



THE

CEYLON GOVERNMENT GAZETTE

EXTRAORDINARY

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PART II.—LEGAL.

(Separate paging is given to each Part in order that it may be filed separately.)

DRAFT ORDINANCES.

MINUTE.

The following Draft of a proposed Ordinance is published for general information:—

L. D.—CF. 15/41

An Ordinance to limit and modify the application of the provisions of sections 31 and 32 of the Income Tax Ordinance.

BE it enacted by the Governor of Ceylon, with the advice and consent of the State Council thereof, as follows:—

1. (1) This Ordinance may be cited as the Income Tax (Special Provisions) Ordinance, No. of 1941, and shall be read and construed as one with the Income Tax Ordinance (hereinafter referred to as "the principal Ordinance").

Short title,
construction
and operation.
Cap 188

(2) This Ordinance shall be deemed to have come into operation on the tenth day of July, Nineteen Hundred and forty-one.

2. Notwithstanding anything in section 31 of the principal Ordinance, and notwithstanding that during any year of assessment or part of a year of assessment falling within the prescribed period, export duty is levied under the law of Ceylon on rubber or rubber latex at a rate not less than four-fifths of the rate in force in relation to such agricultural product on the first day of January, Nineteen Hundred and thirty-one, no reduction shall be granted under that section of the tax

Limitation and
modification
of application
of section 31 of
the principal
Ordinance

charged on the income of any person from the cultivation of rubber for that year of assessment or that part of a year of assessment.

Modification
of application
of section 32 of
the principal
Ordinance.

3. Notwithstanding anything in section 32 of the principal Ordinance, and notwithstanding that, during any year of assessment or part of a year of assessment falling within the prescribed period, export duty on tea is levied under the law of Ceylon at a rate not less than four-fifths of the rate in force on the first day of January, Nineteen Hundred and thirty-one, no rebate under that section on account of such export duty shall be granted to any person in respect of any tea manufactured by him in Ceylon during the year preceding that year of assessment or such other period as may be adopted in lieu thereof under the provisions of section 11 (2) of the principal Ordinance.

Interpretation

4. In this section, "prescribed period" means the period of three years commencing on the tenth day of July, Nineteen Hundred and forty-one.

Objects and Reasons.

Section 31 of the Income Tax Ordinance authorises a deduction from the income tax payable on the income derived from the cultivation of an agricultural product other than tea when the export duty levied on such product exceeds four-fifths of the duty which was in force on January 1, 1931. Section 32 of the Income Tax Ordinance provides for the grant of a rebate on the export duty levied on tea when such duty exceeds four-fifths of the duty in force on January 1, 1931

2 The export duties levied on rubber and tea on and after July 10, 1941, exceed four-fifths of the corresponding duties in force on these commodities on January 1, 1931

3 The object of this Bill is to enable the full amount of the new duties to be levied for a period of three years by providing that relief under section 31 and the rebate under section 32 shall not be granted during that period

General Treasury,
Colombo, July 8, 1941.

H. J. HUXHAM,
Financial Secretary