



Social Security Contribution Levy (Amendment) Bill

July 2023



Tax Alert

A Bill to amend the Social Security Contribution Levy Act, No. 25 of 2022 has been ordered to be published by the Minister of Finance, Economic Stabilization and National Policies in the Government Gazette. The Bill seeks to provide certain new exemptions by amending the First Schedule to the Act.

The salient features of the Social Security Contribution Levy (Amendment) Bill issued on 04 July 2023 are as follows.

1. Proposed Exemptions – Articles

- Any importation of motor vehicle identified under HS Codes which are liable to the Excise Duty under the Excise (Special Provisions) Act
- Equipment used by differently abled persons
- Unprocessed gem stones imported by a licensed holder, for the purpose of re-exporting such gems upon being cut and polished for payment in foreign currency, if such foreign currency is remitted to Sri Lanka through a bank
- Any article sold at duty-free shops
- Rice manufactured out of locally produced paddy

2. Proposed Exemptions – Services

- Services provided by any General Sales Agent who holds an Air Transport Service License issued under the Civil Aviation Act

3. Amendment to the exemption on services

- Generation of electricity and supply of electricity other than the supply of electricity **by any person who holds a distribution license** issued under the Sri Lanka Electricity Act. Previously the exemption was provided for generation of electricity and supply of electricity other than by the Ceylon Electricity Board

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