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## THE CEYLON GOVERNMENT GAZETTE

EXTRAORDINARY

අංක 14,725/1—1966 දෙසැම්බර් 9 වැනි සිකුරාදා—1966.12.9

No. 14,725/1—FRIDAY, DECEMBER 9, 1966

(Published by Authority)

### PART I: SECTION (I)—GENERAL

#### Government Notifications

##### THE REGISTERED STOCK AND SECURITIES ORDINANCE

BY virtue of the powers vested in me by section 4 of the Registered Stock and Securities Ordinance (Chapter 420), I, Ukku Banda Wanninayake, Minister of Finance, do by this Order direct that, of the sum of nine hundred and ten million rupees for the raising of which by way of loan authority has been given by the Appropriation Act, No. 22 of 1966, the sum specified in the Schedule hereto shall be raised in Ceylon in the mode and upon the terms and conditions specified in that Schedule.

Colombo, December 7, 1966.

U. B. WANNINAYAKE,  
Minister of Finance.

##### Schedule

1. The sum of money to be raised shall be Twenty five million rupees, and it shall be raised by way of a 21/25 year loan issued at par.
2. The loan shall be raised by the creation and issue of registered stock only.
3. The rate of interest payable on the loan shall be 4½ per centum per annum.
4. The dates in each year on which the half-yearly interest on the loan shall be payable, shall be the Sixteenth day of June and the Sixteenth day of December.
5. A half-yearly appropriation out of the Consolidated Fund of Ceylon as a contribution to the sinking fund to be established for the purpose of redeeming the loan shall be made at the rate of 3 per centum per annum, and such contribution shall commence on the Sixteenth day of December, 1967.
6. The date of redemption of the registered stock issued for the purpose of raising the loan shall be the Sixteenth day of December 1991.

Provided, however, that the Government shall have the option of redeeming any such registered stock at par on such date subsequent to the Fifteenth day of December, 1987, as may be appointed by the Minister of Finance by notification published, not less than six months prior to that date, in the *Gazette*.

##### PROSPECTUS

*The List will be opened on December 16, 1966, and will be closed on January 16, 1967, or earlier if the loan is fully subscribed*

*Issue of Rs. 25,000,000*

##### CEYLON GOVERNMENT 4½ PER CENT. LOAN, 1987/91 "J" SERIES

*Issued at par—Repayable at par*

The Central Bank of Ceylon, on behalf of the Government of Ceylon, invites applications for a 4½ per cent. loan of Rs. 25,000,000. The loan is repayable at par on December 16, 1991, but the Government will have the option of repayment at par on such date subsequent to December 15, 1987, on giving 6 months' notice.

**Authority.**—The loan is raised on the authority of the Appropriation Act, No. 22 of 1966, and under the provisions of the Registered Stock and Securities Ordinance (Chapter 420).

**Purpose.**—The loan is raised by the Government of Ceylon to meet expenditure for the service of the financial year 1966-67, under Section 2 (1) (b) of the Appropriation Act, No. 22 of 1966.

**Form of Issue.**—The loan will be issued in the form of Registered Stock. (Leaflets containing the general conditions applicable to Registered Stock are available on application to the Department of Public Debt, Central Bank of Ceylon).

**Issue Price.**—The issue price is Rs. 100 per cent. payable in full at the time of application. The minimum holding is Rs. 100.

**Applications.**—Applications will be received by the Registrar of Public Debt from December 16, 1966, and until the list is closed. Applications must be on the proper form and must be accompanied by a remittance in full. Depositors of the Ceylon Savings Bank and the Post Office Savings Bank may, by arrangement with these Institutions, forward their applications through these Institutions.

A commission of 1/16 per cent. on the nominal amount of subscription accepted will be allowed to bankers (including the Ceylon Savings Bank and the Post Office Savings Bank), recognised stock-brokers and brokers in respect of applications bearing their stamp. A negotiating fee of the same percentage on the amount of subscription accepted will be allowed to Proctors in respect of applications bearing their stamp.

**Payment for Stock.**—Payment should be made by cheque drawn in favour of the Central Bank of Ceylon and crossed "On account of Ceylon Government Loan".

**Script.**—Stock Certificates will be issued after receipt and acceptance of the applications.

**Interest.**—Interest at the rate of 4½ per cent. per annum will be payable half-yearly on the 16th day of June and the 16th day of December in each year. The first payment of interest will be on the 16th day of June, 1967, and will be for the period commencing on the date on which the application is accepted up to and including the 15th day of June, 1967.

**Taxation.**—(i) **Stamp Duty.**—All documents used in the issue, transfer or redemption of the loan will be free from stamp duty.

(ii) **Income Tax.**—Interest to resident holders other than to members of Hindu undivided families will be paid without deduction of income tax, but resident holders liable to income tax should include such interest in their income tax returns. Deduction of tax at source will be made from holdings of non-residents and of members of Hindu undivided families. (Current rate of income tax is 33½ per cent. in the case of non-resident individuals, 39½ per cent. in the case of Hindu undivided families and 67 per cent. in respect of interest paid or credited to non-resident companies). Persons who are exempt from Ceylon Income Tax will be entitled to claim repayment of the tax deducted.

(iii) **Savings Relief.**—Under Section 69A of the Inland Revenue Act No. 4 of 1963 (as amended by section 31 of the Inland Revenue (Amendment) Act. No. 18 of 1965) investments made by individuals in securities of the Government of Ceylon will be treated as approved savings and will qualify for savings relief.

(iv) **Wealth Tax.**—Under Section 31 (1) (g) of the Inland Revenue Act, No. 4 of 1963, investments in securities of the Government of Ceylon are excluded from the wealth of a person, and are thus exempt from Wealth Tax.

(v) **Estate Duty.**—Government accepts in payment of estate duty Ceylon Government stocks issued in Ceylon. In the case of fully paid stock issued and repayable at par, the stock will discharge an amount of estate duty equal to the aggregate of its face value and the accrued interest thereon. In the case of stock not fully paid, or issued below par or repayable at an amount other than par the amount of estate duty to be discharged per Rs. 100 nominal stock, together with accrued interest thereon, will be announced from time to time in the *Government Gazette*, but the amount to be discharged per Rs. 100 nominal stock will not be less than the amount originally subscribed or the amount repayable on maturity, whichever is less. The acceptance of any stock in lieu of cash for payment of estate duty is conditional on its being either (a) subscribed for by the deceased when first issued, or (b) purchased by the deceased not less than one year prior to date of death.

**Security.**—The loan is secured on the Consolidated Fund of Ceylon. A separate Sinking Fund will be established towards the redemption of the loan under the management of the Monetary Board of the Central Bank of Ceylon, who are the Trustees of the Sinking Funds. Half-yearly contributions at the rate of 3 per cent. per annum to the Sinking Fund will be commenced on December 16, 1967.

**Public Debt.**—The present gross funded public debt of Ceylon is Rs. 3,062,142,793. The approximate market value of the accumulated Sinking Funds amounts to Rs. 482,007,196. The net funded public debt is thus Rs. 2,580,135,597.

**Application Forms.**—Application forms may be obtained at the Department of Public Debt, or at any Commercial Bank, Kachcheri, Post Office or at the Office of the Commissioner, National Savings Movement.

Department of Public Debt,  
Central Bank of Ceylon,  
P. O. Box 1149.  
Colombo, December 9, 1966.

O. B. GUNAWARDANA,  
Registrar of Public Debt.