



# 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.—O. 11/44.

**An Ordinance to make provision for relief from Estate Duty in cases where property passes upon deaths attributable to the war.**

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

1. This Ordinance may be cited as the War Deaths (Relief from Estate Duty) Ordinance, No. of 1944.

Short title.

2. (1) In the case of any property passing upon death, where the Commissioner of Estate Duty is satisfied that the death was due to any of the prescribed causes arising out of the present war and that the property passed upon such death to any of the prescribed heirs of the deceased person, the estate duty payable under the Estate Duty Ordinance shall, notwithstanding anything in that Ordinance, be remitted, or, if paid, be refunded, to the extent prescribed in sub-section (2).

Remission or refund of estate duty in certain cases.

Cap. 187.

(2) Where the value of the property passing to the prescribed heirs, as assessed for the purposes of estate duty, does not exceed one hundred thousand rupees, the whole of the estate duty payable in respect of the property passing to such heirs shall be remitted by the Commissioner.

Where such value exceeds one hundred thousand rupees, the whole of the estate duty payable in respect of the property represented by the first one hundred thousand rupees, and one half of the estate duty payable in respect of the property represented by the balance of the assessed value, shall be remitted by the Commissioner.

(3) The benefits of the relief given by sub-section (2) as respects the first one hundred thousand rupees shall be apportioned rateably among the several persons who would otherwise bear the duty remitted or refunded, according to the amounts which they would so bear and without regard to their respective rights of priority.

3. In the case of deaths due to any of the prescribed causes, where the Commissioner is satisfied that estate duty has become payable on any property passing on such a death and that subsequently estate duty has again become payable on the same property or any part thereof on another such death, being the death of a person to whom that property or that part thereof passed on the earlier death, the whole of the estate duty payable on the later death on that property or that part thereof shall, notwithstanding anything in the Estate Duty Ordinance, be remitted, or, if paid, shall be refunded, (whether any person to whom that property or that part hereof so passes is or is not one of the prescribed heirs of the deceased person) and that property or that part thereof shall not be aggregated with any other property passing on the later death for the purpose of determining the rate of estate duty.

Relief from estate duty in cases of quick succession due to war deaths.

Cap. 187.

## Interpretation.

## 4. For the purposes of this Ordinance—

## (1) “prescribed cause” of death means—

(a) any wound received, accident suffered, or disease contracted, within the three years next preceding death, while on active service against an enemy, whether on sea or land or in the air, or while on service which is of a war-like nature or which in the opinion of the Commissioner involves the same risks as active service, during the present war, or in the course of operations arising directly out of the war but after the termination of the war, by any person who at the time aforesaid was subject to naval, military, or air force law; or

(b) any injury received during the present war, at any time within the three years next preceding death, by any person who at that time was not subject to naval, military, or air force law, being an injury which in the opinion of the Commissioner was caused by the operations of war;

(2) “prescribed heir”, in relation to any person, means any of the following, that is to say, the surviving spouse, lineal descendants, lineal ancestors, brothers or sisters, and lineal descendants of brothers or sisters, of that person;

(3) “the present war” means the war against the German Reich and its allies in which His Majesty and His allies are engaged at the date on which this Ordinance comes into operation, and for the purposes of the computation of the duration thereof, such war shall be deemed to have commenced on the third day of September, 1939, and to terminate on such day as may be specified by the Governor by Proclamation published in the *Gazette*.

## Application and construction of Ordinance.

5. (1) The provisions of this Ordinance shall have effect, and be deemed to have had effect at all material times, in relation to all deaths due to any of the prescribed causes, whether occurring before or after the date of the commencement of this Ordinance.

(2) Save as hereinbefore expressly provided, the provisions of this Ordinance shall be read and construed as one with the Estate Duty Ordinance.

Cap. 187.

*Objects and Reasons.*

The object of this Bill is to make provision—

- (a) for the remission or refund of estate duty payable upon deaths attributable to the war (Clause 2); and  
(b) for relief from estate duty in cases of successive deaths due to the war (Clause 3).

Colombo, May 1, 1944.

H. J. HUXHAM,  
Financial Secretary.

## MINUTE.

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

L. D.—O. 10/44.

**An Ordinance to amend the Income Tax Ordinance.**Chapter 188.  
(Vol. IV., p. 609).

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

## Short title.

1. This Ordinance may be cited as the Income Tax Amendment Ordinance, No. of 1944.

## Amendment of section 7 of Chapter 188.

2. (1) Section 7 of the Income Tax Ordinance is hereby amended, in sub-section (1) thereof, as follows:—

(a) by the substitution in paragraph (h), for the words “visiting Ceylon”, of the words “visiting Ceylon, not being persons resident in Ceylon for a period exceeding three months immediately prior to the date of their appointment to such office”; and

(b) by the substitution in paragraph (hh), for sub-paragraph (iii), of the following new sub-paragraph:—

“(iii) persons employed in any civil capacity by the Government of any part of His Majesty’s dominions other than Ceylon or by the Government of any such foreign power or by any such foreign authority, who, not

being persons resident in Ceylon for a period exceeding three months immediately prior to the date of the commencement of such employment, are so employed in, or visit, Ceylon for any purpose connected with any such war ;”

(2) The amendment made by sub-section (1) shall be deemed to have had effect on the first day of April, Nineteen hundred and Forty-four, for the purposes of all assessments in respect of the year of assessment commencing on that day.

*Objects and Reasons.*

Section 7 (1) of the Income Tax Ordinance, as amended by Ordinance No. 53 of 1942, exempts from the liability to income tax the salaries and other emoluments drawn by persons in civil employment under the Imperial Government or the Government of any part of His Majesty's dominions other than Ceylon or of any foreign power allied with His Majesty, where such persons serve in Ceylon or visit Ceylon for the purpose of any duty connected with the war. It was not intended that this benefit should extend to persons ordinarily resident in Ceylon who may happen to have secured employment under any of the Governments referred to.

The object of the amendment in this Bill is to make it clear that the exemption is not to extend to such local residents.

For the purposes of assessments in respect of the tax-year commencing on April 1, 1944, the amendment is to be deemed to have taken effect on that day retrospectively.

Colombo, May 2, 1944.

H. J. HUXHAM,  
Financial Secretary.

## Interpretation.

## 4. For the purposes of this Ordinance—

## (1) "prescribed cause" of death means—

(a) any wound received, accident suffered, or disease contracted, within the three years next preceding death, while on active service against an enemy, whether on sea or land or in the air, or while on service which is of a war-like nature or which in the opinion of the Commissioner involves the same risks as active service, during the present war, or in the course of operations arising directly out of the war but after the termination of the war, by any person who at the time aforesaid was subject to naval, military, or air force law; or

(b) any injury received during the present war, at any time within the three years next preceding death, by any person who at that time was not subject to naval, military, or air force law, being an injury which in the opinion of the Commissioner was caused by the operations of war;

(2) "prescribed heir", in relation to any person, means any of the following, that is to say, the surviving spouse, lineal descendants, lineal ancestors, brothers or sisters, and lineal descendants of brothers or sisters, of that person;

(3) "the present war" means the war against the German Reich and its allies in which His Majesty and His allies are engaged at the date on which this Ordinance comes into operation, and for the purposes of the computation of the duration thereof, such war shall be deemed to have commenced on the third day of September, 1939, and to terminate on such day as may be specified by the Governor by Proclamation published in the *Gazette*.

## Application and

## 5. (1) The provisions of this Ordinance shall have effect.