

## **Circular To Clients**

### **The Bill to Amend the Nation Building Tax Act. 9 of 2009**

The Bill to amend the NBT Act was gazetted on 12<sup>th</sup> May 2017. The changes to the NBT shall be deemed to have come into operation from 1<sup>st</sup> April 2017 unless a specific date is mentioned. The Bill would become law upon the certification of the Hon. Speaker.

According to the Bill, the significant changes to NBT are as follows.

#### **1. Removal of Exemptions**

##### **1.1 Articles**

Lubricants

- Air Lanka Catering Services Limited
- Any article imported or sold by any society registered under Co-operative Societies Act No.05 of 1972 or under the respective statues enacted by the Provincial Councils providing for such registration or Lak Sathosa Limited registered under the Companies Act, No. 7 of 2007

##### **1.2 Services**

- Construction Contractors
- The Services of a travel agent in respect of inbound tours, where the payment is not received in foreign currency through a bank
- Any service rendered in or outside Sri Lanka to any person or partnership outside Sri Lanka, if such service is not utilized out of Sri Lanka
- Services provided by any society registered under the Co-operative Societies Act No.05 of 1972 or under the respective statues enacted by the Provincial Councils providing for such registration or Lak Sathosa Limited registered under the Companies Act, No. 7 of 2007

- The business of real estate and improvement thereon, being construction and sale of residential accommodation, in so far as the value of the construction project relating to the supply of such residential accommodation is less than ten million United States dollars or its equipment in any other currency

## **2. New Exemptions**

### **2.1 Articles**

- Printed books, magazines, journals or periodicals other than newspapers

### **2.2 Services**

- International telecommunication services provided to local operators by External Gateway operators.
- Generation of electricity and supply of electricity other than the supply of electricity by Ceylon Electricity Board

**Jayasinghe & Co.,**

Chartered Accountants,

10<sup>th</sup> May 2017