. The government plans to restructure the regional plantations companies will boost the agricultural sector. Sri Lanka is seeing a staggering growth in tourist arrivals with the increased confidence in the island nation as a safe and a friendly tourist destination.

Towards creating new markets for the country's exports, three trade agreements are being negotiated viz. ETCA with India and two FTAs with China and Singapore. Going forward the development strategy is expected to be aimed at capturing trading opportunities within the identified Indian Ocean markets via pursuing trade liberalisation agreements.

The government is also focusing on developing the two development corridors across the country which will be a focal area for investment by the public and the private sector. The logistical and infrastructural facilities that provides faster, secure links to the global value chain empowering viable business ventures, will be spearheaded in these development corridors.

This project envisages creating a Megapolis Development Authority to develop the Western Province. This development is expected to cover several cities in the area around Colombo and expected to be a financial district, as well as zones dedicated to logistics, industry, IT and entertainment. Among many other objectives, by 2030, the project area is expected to achieve a per capita income of USD 12,000 and to increase the contribution from exports to 30% of the GDP.

A new financial city center is expected to be based at the new reclaimed land development project alongside the Port of Colombo. In addition Trincomalee is also expected to be urbanized and transformed into a world class Port City.

Human capital is considered to be another key driver of the envisaged economic growth. Measures are being taken to upgrade the education, training and skills to create human resources that can support the economic development. New policies are expected to be introduced to uplift the small and medium sized entities and the agriculture sector in line with the agreed sustainable development goals.

There will be a major role to play for the private sector as well as public/private partnerships in implementing this project in particular, as well as laying the groundwork for the future of economy in general.

Government Expenditure

Agriculture

- Concessionary loans for agriculture cooperatives will be provided
- Concession of 50% on loan interest for paddy, fruit and vegetable farmers
- Rs. 200 million to examine water in eight districts
- Rs. 100 million to develop the local poultry sector
- Maximum price of Rs. 420 per kilo of chicken will be relaxed
- Rs. 75 million to set up Automated commodity exchange for tea, rubber and coconut
- Export rebate for animal food producers
- Rs. 500 million to establish aquatic zones
- Rs. 400 million to boost fresh milk production
- Introduction of Cess at 2% for imported sugar and 5% for ethanol to protect local producers
- Abolish the import export control fee of 1% on CIF price on tea
- Import of CTC teas will be allowed for re-export with value addition
- US dollar loans for brand promotion in Tea

Education (including higher education) and Skills Development

- Rs. 2 billion to provide basic facilities in schools
- Rs. 250 million to develop plantation schools in Kegalle and Badulla
- New scholarship scheme to pay Rs. 2,000 per month for top performing school students
- Free tabs for school children and telecommunication service providers to set up Wi-Fi
- Rs. 5 billion to provide computers to 3,500 schools
- Rs. 5 billion to provide Wi-Fi and Tabs for 100,000 graduates entering State Universities
- Rs. 250 million to set up an E-learning center at University of Kelaniya
- Private universities will be encouraged based on a world class rating system
- Rs. 300 million to provide scholarships for vocational training where students to be channeled to private sector
- Rs. 10 million to set up a centre for gender violence and prevention of ragging in universities,
- 5-year multiple entry visas for students who wish to study in Sri Lanka
- Scholarships for top students to study at Harvard, MIT and Singapore universities

Health

- Rs. 100 million to National Science Foundation to study kidney disease
- Rs. 750 million additional allocation for kidney disease study
- Rs. 200 million to upgrade Nurses' Training schools
- Rs. 50 million to formulate a mechanism for health authorities to visit schools in each term
- Rs. 1 billion to establish Specialized Pediatric Care Complexes in Karapitiya, Ampara and Jaffna hospitals
- Rs. 200 million to establish a Base Hospital at Nintavur and Rs. 50 million to establish an Oral Health Complex at the Teaching Hospital in Karapitiya.
- Rs. 500 million to establish a Bone Marrow Transplant Unit attached to the Kandy hospital
- Rs. 250 million to strengthen the Post Graduate Institute of Ayurvedic Medicine focusing specially on the Research and Development aspect in Ayurveda Medicine
- Castle Maternity Hospital in Borella will be upgraded under a PPP model with Rs. 3 Billion

SME sector developments

- Rs. 500 million allocation for SME credit guarantee scheme
- Rs. 750 million to provide interest subsidy to qualifying SMEs
- Rs. 500 million to provide infrastructure and training to textile and handloom industry through IDB
- Amnesty for those blacklisted by CRIB with default credit history of up to Rs. 500,000

Investment promotion

- Tax holidays for large-scale investments in under developed regions of the country
- Waiver of 75% of PAL for construction sector
- Exchange Control Act to be repealed and foreign currency declaration threshold by foreigners to be increased to USD 40,000
- 5-year multiple entry visas from 2017, to international students who wish to study in Sri Lanka
- Capital allowance at 200% for investments in the north and at 100% for investment in Uva and East subject to qualifying criteria
- Listing of Hyatt, Grand Orient Hotel, Hambantota Salt, Waters Edge and Mobitel in 2017
- Improve ease of doing business

Export and Tourism Promotion

- Rs. 10 billion for local EXIM bank with local industry
- Rs. 1 billion for Ministry of National Policies and Economic Affairs to boost the exports, tourism, Foreign Direct Investment (FDI) and brand "Sri Lanka"
- Rs. 1 billion to set up private free trade zones along the expressway corridors under PPP
- Rs. 500 million to provide interest subsidy for hotel refurbishment
- Rs. 1,000 million for the MICE industry.

Other key proposals

- Rs. 1.5 billion to upgrade inland transportation facilities
- Rs. 850 million to improve water supply
- Rs.1.5 billion to provide 50% interest benefit to residential solar consumers
- Rs. 600 million for regional courts, and residential facilities
- Rs. 1 billion to set up a contributory pension scheme
- Foreigners will be allowed to buy condominiums with a loan up to 40% of the value
- New Securities Act will be introduced with separate board at CSE for SMEs for low cost capital
- In a bid to better the ranking in ease of doing business, it has been proposed to have the Registrar of Companies open for operations in all 7 days of the week (san public holidays), strengthen the Inland Revenue Department and the Labour Department related activities such that the time taken to start a business could be reduced to as low as 4 days.
- The establishment of the Office of the National Business Registry which mandate all businesses to be registered under same while the appointment of a National Trade Prosecutor will ensure that the trade and the commercial agreements that the country enter into are enacted properly.
- Exchange Control Act will be repealed and a Foreign Exchange Act will be introduced.

