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# The Gazette of the Democratic Socialist Republic of Sri Lanka

EXTRAORDINARY

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## PART I : SECTION (I) — GENERAL

### Government Notifications

L.D.-B. 7/2006.

TOBACCO TAX ACT, No. 8 OF 1999

REGULATIONS made by the Minister of Finance under Section 21 of the Tobacco Tax Act, No. 8 of 1999.

*Acting Minister of Finance.*

Ministry of Finance and Planning,  
Colombo,  
16th July, 2009.

### Regulations

1. These Regulations may be cited as “the Tobacco Tax (General) Regulations, No. 1 of 2009”, and shall come into operation from 1st September, 2009.

2. No person shall manufacture, store, import or export any raw material or finished product of cigarettes, cigars, beedi or pipe tobacco without obtaining a certificate of Registration issued by the Commissioner General of Excise (hereinafter referred to as “Commissioner General”) in accordance with the provisions of the Tobacco Tax Act, No. 8 of 1999.

3. (a) Every application for obtaining a certificate of registration shall be forwarded to the Commissioner General through the Excise officer of the relevant area and shall be in the form set out in Schedule I to these regulations and shall be accompanied by the prescribed fee as is set out in Schedule II to these regulations.

(b) The fee payable under these regulations shall be in addition to any fees which the applicant is required to pay in terms of the Excise (Special Provisions Act, No. 13 of 1989) or any other law relating to this subject.

(c) In addition to the fees payable under these regulations every cigarette manufacturer shall be required to furnish for each year, a bank guarantee to the value of Rupees Five Hundred Million.

4. Every applicant for registration shall also forward to Commissioner General the following documents :-

- (1) a copy of the approved plan (Approved by the relevant Local Authority) of the premises or building to which the registration relates ;
- (2) a certified copy of title deed relating to the property on which the premises or building is situated ;
- (3) if the property is mortgaged, a copy of mortgage bond or a letter to that effect from relevant the financial institution ;
- (4) if the applicant is not the owner, a letter of consent from the owner stating that he has no objection to the premises being used for such purpose ;
- (5) an Affidavit stating that the applicant is not convicted of any criminal offence ;
- (6) the Business Name Registration Certificate issued under the Business Names Ordinance (Chapter 180) ; and
- (7) the company registration certificate attested by an Attorney-at-Law.

5. The Commissioner General shall after perusing the application and making such inquiries as may be necessary to ascertain the accuracy of the matters stated therein and within thirty days of the receipt of the application grant or refuse to grant the registration. Such refusal shall be communicated to the applicant by registered post.

6. The certificate of registration may be cancelled or suspended, if the holder of a registration fails to pay any tax or any other payment, required by him under this Act or Excise (Special Provisions) Act.

7. Every certificate of registration shall be valid for a period of one year from the date of the issue and may be renewed.

8. A person who intends to renew a certificate of registration shall forward an application for renewal forty five days prior to the expiry of the registration. The Commissioner General may renew such certificate or inform the applicant in writing of the rejection of his application for renewal and the reasons therefore, at least thirty days prior to lapse of registration.

9. The following information shall also be provided by a cigarette manufacturer :-

- (a) Source of tobacco and other raw materials to be used in the manufacturing process ;
- (b) Stock of tobacco and other raw materials used in the manufacturing process at the beginning and end of the current licensing period ;
- (c) Usage of tobacco and other raw materials used in the manufacturing process during the first nine months of the current licensing period ;
- (d) The accounts of earlier financial year certified by a qualified auditor ;
- (e) A proof of payment of Income Tax, Value Added Tax, Excise Duty and other relevant taxes in respect of every quarter of preceding and current year.

10. The certificate of registration may be transferred to any other person on payment of a fee subject to the approval of the Commissioner General.

11. The holder of certificate of registration shall maintain a register as set out in the schedule III hereto.

12. The holder of certificate of registration shall keep the premises clean and dispose of, the waste in a proper manner.

