



KPMG Sri Lanka

Tax News Flash

May 2020

TAX UPDATE

For clients of KPMG in Sri Lanka

Extension for submission of Statement of Estimated Tax Payable

The Department of Inland Revenue (“DIR”) has issued the attached notice (PN/IT/2020-07) dated 12th May 2020 informing all tax payers that due to the prevailing situation in the country consequent to the outbreak of COVID-19, the taxpayer could submit the Statement of Estimated Tax Payable (original or revised) for the Year of Assessment 2019/2020 to the DIR once the situation returns to normal.

You may click on the link below to access the updated notice published by the DIR:

http://www.ird.gov.lk/en/Lists/Latest%20News%20%20Notices/Attachments/247/SET130520_20_E.pdf

Extension for remittance of tax withheld on terminal benefits

The DIR has issued the attached notice (PN/APIT/2020-02) dated 13th May 2020 informing the ETF, Provident Funds and Employers that considering the prevailing situation in the country, an extension has been granted up to 30th June 2020 for the remittance of taxes withheld, in accordance with the Circular No. SEC/2020/02 dated 18th February 2020, on terminal benefits paid to employees.

The notice further intimates that such extension will apply only in a case where the employee was required to produce a direction obtained from the DIR within 90 days from the date of retention of tax and such period of 90 days expires on or after 12th March 2020.

You may click on the link below to access the updated notice published by the DIR:

http://www.ird.gov.lk/en/Lists/Latest%20News%20%20Notices/Attachments/248/APIT130520_020_E.pdf



Instructions on issuance of credit voucher books to Registered Identified Purchasers

The DIR has issued the attached notice (PN/VAT/2020-06) dated 13th May 2020 providing instructions to be followed in obtaining credit voucher books from the DIR by persons registered as Registered Identified Purchasers ("RIPs") under the Simplified Value Added Tax ("SVAT") Scheme.

The notice intimates that credit voucher books will be issued at the head office of the DIR from 9 a.m. to 2 p.m. on working days scheduled based on the last digit of the SVAT registration number of the RIPs, with effect from 13th May 2020.

For this purpose, RIPs are required to initially make a request for credit voucher books through the e-services facility available in the DIR's website. The notice further states that such credit voucher books will be issued only to the persons authorized as credit voucher book collectors, on the production of documents specified in the notice.

You may click on the link below to access the updated notice published by the DIR:
http://www.ird.gov.lk/en/Lists/Latest%20News%20%20Notices/Attachments/250/SVAT13052020_E.pdf

Online tax payments

The DIR has issued the attached notice (PN/PMT/2020-3) dated 14th May 2020 providing further instructions to be followed by taxpayers in making online tax payments to the DIR, in addition to the guidelines specified in the previous notice issued on the introduction of online tax payment facility and procedures to be followed for same.

This notice intimates that online tax payments for different tax periods should be made separately and not combined in one payment. It further states that the taxpayer is required to send an email to the email addresses specified in the notice, containing the information listed in the notice along with the payment acknowledgement/receipt issued by the bank, immediately after the payment has been made.

You may click on the link below to access the updated notice published by the DIR:
http://www.ird.gov.lk/en/Lists/Latest%20News%20%20Notices/Attachments/252/PYMT14052020_E.pdf

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INLAND REVENUE DEPARTMENT
Notice to Taxpayers

**Submission of Statement of Estimated Tax Payable (SET)
Year of Assessment -2019/2020**

Any Taxpayer who requires to submit a Statement of Estimated Tax payable (SET) or revise the SET already submitted as provided in Section 91(5) of the Inland Revenue Act, No. 24 of 2017 (IRA) due to changes in the amount of tax payable as 4th Quarterly Installment (as required by the Section 90 of the IRA), that computed based on the notices published by the Commissioner-General of Inland Revenue in line with the changes proposed by the Government to the IRA, such SET or revised SET can be submitted to the Inland Revenue Department after the currently prevailing COVID-19 Epidemic situation comes to normal.

Commissioner General of Inland Revenue



TAXES - FOR A BETTER FUTURE



INLAND REVENUE DEPARTMENT

Notice to ETF Board, Provident Funds and Employers who have retained the Tax on Terminal Benefits to Retiring Employees

Extension of Time to Remit Tax to the Inland Revenue Department

Any amount (in lieu of income tax) retained by the Employees' Trust Fund Board (ETF), any Provident Fund or Employer as per the Circular No. SEC/2020/02 of the Commissioner-General of Inland Revenue dated 18.02.2020, as tax on terminal benefits due for the retiring employees for which such employees were required to produce a Direction from the Inland Revenue Department (IRD) within 90 days from the date of retention of tax, and that 90 days period expires on or after 12-03-2020, such 90 days period for retention of such tax deducted by the ETF Board, any Provident Fund or Employer, has been extended till 30th June, 2020, considering the COVID-19 Epidemic situation prevailing in the country.