Income Tax

INcome Tax

Effective Date : 01st April, 2017 (unless specified otherwise)

Personal Tax

Individual income tax rate structure will be revised as follows:

(a) Profits and income from employment :

- Tax free threshold on employment will be increased from Rs. 750,000 to Rs. 1.2 million per annum. The deduction for qualifying payments will be adjusted accordingly.

- Rates applicable on the second employment will be revised as follows:
  - If the payment does not exceed Rs 50,000/- per month at 10%;
  - If the payment exceeds Rs. 50,000/- per month at 20%. (Previously if the second employment income exceeds Rs. 25,000/- the tax rate was at 16%).

(b) The progressive rate structure will be from 4% to 24% having the equal tax slabs of Rs 600,000/- each including employment income.

Removal of exemptions on profits and income from employment

The following exemptions on profits and income from employment will be removed:

- The present exemption on providing transport.
- Certain special allowances provided for special categories of public services:

Our Comments

The value of the non cash benefit as transport provided by the employer liable to tax is yet to be known; The tax free threshold from employment income presently is given in two forms. One being an allowance of Rs. 500,000/- and the other being a qualifying payment relief up to a maximum of Rs. 250,000/-. We presume the qualifying payment relief would be enhanced to Rs. 700,000/-; Overall tax on employment income in a high level case, would be increased. Refer table below:

Employment income Rs.	Tax Before proposal Rs.	Tax After proposal Rs.
10,000,000	1,360,000	1,752,000/-

Incentives to Trade or Business

Capital Allowance

1. 100% capital allowances will be granted on investment in fixed assets not less than USD 03 million with not less than 250 employment;
2. 200% capital allowances will be granted if the investment with the same conditions referred to above is made in Northern Province;
3. 100% capital allowances and for the second year of commercial operation 5% of the investment as a tax credit up to a maximum of tax payable , if such investment is not less than USD 05 million with minimum 300 employment .

Specific Concessions

Specific concessions will be announced for:

- any investment not less than USD 100 million with minimum employment of 500; **or**
- any investment not less than USD 500 million .

Concessions to Exporters

A rebate will be given equal to 75% of the income tax attributable to excess profit of 2016/2017, where profits from exports in foreign currency increased over 15% or more in 2016/2017 compared to 2015/2016.

Incentive for Listing

The new firms that will list on the stock exchange in the year 2017/18 will be entitled to a grant of an amount equal to 25 percent of the total income tax paid by that firm for the last year prior to listing.

Revision of Capital Allowances

The rate of capital allowances will be revised as follows:

Plant, machinery or equipment – the present rates of 33 1/3 %, 50% and 100% will be revised as 20% (5 equal installments).

Buildings – the present rate of 10% will be reduced to 5% (20 equal installments).

Our Comments

The basis of granting the tax rebate referred above need to be clarified. The comparison of the profit increase between 2016/2017 and 2015/2016 should not be comparison of the profits of the two years of assessments. If the comparative result for the year of assessment 2015/2016 is a tax loss, may not demonstrate the actual expected increase in profits at 15%. We presume the comparison should be the export earnings of the two years of assessments.

The employment opportunities required under enhanced capital allowances are presumably new employment created out of the investments to be made.

Withholding Tax and Notional Tax

Withholding Tax (WHT)

1. WHT on interest income will be increased to 5%; Currently the rate is 2.5%;
2. WHT of 5% will be introduced for specified fees exceeding Rs. 50,000/- per month;

Notional Tax Credit

1. The Notional tax credit will be removed and the income on instruments subject to upfront tax such as Treasury Bills, Bonds or Corporate Debt Securities will be taxable on the net interest.
2. The proposed changes in Budget 2016 (subject to subsequent modifications with relevant dates) will be implemented together with the proposals listed above (other than the rate revisions referred to above).

Our Comments

We presume the WHT on specified fee would be subject to direction at various rates (from 0% to 5%) as done in the past and excess credit is refundable tax.

For individuals the WHT on interest income would be final tax and not refundable as in the past.

Removal of Other Exemptions

1. The present exemption on certain dividends and interest or profits from investment on listed securities (corporate debt securities etc.) and other instruments;
2. The present exemption on dividends received by Unit Holders of Unit Trusts and Mutual Funds for Corporate sector;
3. The present exemption on interest on savings accounts up to Rs.5000/-per month.
4. The present exemption on interest on deposits applicable to senior Citizens will be restricted to Rs. 1.5 Million per annum.

Our Comments

We presume the removal of the exemptions on dividends and profit on investment from corporate debt securities relates only to corporate tax payers and not for others

Simplification of Income Taxation

1. The following measures will be taken to simplify the Income Tax regime with minimum number of tax exemptions and by broadening the tax base.

2. The corporate income tax rates will be revised to 3 tiers structure of lower rate of 14%, standard rate of 28% and the higher rate of 40% as follows:

   (a) The lower rate of 14% will be applicable for the profits and income of :

   - SMEs
   - Export of goods or services
   - Agriculture
   - Education

   For this purpose „SME' will be defined with specific criteria of having a maximum turnover limit of Rs 500million per annum.

   (b) The higher rate of 40% will be applicable for the profits and income of :

   - Betting & Gaming
   - Liquor
   - Tobacco

3. The standard rate of 28% will be applicable on the profits and income of all the other sectors including banking and finance, insurance, leasing and related activities etc.

4. The present tax rate of 10% applicable for Funds (EPF, ETF, etc.) charitable institutions on dividends, treasury bonds and treasury bills and any other sector will be increased to 14%.

Our Comments

We presume the lower tax rate concessions granted to entities under BOI agreements would continue with such tax rate as the rates are granted under BOI Law though the tax is paid to the Department of Inland Revenue.

Tax Administration

Revision of Time Bar Provisions

Assessments

The present period to issue assessments of 18 months will be reduced to 09 months;

Appeals

- The present period of 24 months to hear an appeal by the Commissioner General will be reduced to 06 months.
- The present period of 24 months to hear an appeal at the Tax Appeal Commission will be reduced to 06 months.

Tax Ombudsman

Office of Tax Ombudsman would be established by the Nation Tax Council. The creation would be by an Act of Parliament which believed to enhance the tax payer confidence.

Capital Gain Tax

Capital Gain Tax imposed in the past was abolished with effect from 01st April, 2002. Commencing from the year of assessment 2017/2018 the capital gain realized on the disposal of immovable properties would be charged at the rate of 10%.