13. Where premises are used for manufacture or storage of cigarettes, cigars, beedi, pipe tobacco or tobacco the following requirements shall be adhered to—

- (a) the minimum floor area of a cigarette factory or any building or premises which is used for storage of cigarettes or tobacco shall be two thousand square feet.
- (b) the minimum floor area of a cigar or beedi factory or any building or premises which is used for storage shall be one hundred square feet.
- (c) no alterations to the existing buildings or any permanent equipment or fixtures of such buildings shall be carried out unless approved by the Commissioner General.
- (d) the building on which a cigarette factory or store is housed shall be built with bricks and clay and plastered. It shall be covered with an interior wall to a height of not less than three meters. Outlets for the discharge of water shall be safety fixed to the wall and covered with iron rails ;
- (e) all other openings shall be protected by 1/4 inch wire netting which is secularly in size and fixed to a frame in such a way as is safe for use ;
- (f) the roof shall be made and a ceiling shall be fixed to prevent any waste or other matter from falling into the area being used for manufacturing or storage ;
- (g) the windows shall be protected by 1/4 inches wire netting or any other method approved by the Commissioner General.
- (h) all keys to a cigarette factory or store shall upon the doors and openings being secularly locked, be kept in the custody of an officer not below the rank of an Inspector ;
- (i) the officer in charge may allow holder of certificate of Registration to use any other safety look also ;
- (j) if an applicant intends to use more than one premises or building for storage, separate certificate of Registration shall be obtained for each such premises or building.

14. (a) The Excise officer shall supervise and monitor the weight and quantity of tobacco leaf brought into the factory of the registered manufacturer, the removal of finished goods and the quantity of tobacco waste in relation to the goods manufactured ;

(b) The Excise officer shall also supervise the receipt and removal of cigarettes, cigars, beedi and pipe tobacco from the warehouse of the manufacturer.

The Excise officer who supervises shall be an officer not below the rank of an Excise Inspector.

(c) The registered manufacturer shall upon the request of the Commissioner General provide adequate facilities within the factory or warehouse premises to the Excise officer for the discharge of his functions under the regulations.

15. A manufacturer of cigarettes, cigars, beedi and pipe tobacco shall pay all government taxes as specified under the Tobacco Tax Act, Excise (Special Provisions) Act, Customs Ordinance and any other tax.

16. (a) Every person seeking to obtain a Certificate of Registration to export, cigarettes, cigars, beedi, pipe tobacco or tobacco shall make an application in the form set out in the Schedule IV to these regulations, to the Commissioner General.

(b) The certificate of Registration authorizing the export of cigarettes, cigars, beedi, pipe tobacco or tobacco shall be valid only for a period of one month.

(c) The holder of a certificate of Registration for export shall maintain a register of all cigarettes, cigars, beedi, pipe tobacco or tobacco as set out in the Schedule III to these regulations.

17.(a) Every person seeking to import cigarettes, cigars, beedi, pipe tobacco or tobacco shall make an application in the form as set out in the Schedule V hereto.

(b) A Certificate of Registration authorizing import shall not be issued, without obtaining the permission of the Director General of Customs.

(c) The holder of a certificate of Registration for import shall maintain a register as set out in the Schedule III.

(d) The importer of cigarettes, cigars, beedi and pipe tobacco shall pay all taxes as specified under the Tobacco Tax Act, Excise (Special Provisions) Act, Customs Ordinance and any other tax.

(e) Every manufacturer and importer of cigarettes, cigars, beedi and pipe tobacco shall provide following information on the package of such product :-

(a) A health warning as specified under the Tobacco and Alcohol Authority Act, No. 27 of 2006 ;

(b) Country of manufacturer ;

(c) Date of manufacturer ;

(d) Tar and nicotine levels ;

(e) Any other information required by the law which may be specified from time to time.

(f) The Commissioner General shall introduce security marks and visuals on the packaging of any imported products and adequate notice of those shall be given to Importers.

(g) Every product shall be imported to the country within Three months from the date of manufacture.

18. The percentage of waste emitting from the manufacture of cigarettes shall not exceed 5% of the tobacco for the year.

19. On the issue of a certificate of Registration for any purpose in terms of these regulations, the Commissioner General shall enter with a Counterpart Agreement with every person to whom a such certificate is so issued.