Commissioner General of Inland Revenue



TAXES - FOR A BETTER FUTURE



INLAND REVENUE DEPARTMENT
Notice to VAT Registered Persons

Simplified Value Added Tax (SVAT) Scheme
Issuance of Credit Voucher Books for
Registered Identified Purchasers (RIPs)

Registered Identified Purchasers (RIPs) under Simplified Value Added Tax Scheme (SVAT) are hereby informed that the arrangements have been made to issue Credit Voucher Books at the Head Office of the Inland Revenue Department (IRD) from 09.00am to 02.00pm on working days with effect from 13-05-2020.

Therefore, all RIPs under SVAT Scheme are requested to obtain Credit Voucher Books following the instructions given below.

- RIPs are required to make a request for Credit Voucher Books through the e-Services in the IRD Web Portal www.ird.gov.lk
- Credit Voucher Books are released only to the Persons authorized as Credit Voucher Book collectors, and at the time of collecting following documents should be produced:
 - a. National Identity Card (NIC) or valid Passport of the collector,
 - b. Print copy of the acknowledgement issued for the request made through e-Service,
 - c. Original SVAT Certificate, and
 - d. Pink color copies of previously issued SVAT Credit Vouchers (If you have any cancelled SVAT Credit Voucher, it should be cancelled through e-Service).
- Based on the last digit of the SVAT Registration number, the Credit Voucher Books Issuing dates are scheduled as follows.

Last digit of the SVAT Registration Number	Day of the Week Credit Voucher Books issuing
0 , 1	Monday
2 , 3	Tuesday
4 , 5	Wednesday
6 , 7	Thursday
8 , 9	Friday

If you need further clarifications, please contact the following officers:

Ms. J.H.S.K.K. Jayathilake - Commissioner 0112134980
Ms. A.A.D. Hemalatha - Commissioner 0112134961
Mr. R.M.P.S. Ramanayake - Asst. Commissioner 0112134911

Commissioner General of Inland Revenue



TAXES - FOR A BETTER FUTURE



INLAND REVENUE DEPARTMENT Notice to Taxpayers

Alternative Tax Payment System (ATPS) through Online Fund Transfer Facility Further Instructions

Following further instructions on Alternative Tax Payment System (ATPS) are issued in addition to the instructions issued by the public notice number [PN/PMT/2020-1](#) dated 08.04.2020, considering some practical issues encountered by the taxpayers.

Payments for multiple tax payment periods

Following steps should be followed in doing tax payments for more than one tax period:

- ✓ When making payments for multiple tax periods, it is strictly advised to make separate payments for each tax payment period and should not do payments for multiple tax periods in one transaction.
- ✓ Immediately after the transaction, an email containing following particulars should be sent to the below given email addresses.
- ✓ The payment acknowledgement/Receipt issued by the bank at the time of making the transaction should be attached to the email.

▪ **Particulars to be included in the email:**

1. Taxpayer Identification Number (TIN) :
2. Name of Taxpayer :
3. Payment Reference Code (PRC) :
4. Transaction Reference Number/ID
Issued by the Bank :
5. Tax type Code :
6. Payment Period Code (separately) :
7. Amount paid (separately) :
8. Date of Payment DD/MM/YYYY :
9. Name of Contact Person :
10. Contact Number :

▪ **Email should be sent to following email addresses**

bulanawewa.bgpd@ird.gov.lk
somarathna.hgan@ird.gov.lk

For any assistance or clarification, please contact below persons or the IRD Call Center 1944

Name	Designation	Mobile Phone
Mr. M.J. Gunasiri	Deputy Commissioner General	0714252431
Mr. J.A.G. Mahindaratna	Senior Commissioner	0773416452
Ms. J.S.P.A.D. Weerasuriya	Director (ICT)	0777333789
Mr. B.G.P.D. Bulanawewa	Assistant Commissioner	0714397039
Mr. S.N. Weerakoon	Assistant Commissioner	0714149700
Ms. A. Somarathna	Assistant Director (ICT)	0714425090
Ms. H.W. Dileka	ICT Officer	0761492647

Commissioner General of Inland Revenue