Value Added Tax

VAlue Added Tax

Effective Date : 01st January, 2017 (unless specified otherwise)

General Value Added Tax

VAT is a consumption tax which was introduced in August 2002 replacing the Goods and Services Tax (GST) which was enacted in 1998 with the intention of taxing value addition on goods and services. The charging section of the VAT Act imposes the tax on the importation of goods into Sri Lanka and on every taxable supply of goods or services made at the time of supply in a taxable period by a registered person in the course of carrying on, or carrying out, of a taxable activity by such person in Sri Lanka. The VAT also has a host of exemptions on imports and supplies of various goods and services.

New exemptions

The following exemptions have been proposed:

Industry specific exemptions

- Plant, machinery and accessories for renewable energy generation identified specific H.S. Code Nos.
- International telecommunication services provided to local operators by external gateway operators.
- Supply of geriatric care services and child care services.
- Medical Machinery and medical equipment identified under the HS Code No. 8421.29.10
- Locally manufactured dairy products (other than milk powder)

Miscellaneous exemptions

- Magazines, journals or periodicals other than newspapers, identified under specific HS Code Numbers.
- Certain electrical goods identified under specific HS Code Numbers.

Withdrawal of exemptions

The exemptions currently granted to the following items are proposed to be removed:

- Gold coins, precious metals and precious stones identified under specific HS Codes Numbers.
- Import or supply of jewellery.
- Locally manufactured milk powder.

VAT refund mechanism for foreigners

A new mechanism has been proposed to provide VAT refunds at the point of departure of foreigners on goods purchased by them provided the duration of stay is less than 30 days.

Our Comments

This proposal seeks to complement many proposals that will promote Sri Lanka as more "tourist friendly". Clarity is required as to how the VAT component will be identified separately since the present system only permits the VAT component to be shown on the invoice in the event of transactions between two VAT registered persons.

Administration

1. In order to minimize delays in the VAT refund process, post refund audits will be effected upon obtaining bank guarantees.
2. To speed up VAT collection process and make the system more simple and efficient, it has been proposed to introduce smart e-invoice devices for usage at the point of sale by the VAT registered persons. This system is to be extended to the Excise Department as well.
3. Given that the VAT Law was enacted in 2002 and has undergone a series of amendments since its enacted, it has been proposed to consolidate same with incorporating amendments up to date.

Simplified Value Added Tax

Removal of the Simplified Value Added Tax ("SVAT")

It has been proposed to dispense with the SVAT scheme due to the operational and administrative hassle that is associated with same.

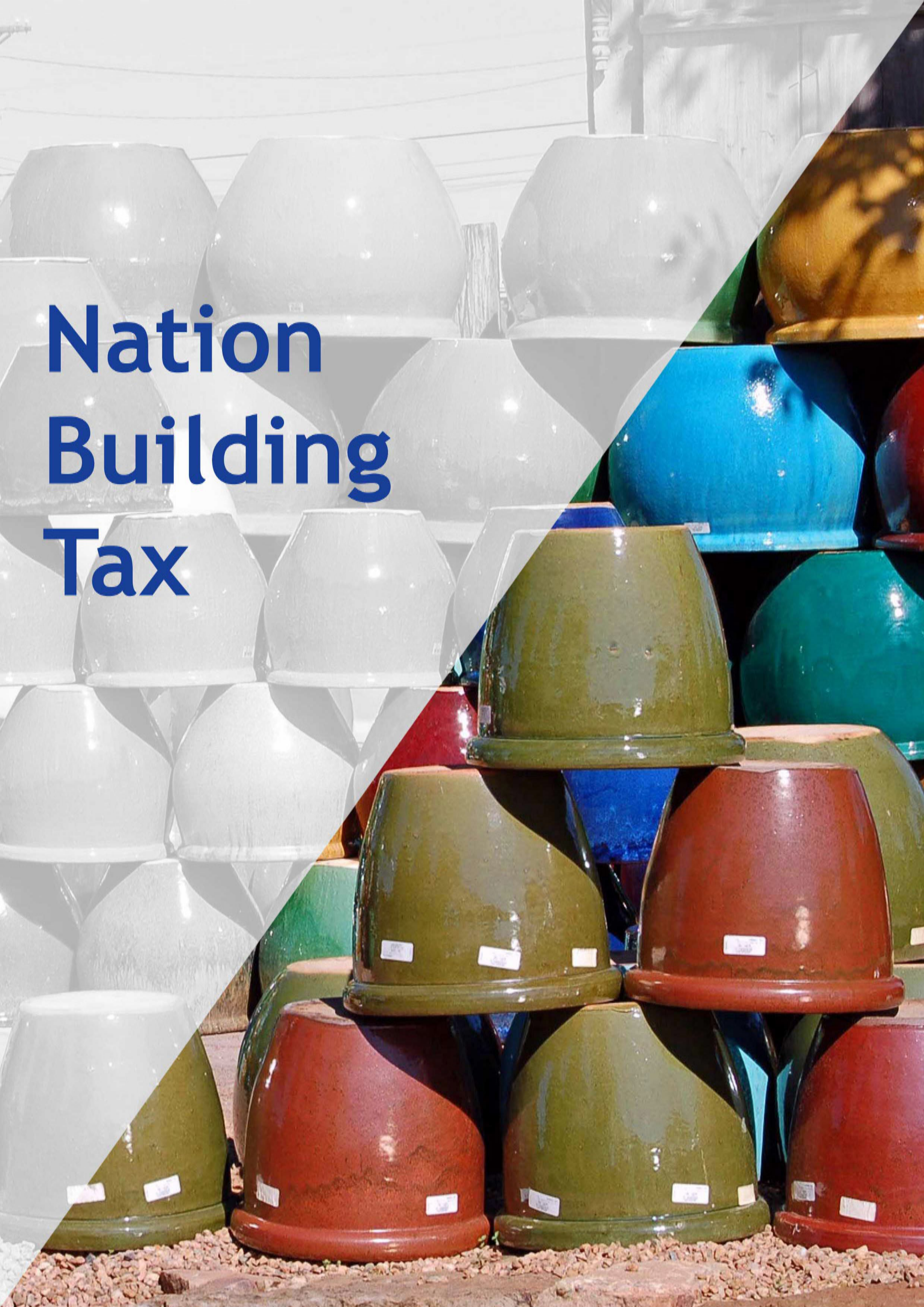
Our Comments

The SVAT scheme was introduced by the VAT (Amendment) Act No. 09 of 2011 with effect from 01st April, 2011. Regulations and guidelines were issued from time to time on the operation of the SVAT scheme.

The scheme largely depends on the exchange of documentation in lieu of VAT invoices which minimizes the incidence of a cash VAT refund.

