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The Gazette of the Democratic Socialist Republic of Sri Lanka

EXTRAORDINARY

අංක 1530/16 – 2008 ජනවාරි 01 වැනි අඟහරුවාදා – 2008.01.01

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PART I : SECTION (I) — GENERAL

Government Notifications

THE FINANCE ACT, No. 11 OF 1963

Order under Section 58(4)(g) and Section 66A

By virtue of powers vested in me by paragraph (g) of subsection (4) of section 58 and Section 66A of the Finance Act, No. 11 of 1963 as last amended by the Finance (Amendment) Act, No. 8 of 2004, I, Mahinda Rajapaksa, Minister of Finance and Planning, do by this order, declare that the provisions of subsection (1), (2) (3) and (3A) of Section 58 shall not apply to any transfer of property of such class or description as is specified in the Schedule hereto.

Further, the order made under Section 58(4)(g) of the Finance Act, No. 11 of 1963 and published in *Gazette* No. 1386/18 on March 30, 2005 is hereby rescinded.

MAHINDA RAJAPAKSA,
Minister of Finance and Planning.

Colombo,
01st January, 2008.

SCHEDULE

1. Any property, the ownership of which is transferred to a licensed bank within the meaning of the banking Act, No. 30 of 1988, at an auction conducted by such bank in the discharge of a mortgage of such property.
2. Any property, the ownership of which is transferred to a finance leasing institution licensed under the Finance Leasing Act, No. 56 of 2000, upon a purchase made by such institution, where such property has been mortgaged to such institution as security for a lease.
3. Any property, the ownership of which is transferred to a finance leasing institution licensed under the Finance Leasing Act, No. 56 of 2000, in order to execute a lease and an agreement to sell or a loan and an agreement to sell.
4. Any property, the ownership for which is transferred to a licensed bank within the meaning of the Banking Act, No. 30 of 1988 or to a finance leasing institution licensed under the Finance Leasing Act, No. 56 of 2000, pursuant to an order of court in an action for recovery of a debt.

5. Any property, the ownership of which is transferred to a licensed bank within the meaning of the Banking Act, No. 30 of 1988 or to a finance leasing institution licensed under the Finance Leasing Act, No. 56 of 2000 to carry on therein its business of banking or finance leasing, as the case may be.

6. Any land, the ownership of which is transferred to any non citizen individual or to the spouse or any son or daughter of such individual been an individual who has been a citizen of Sri Lanka and who has invested in Motherland Development Bond issued by or on behalf of the Government of Sri Lanka sum of not less than 50,000 US Dollars or its equivalent in any other foreign currency, provided that the value of said land is met by inwards remittances of foreign currency.

7. Any land, the ownership of which is transferred to an enterprise to which the Board of Investment of Sri Lanka has granted authorization in writing to set up on such land—

- (a) a project for the construction of not less than hundred residential housing units, each constructed on land not exceeding ten perches, inclusive of appurtenant land, or a condominium property within the meaning of the Apartment Ownership Law, No. 11 of 1973 comprising not less than hundred units for residential or non-residential accommodation, provided that the total value of said land is met by inward remittances of foreign currency.
- (b) a project for the construction and operation of a hospital or a hotel, provided that the total value of said land is met by inward remittances of foreign currency and that the investment on the project be not less than ten million US Dollars or its equivalent in Sri Lanka Rupees.
- (c) (i) a project relating to infrastructure development or any other development determined by the Minister as being essential for the economic progress of Sri Lanka, provided that the value of said land is met by inward remittances of foreign currency and the investment on the project be not less than fifty million US Dollars or its equivalent in Sri Lanka Rupees.
- (ii) a project relating to service sector including BPO industry, IT related training institution, educational institution, determined by the Minister as being essential for the economic progress of Sri Lanka, the value of said land is met by inward remittances of foreign currency and the minimum investment on the project is US Dollars 2 million or its rupee equivalent and that such projects employs not less than 50 local persons.
- (d) a project solely for the manufacture of non-traditional goods for export, for the establishment of its manufacturing plant, office, storage facilities, dormitories for workers, provided that the value of said land is met by inward remittances of foreign currency and the investment on the project be not less than one million US Dollars or its equivalent in Sri Lanka Rupees.

8. Any condominium unit of a condominium property situated on or above the fourth floor of such condominium property, the ownership of which is transferred to a person who is not a citizen of Sri Lanka, provided that the value of such unit is met by inward remittances of foreign currency. In computing the number of floors in a condominium property, a floor which accommodates any common element or common elements within the meaning of the Apartment Ownership Law, No. 11 of 1973 in excess of one half of the floor area of such floor, shall not be taken into account.

9. Any property which had been acquired prior to October 5, 2004 by a company (hereinafter referred to as “the transferor company”) the ownership of which is transferred to another company (hereinafter referred to as “the transferee Company”) on the dissolutions of the transferor company and appropriation of the said property by the transferee company consequent on merger of the transferee company with the transferor company.