While the move to dispense with same has been made due the cumbersome nature of the scheme; the RAMIS system should provide necessary measures to avoid the incidence of VAT refunds or streamline the process.

Nation Building Tax



NAtion
Building Tax

Effective Date: 01st January, 2017 (unless specified otherwise)

Nation Building Tax – Exemptions

This tax was initially levied on the turnover of importers, manufacturers, and services providers at the rate of 1%. The rate was subsequently amended to 3% and 2% and the base widened to capture traders as well as those engaged in the business of real estate (which trade and distributors obtaining 50% or 75% rebates on turnover respectively).

The Act provides for exceptions from the tax on certain articles and services.

New exemptions

The following exemptions have been proposed:

Industry specific exemptions

- International telecommunication services provided to local operators by External Gateway Operators.
- Printed books, Magazines, Journals or Periodicals other than Newspapers, identified under the specific HS Code Nos 4901.10.
- Solar panel modules and accessories under the following specific HS Code Nos. 8454.10 and 9405.10.10.

Withdrawals of exemptions

The exemptions currently granted to the following articles/ services are proposed to be removed

- Any goods required for the purpose of providing of services of international transportation, being goods consigned to Sri Lankan Air Lines Ltd, Mihin Lanka (Pvt) Ltd or Air Lanka Catering Services Ltd.
- Any article imported or sold by any society registered under Co- operative Societies Act, No. 5 of 1972 or under the respective statutes enacted by the Provincial Councils providing for such registration or Lak Sathosa Limited registered under the Companies Act, No. 7 of 2007.
- The services of a travel agent in respect of inbound tours, if such person is registered with the Ceylon Tourist Board.
- Services being construction services including the services of sub-contractors.
- Sale of residential apartments.
- Services provided by any society registered under the Co-operative Societies Law No. 5 of 1972 or under any Statute enacted by a Provincial Council, or Lak Sathosa Limited, registered under the Companies Act, No. 7 of 2007.

Our Comments

1. Imposing tax on the inbound travel agents sector may increase the cost on inbound tours due to high service charge on the booking system. This may hinder the growth of the tourism industry.

2. The removal of the exemption of NBT on sale of residential apartments requires clarity as the 2016 VAT (Amendment) Act exempts sale of residential accommodation while withdrawing the exemption on the lease or rent of same. By this proposal, essentially the VAT would be exempt on sale of residential accommodation but NBT would be liable on sale of residential apartments.

3. The exemptions afforded to solar panel modules and accessories, International telecommunication services provided to local operators by External Gateway Operators, printed books, magazines, journals or periodicals (other than newspapers) seek to complement the exemptions on same that have been proposed for VAT.

Economic Service Charge

EConomic
Service Charge

Effective Date : 01st April, 2017 *(unless specified otherwise)*

Proposed Changes

1. The present threshold will be reduced from Rs 50 Million per quarter to Rs 12.5 Million per quarter.

2. Advance WHT of ESC will be introduced on import of vehicles

3. The proposed changes in Budget 2016 (subject to subsequent modifications) will be implemented together with the proposals listed above.

Our Comments

Considerable number of small businesses would be covered in the ESC net;

Imposition of ESC at import point would be a cost to the importer where such person does not carry out the importation as a business of importer trader;

In the Budget 2016 the following changes were introduced;

- All businesses are liable to ESC irrespective whether such business is liable to income tax or not;
- Ceiling on maximum ESC of Rs. 120 Million per annum removed;
- Rate increased from 0.25% to 0.5%
- ESC credit claim restricted to the year in which the tax is paid and balance carried forward for further two years only;

Import Tariff and Taxes

IMport Tariff and Taxes

Effective Date : Immediate (unless specified otherwise)

The Import tariffs and taxes consist of an array of duties, taxes and levies as enlisted below;

- Customs Duty
- Special Commodity Levy
- Ports and Airport Development Levy
- Excise Duty
- Excise (Special Provision) Duty
- Cess Levy
- Value Added Tax
- Nation Building Tax

The budget proposes a series of rate revisions as well as policy changes in the arena of Customs as set out below:

1. In an effort to grant importers with appropriate levels of facilitation in the clearance process, effective 01st January, 2017, all importers are required to be registered with the Customs Department.
2. Creating risk profiles of importers so as to expedite clearances for low risk importers.
3. Pre arrival processing – submission of import documentation and information, including Manifest for processing before the arrival of the goods to expeditious clearance and release of goods at the port. This will ensure just in time delivery of goods for compliant importers.
4. Average time of clearance and release – to ensure predictability, the Customs Department will endeavor to publish average processing time of imports and export documentation and average release time of goods. It will ensure that export documents and containers will be processed by the authorities for shipment within 2 hours from the time of submissions at the exports facilitations Centre. It is proposed to process import documentation in 3 hours and the containers to be released within 24 hours.
5. Dry-port clearance - The possibility of establishing dry ports on Public Private Partnership basis to be explored.
6. Valuation database - Customs value of imported goods for duty purposes are based on the transaction value as per the WTO Valuation Agreement. Accordingly, to ensure uniform application in ascertaining the actual transaction value of imported goods; the Customs Department will establish a valuation database with effect from 01st January, 2017. This is expected to comprise 700 commonly imported goods with corresponding minimum values, which can be used as reference values to process clearance of imported goods.
7. Advance Rulings - To ensure import tax certainty, Customs will extend its advanced ruling to cover origin of goods as well.

8. Rewarding of compliant traders - Customs will accord the green channel facilities for documentary checks and documentary and goods examination to compliant traders.
9. Towards ensuring transparency in Customs practices and procedures, the Customs Department will establish and implement a National Trade Information Portal in Sri Lanka.
10. Single Window – Initial steps would be taken by the customs enabling traders to submit documentation or data requirements for importation, exportation or transit of goods electronically through a single entry point to the participating authorities or agencies.
11. Gazette Notification to be issued to determine the cost of freight as 15% of the Free On Board (FOB) value of imported goods, when an importer imports his own goods by his own vessel or an importer imports single goods by using a chartered vessel as a bulk cargo.

Customs Duty

The chargeability of Customs Duty stems from Section 10 of the Customs Ordinance (Chapter 235). The duty is imposed on goods, wares or merchandise imported into or exported from Sri Lanka. The Ordinance grants the Parliament the power to increase, reduce, abolish or alter the Customs Duty leviable by passing resolutions at any public session.

The duty and policy revisions proposed in respect of Customs duty are as follows:

- Duty on the imported milk powder will be reduced from Rs. 135 per kg to 100 per kg.
- Duty on the importation of potable ethanol will be increased to from Rs.500 per liter to Rs.800 per liter.
- Duty of industrial raw materials has been reduced in order to smooth the progress of the industries and trading activities.
- Duty rates of 96 tariff lines have been adjusted according to the Sri Lanka bound rate commitments to the World Trade Organization.
- H.S Code National Sub Divisions have been created as per the directive given by the World Customs Organization (WCO).
- Customs duty will be removed on material to create prototypes in biological consumable, samples and equipment.
- Customs Duty, VAT and PAL to be removed on importation of Transplanters, Hand Weeders etc. so as to improve mechanization in the farming process.

Special Commodity Levy

Special Commodity Levy was introduced by Act No. 48 of 2007 as a composite tax on imports which excludes certain commodities from taxes such as PAL, VAT, SRL, Customs Duty, Cess and Excise Duty. The commodities are prescribed by Gazette order issued by the Minister from time to time.

The budget revises the levy applicable on White Sugar to Rs.7 per Kg. from the existing tax of Rs. 2 per Kg. The Gazette notification will be issued on same.

Our Comments

This proposal seeks to complement the proposals that encourage local manufacture of sugar.

Excise (Special Provision) Duty

Section 3 of the Excise (Special Provisions) Act No. 13 of 1989 imposes Excise Duty on every article manufactured or produced in Sri Lanka at rates published in Gazette Orders from time to time. The duty and policy revisions proposed in respect of Excise duty are as follows:

1. The Duty will be imposed on the following :

    - Beer cans

Capacity	Duty
Less than 350ml	Rs.10 per can
More than 350ml	Rs.15 per can

    - Lottery ticket at Rs. 5 per ticket.

2. Motor Vehicles Exporters who export a minimum of 20 vehicles with a minimum total value of USD 200,000 will be entitled to a 50% Excise Duty waiver on the importation of a Motor Car (where the CIF value is less that USD 50,000)
3. Excise Duty on motor vehicles will be revised. However, the budget is silent on the type of motor vehicles and the new duty rates to be charged.
4. The unit rate method for Excise Duty calculation for motor cars is to be extended to Motor Cycles as well (based on engine capacity).
5. The budget proposes to reduce Excise Duty on electric cars with motor power less than 100 KW.

Our Comments

These proposals seeks to encourage the use of eco friendly vehicles in the country and well as incentivize the exporters of used motor vehicles.

Ports and Airports Development Levy (PAL)

Ports and Airport Development Levy (PAL) was introduced by Finance Act No. 11 of 2002 and is currently charged under and in terms of the Ports and Airport Development Levy Act No 18 of 2011. PAL is charged on all imports (subject to exceptions). The duty and policy revisions proposed in respect of PAL are as follows:

1. To improve the capacities of the businesses, a 75 percent waiver on the PAL will be granted on the importation of high tech, automated machinery and equipment (upon the approval of the Ministry of Industry and Commerce)

2. Similar to VAT and NBT, printed books, magazines, journals and periodicals will be exempted from PAL.

3. PAL on Pharmaceutical products will be reduced on the following H. S. Codes

H.S. Code	Description	Concessionary rate
3926.90.80	Hardened Gelatin Capsules	2.5 %
9602.00.10	Capsules used in the manufacture of pharmaceutical products	2.5 %

Our Comments

This proposal will encourage reading habits, the use of modern technology and the provision of medicine at a reduced price and will in turn help reduce the cost of living.

Excise Duty

The Excise Ordinance broadly relates to Intoxicating Liquor and Intoxicating Drugs. The duty and policy revisions proposed in respect of Excisable articles are as follows:

1. The present wastage and evaporation on liquor production will be revised as 0.10% and 0.05% respectively.
2. An annual License Fee on importers of Beedi Leaves will be imposed at Rs. 5 Million.
3. Excise duty will be introduced on imported non potable alcohol at Rs. 25/- per liter.
4. Excise duty will be imposed on raw materials used for manufacturing of ethanol as follows:

Type of raw material	Duty
Molasses	Rs. 20/- per liter
Coconut Toddy	Rs. 10/- per liter
Maize	Rs. 20/- per kg
Rice	Rs. 20/- per kg
Any other	Rs. 20/- per kg

Cess

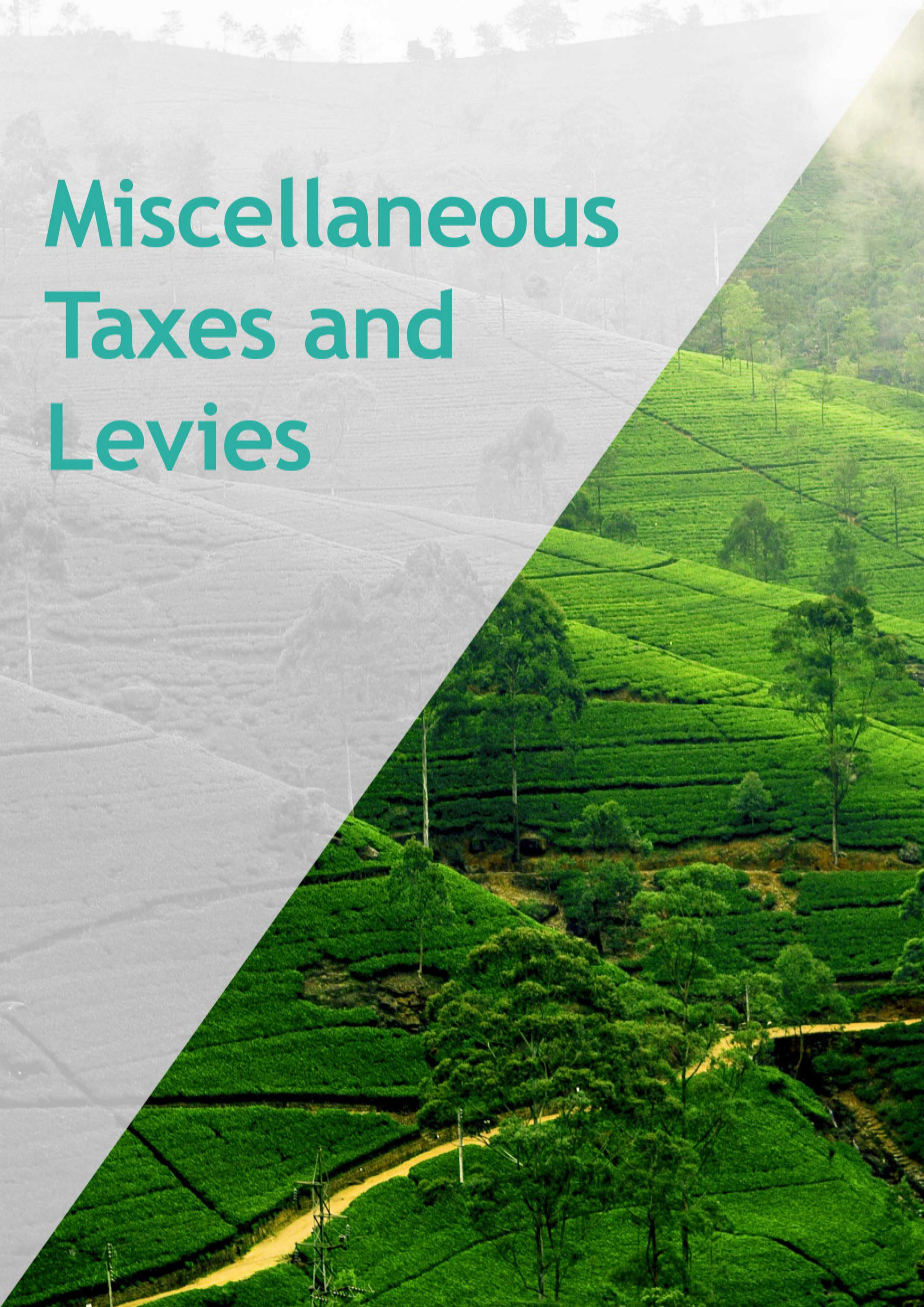
The cess levy is import at import as well as export on certain articles. The levy revisions proposed in respect of Cess are as follows:

- Cess on 100 items will be removed. Clarity is required on the description of these items.
- Cess of 25% on pre-fabricated structures will be removed so as to sustain the growth momentum in the construction industry.
- In order to protect the domestic industry, a Cess levy of 2% will be charged on import sugar and 5% on ethanol imports.
- Cess on following items will be increased as follows,

H.S. Code	Description	Proposed levy rate
3215.11	Printing Ink - Black	Rs. 30/- per Kg
3215.19	Printing Ink - Other	Rs. 30/- per Kg

- The rate applicable to rubber will be increased from Rs.4 per Kg to Rs. 15 per Kg.

Miscellaneous Taxes and Levies



MIscellaneous Taxes and Levies

Betting and Gaming Levy

The Betting and Gaming Levy (Amendment) Act No. 14 of 2015 provides;

- The levy on carrying on the business of gaming including playing rudjino per year is Rs. 200 million.

- The casino entrance levy of USD 100 is to be collected from any person who enters such place of business of gaming

The following proposals were made in the budget 2016;

- The levy imposed on the business of gaming to be reduced to Rs. 5 million per year

- The levy imposed on the business of Casino to be increased to Rs. 400 million.

- The Casino entry fee of USD 100 per person is to be removed.

The budget for 2017 specifies that the proposals announced in 2016 will be implemented with the exception of the following;

- The levy imposed on the business of gaming to be increased to Rs. 250 million per year rather than the Rs. 5 million per year

Our Comments

The effective date on which each of the above revisions are to take effect will have to be set out clearly in the statute in order to avoid ambiguity as to the tax rates that are applicable.

Tourism Development Levy

The Tourism Development Levy was introduced by the Finance Act No. 25 of 2003 on tourism related establishments licensed under the Tourism Development Act, No. 14 of 1968. These institutions are required to pay 1% on its turnover as Tourism Development Levy. In order to promote small and medium sector enterprises, an exemption from this levy was given to institutions having an annual turnover of less than Rs. 12 million or a quarterly turnover of less than Rs. 3 million commencing from April 2013.

It has been proposed to revise and charge Tourism Development Levy at 0.5% on its turnover, on businesses which has revenue of less than Rs. 12 million per annum.

Our Comments

It was proposed in the budget proposals for 2016 to remove this tax. There is an ambiguity on whether this tax was to be paid by these institutions after such announcement. The registration threshold for NBT in this sector was also reduced from Rs. 25 million per quarter to Rs. 3 million per quarter with effect from 1st April, 2016. As such the tax imposed on the industry under both these taxes may have an adverse impact.

Streamlining of One - Off Taxes

The Government in an attempt to increase the tax revenue to GDP ratio implemented certain one – off taxes in 2015. These taxes were introduced through the Finance Act, No. 10 of 2015. It is proposed that these one – off taxes will be streamlined. The one – off taxes are;

- Bars and Taverns Levy
- Casino Industry Levy
- Super Gain Tax
- Mobile Telephone Operator Levy
- Satellite Location Levy
- Dedicated Sports Channel Levy

Our Comments

There are several tax types that are in our tax system which makes the system complicated and cumbersome. Streamlining these one-off taxes will help remove any ambiguities and simplify the tax system.

Luxury and Semi - Luxury Motor Vehicle Tax

This tax is imposed by the Finance Act No. 16 of 1995, and subsequently amended by the Act No. 04 of 1999, Act No. 15 of 2011 and Act No. 12 of 2012. The tax is charged currently on the following categories of motor vehicles at varying rates, depending on the date of registration of the vehicle.

- Luxury;
- Semi Luxury; and
- Semi Luxury dual purpose

The Budget proposals for 2017 mention that this tax will be revised. However, the rate of tax has not been specified.

Our Comments

There was a proposal in the budget proposals for 2016 to remove this tax with effect from 1st April 2016. As such the statute will have to clearly specify the date on which the revisions are to be effective.

Financial Transaction Levy

A Financial Transaction levy will be introduced at 0.05% on cash transactions (including easy cash) with banks or financial institutions on the basis of the total transaction value. The Financial Transaction levy paid by any person will be considered as an allowable deduction when computing the income tax liability.

Our Comments

The financial transactions that will be covered under this tax will have to be clearly defined by law, as there are numerous types of financial transactions that banks and financial institutions perform.

Annual License Fee and Fee on Voluntary Liquidation of Companies

An annual license fee will be imposed on companies. However, the fee to be charged has not been prescribed in the budget proposals. The Companies Act No. 07 of 2007 provides for voluntary liquidation of companies. A fee on voluntary liquidation will also be imposed. However, the amount to be charged has not been specified.

Our Comments

An Annual License Fee of Rs. 60,000/- was proposed in the budget for 2016, and it has been administratively collected by the Registrar of Companies. However, there has been no statutory provision relating to imposition of this Annual License Fee. As there is no statutory provision imposing such fee, there are currently no provisions to collect the fee from companies that have not paid same. On enacting the law, to impose such Annual License Fee, provisions will have to be made in respect of the fees that have already been paid by certain companies based on the budget proposals made for 2016.

Vehicle Entitlement Levy

This levy was introduced from 01st January 2016, where every importer of motor vehicles was required to obtain a Vehicle Entitlement certificate from the Department of Inland Revenue before opening of the Letter of Credit for importing a vehicle. This levy will now be collected by the Director General of Customs at the point of import with effect from 01st January, 2017.

Tele-drama, Film and Commercials Levy

The Finance Act, No. 11 of 2006 imposed a "Tele-drama, Film and Commercial Levy" on every tele-drama, film or commercial, made and/or filmed outside Sri Lanka and bought into or imported into Sri Lanka to be telecast in Sri Lanka.

The rates currently applicable as per the regulations are as follows;

Description	Duration	Rate (Rs.)
Tele-drama or film if dubbed in Sinhala or Tamil	For every 30 minutes or part thereof	90,000

The levy of Rs. 90,000 imposed on tele-drama or film if dubbed in Sinhala or Tamil will be increased to Rs.300,000 and the fund collected will be utilized for the development of the local film industry.

Embarkation Levy

The Embarkation Levy imposed by the Finance Act No. 25 of 2003, has been increased from USD 30 to USD 50 for persons leaving Sri Lanka by aircraft or by ship.

Charges for Court Cases/Case Filing Fee

A fee is to be charged from all persons when filing a case in Court. The proposal is silent on the type of case, rate at which such fee is to be charged and the effective.

Our Comments

The Sri Lankan Judicial system comprises of a hierarchy of Court houses where certain cases are filed and then later reviewed by a higher court in appeal. The fee to be charged will have to specify whether the litigant will be required to pay such fee at every step of the appeal process. It is also assumed such fee will not be applicable for cases which are instituted by the State.

License Fees on Firearms

An annual License fee of Rs. 20,000/- will be imposed on firearms other than firearms used for agricultural purposes. The penalty for non payment of such annual fee will be Rs. 5 million.

Our Comments

Licensing of firearms will assist in regularizing the use of firearms, which will help reduce the crime rates in Sri Lanka.

Carbon Tax

A Carbon Tax is to be imposed on all vehicles. This tax is to include the existing emission test fee to be paid on renewing the license for all vehicles. However, the following vehicles will be exempt from this tax;

- Electric cars
- Tractors

Import License Fees

Persons importing the following items will be required to obtain a special license on payment of a fee;

- Lubricants
- Bitumen
- Gold

The fee to be charged has not been specified and the date on which such proposal will be implemented has not been mentioned.

Our Comments

The Special Import License and Payment Regulations, No. 1 of 2011 specifies certain goods, identified by its respective HS codes, which require the person importing such items to obtain a special Import License. It is assumed that the above items will also be brought within these regulations.

Beedi Import License Fees

Persons importing beedi leaves will be subject to an annual License Fee of Rs. 5 million on import of same.

Visa Fees

The budget proposes a revision on Visa fees, however it is silent on the type of visa, the new fees to be charged and the effective date of the revision.

Bi-Annual Registration Fee on Lubricant Agreements

The bi-annual registration fee payable on lubricant agreements by the lubricant businesses is proposed to be revised to the higher of either Rs. 2.5 million or 0.75% of total invoiced sales. This revision will be effective from 01st January, 2017.

The current maximum registration fee of Rs. 6 million has been proposed to be removed.

Telecommunication Related Levies

Telecommunication levy

Telecommunication Levy is currently imposed on the value of supply of internet services at the rate of 10% as revised by the Telecommunication Levy (Amendment) Act, No. 11 of 2014. It has been proposed to increase same to 25% to be in line with the Telecommunication Levy charged on other telecommunication services.

Our Comments

With the removal of the exemptions for VAT and NBT on “telecommunication services” and the increase in the telecommunication levy, the cost of using internet services will increase.

SIM activation levy

A levy of Rs. 200 will be imposed on every SIM being activated. This is to discourage temporary connections being used for criminal and fraudulent activities.

Spectrum charge

The use of radio spectrum is being regulated by the Telecommunications Regulatory Commission (“TRC”). Spectrum charges are determined to recover the direct and indirect costs incurred in managing the radio spectrum and to enable the efficient use of national resources. The charges for the use of Radio Frequency and Radio Frequency Emitting Apparatus have been specified under section 22 of the Sri Lanka Telecommunications Act No. 25 of 1991 (as amended).

The current annual Spectrum Charge will be increased by 25% with effect from 01st January 2017.

Digitalization of the country

- All mobile telephone operators are given a 6 months period to convert their infrastructure to provide minimum 3G coverage.
- Any operator who fails to implement this will be liable to pay a surcharge of Rs. 100 million per district where such implementation has not been done within the given time frame.
- The telecommunication infrastructure in all metro areas are required to be converted to 4G by 30th June, 2018

Fines on Traffic Offences

Traffic offences are to be re-classified in order to impose spot fines, and the minimum fine for traffic offences are to be increased to Rs. 2,500/-.

Tax Facts

INitiatives of the Government to Improve Revenue Collection

- The ongoing redrafting of tax laws with technical assistance from the IMF to simplify the tax laws
- Ongoing improvements in tax administration, including the automation of revenue agencies under the Revenue Administration Management Information System (RAMIS) at Inland Revenue Department (IRD)
- Introducing Single Window System (SWS) at Sri Lanka Customs (SLC) linking of all stakeholders
- Automation of the activities of the Ministry of Finance (MOF) under an Integrated Treasury Management Information System (ITMIS)
- Introducing the zero based budgeting system by the MOF and setting up of Budget Implementation and Monitoring Unit (BIMU) to ensure close monitoring of expenditure programmes

REvenue Administration Management Information System (RAMIS)

The RAMIS is expected to automate the IRD to enhance the efficiency of revenue collection and strengthen overall tax administration. This project mainly includes the conversion of taxpayer services into self-services, establishment of an integrated system on taxpayer information and tax liabilities across the taxes, creation of a centralised taxpayer database, implementation of a unique identification number for both individual and corporate taxpayers and establishment of an integrated system to facilitate the exchange of information between IRD and other key stakeholders.

In 2015, the new web portal of IRD was launched for the public. The project comprises two phases. Phase 1 comprises corporate income tax (CIT), VAT, Simplified VAT (SVAT), WHT, NBT and PAYE which will cover more than 95 per cent of revenue collected by IRD. Phase 2 comprises non-corporate income taxes such as individuals, partnerships, clubs, associations etc., Stamp duty, Economic Service Charge (ESC), VAT on Finance and Betting and Gaming Levy (B&G). Under the project, registering of taxpayers and sending VAT and SVAT monthly returns under the RAMIS system, on line submission of SVAT schedule, establishing a Call Center under 1944 were commenced with limited areas to answer frequently asked questions while e-registration was commenced from early 2016.

**Source – Central Bank, Annual Report 2015*

TAx Facts

Revenue collection from VAT declined significantly in 2015 mainly due to the reduction of the VAT rate from 12 per cent to 11 per cent with effect from January 2015 and the removal of VAT on excisable items, such as motor vehicles, cigarettes and liquor.

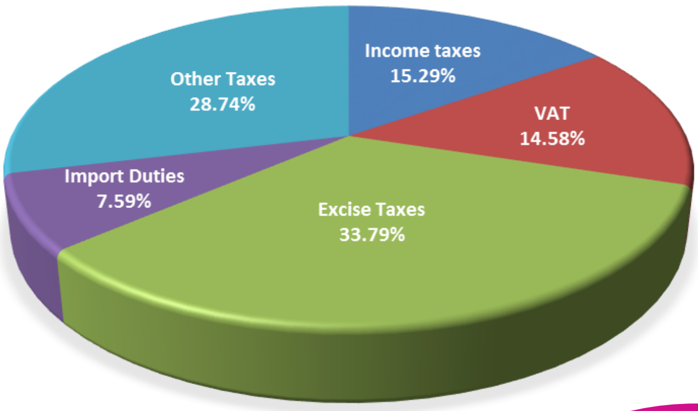
The declining trend of tax revenue to GDP ratio also reversed in 2015, where it increased to 12.1 per cent of GDP in comparison to 10.1 per cent of GDP recorded in 2014.

Revenue from income taxes as of percentage of GDP increased to 2.3 per cent in 2015 mainly due to increase in corporate and non corporate income taxes, including PAYE.

Revenue from NBT as a percentage of GDP remained unchanged at 0.4 per cent in 2015 as in the previous year, while in nominal terms it increased marginally in 2015 to Rs. 45.0 billion during the year.

Revenue from excise duties became the highest single contributor to total tax revenue in 2015, mainly reflecting the impact of imposing composite higher excise tax rates on motor vehicles, liquor and cigarettes.

TAX REVENUE (APPROVED ESTIMATES) - 2016



**Source - Central Bank of Sri Lanka*

WHo we are

"Our vision is to be the leader for exceptional client service. It is not about reinventing our profession's approach to service, but about doing things exceptionally well – and delivering that consistently from more than 1,400 offices in 150 countries. We have demanding client service standards that all our firms strive to meet and our people–nearly 64,000 of them worldwide – use their skills and experience to deliver exceptional service clients expect. That means offering a tailored service, understanding the importance of close personal relationships and listening carefully to and working with our clients to determine what exceptional client service means to them. For us, exceptional client service is based on five key components: client needs, communication, commitment, people and value. And these are the attributes that define BDO today."

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$ 7.30 bn

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BDO in Sri Lanka

In recent years, BDO Sri Lanka has grown and strengthened its network with strong local ties with business and government. This ensures that we offer our clients the best possible advice in overcoming the challenges of doing business in Sri Lanka. Operating since 1958, BDO Sri Lanka provides services to clients with a highly qualified staff of more than 300 across many industry sectors including manufacturing, agriculture, tourism, construction and property development and different service sectors. We provide a single contact point for a wide spectrum of services ranging from audit and assurance, accounting, tax consultancy and compliance assistance, corporate finance and advisory, corporate restructuring, risk advisory, company incorporation and registration, payroll and expatriate assistance, IT assurance and consulting and other financial services.

WHat we do

Audit and Assurance

Our skilled audit teams are led by leaders who have in-depth knowledge with local and global experience. We understand the challenging environment in which our clients operate and we design our audit approach to fulfill our audit responsibilities, both in regard to regulatory and business requirements under which they function.

Our Services include;

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Transaction Advisory Services

Our team of professionals are focused on providing you with advice on aligning your business with strategic goals and structuring business transactions to optimize value creation to the stakeholders. Mergers, acquisitions, divestments and other transactions are a frequent and important part of your business in the current context.

We offer the following integrated advisory and support services to help buyers, sellers and investors quickly realize optimal value from their transactions.

Our Services include;

- Evaluation of transactions
- Financial/Tax/Legal due diligence
- Preparation of confidential information offering memorandum, letter of intent
- Development of purchase/sales agreements
- Negotiation with buyers/sellers
- Planning of merger and execution

Risk Advisory Services

The BDO Risk Advisory team is equipped to provide a comprehensive range of IT, audit, and business risk management services to public and private companies across any industry. The volatility of the business environment is marked by new regulations and changing landscapes where fraud prevention and risk management becomes crucial to any business.

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Tax Services

Our tax team is focused on providing effective tax solutions to our clients to help them achieve their commercial objectives. At BDO Tax we provide unparalleled service backed by years of experience and knowledge on how to navigate the complex tax landscape in Sri Lanka. We offer practical, business-based perspectives to assist our clients in implementing and adapting to ever changing revenue statutes. Our strength is that we have insight to industry practices across different sectors which will ensure that we provide you with the best solution.

Our Services include;

- Direct tax compliance
- Indirect tax compliance
- Review of transaction for tax optimization and applicable tax relief
- Group tax efficiency review
- Tax planning and advice

This publication has been carefully prepared, but has been written in general terms and should be treated as a broad guidance only. The proposed changes to the tax laws would take effect only when such proposals are enacted in the respective statutes.

Neither BDO Partners nor its employees accept or assume any liability or duty of care for any loss arising from any action taken or not taken by anyone in the reliance on the information contained in this publication or for any decision based on it.

WE TAKE IT PERSONALLY

The team of professionals at BDO Partners is equipped with the knowledge and capacity to assist you with all your tax related matters

KEY CONTACTS

Sujeewa Rajapakse
Managing Partner
sujeewa@bdo.lk

Sarah Afker
Director - Tax Advisory Services
saraha@bdo.lk

Ranjith Samarasinghe
Consultant - Tax Advisory Services
ranjith@bdo.lk

Dinusha Perera
Senior Manager - Tax Advisory Services
dinushap@bdo.lk

BDO Partners
65/2, Sir Chittampalam A. Gardiner Mawatha,
Colombo 02
Sri Lanka

Tel: +94-11-2421878/79/70
Fax: +94-11-2336064
Email: bdopartners@bdo.lk
Web: www.bdo.lk

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