## SCHEDULE 1

### APPLICATION FOR A CERTIFICATE OF REGISTRATION FOR THE MANUFACTURE OF CIGARETTE/CIGAR/ BEEDI/PIPE TOBACCO

1. Full Name of the applicant :\_\_\_\_\_.

2. Personal Address :\_\_\_\_\_.

3. National Identity Card No :\_\_\_\_\_.

4. (a) Address of Business premises :\_\_\_\_\_.

(b) Divisional Secretary's Division :\_\_\_\_\_.

(c) Police Area :\_\_\_\_\_.

(d) District :\_\_\_\_\_.

(e) Excise Station :\_\_\_\_\_.

5. Quantity sought to be manufactured per year :\_\_\_\_\_.

6. Income Tax and VAT Reference Nos. :\_\_\_\_\_.

I/We hereby certify that I am/We are aware that registration may be cancelled or suspended under the Tobacco Tax Act where the particulars are found to be false.

Date :\_\_\_\_\_.

## FEES

1. Application Fees :

2. Fees payable in respect of premises (Ware Houses) :

3. Fees payable for the Transfer of Registration	10,000.00
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4. Fees payable for the grant of a Certificate of Registration :

### SCHEDULE III

## FORMS OF REGISTERS TO BE MAINTAINED BY ANY HOLDER OF A CERTIFICATE OF REGISTRATION

***Cigarette Products :***

### 1. LIST OF RAW MATERIALS UTILIZED DAILY :

[illegible]

**SCHEDULE III (Contd.)**

**II. REGISTER OF QUANTITY OF CIGARETTE MANUFACTURED :**

<i>Quantify of Raw materials Utilized</i>	<i>Types of Products (Brands of Cigarettes)</i>					<i>Tax</i>	<i>Wastage</i>

**III. DETAILS ABOUT WASTED RAW MATERIALS : (ADD WASTAGE IN SCHEDULES I AND II)**

<i>Date</i>	<i>Quantity of Wastage Kgs.</i>		<i>Total</i>	<i>Tax</i>
	Waste of Raw Materials	Finished products		

**IV. REGISTER ON ISSUE OF RAW MATERIALS FROM WAREHOUSE FOR CIGARTTES FACTORIES :**

<i>Date</i>	<i>Quantity in Hand Kgs.</i>		<i>Invoice No.</i>	<i>Receives Kgs.</i>		<i>Issuing Invoice No.</i>	<i>Issues Kgs.</i>		<i>Quantity in Hand Kgs.</i>		<i>Wastage Kgs.</i>
	<i>Local</i>	<i>Imported</i>		<i>Imported</i>	<i>Local</i>		<i>Local</i>	<i>Export</i>	<i>Local</i>	<i>Export</i>	

**V. ISSUING RAW MATERIALS FROM WAREHOUSE TO FACTORIES :**

When issuing raw materials to the factory of places of Manufacture, an Invoice should be issued to the Manufacturers.

For manufacturers of Cigar and Beedi (For Stores of Raw Materials)

<i>Date</i>	<i>Raw Materials in Hand</i>	<i>Factory Raw materials Kgs.</i>	<i>Issues Kgs</i>				<i>Raw Materials in Hand</i>	<i>Tax Rs.</i>	<i>Wastage</i>
			<i>Sub-contractors</i>						
			1	2	3	4			

SCHEDULE III (Contd.)

VI. REPORT BY MANUFACTURERS OF CIGARS AND BEEDI :

<i>Date</i>	<i>Raw Materials used for the production in Kgs.</i>	<i>Kinds of Products by Dozens</i>					<i>Tax Rs.</i>	<i>Wastage Kg.</i>

VII. REGISTER ON THE EXPORT OF CIGARETTES /CIGARS/BEEDI /PIPE TOBACCO/TOBACCO :

<i>Date of Dispatch</i>	<i>Country to which products are Exported</i>	<i>Kinds of Products by Dozens</i>				<i>File No. approved by C. G. E.</i>

VIII. DETAILS ON IMPORT OF TOBACCO FOR CIGARETTES /BEEDI/CIGAR/ PIPE/TOBACCO/ RAW MATERIALS :

<i>Date</i>	<i>Country from which Tobacco has been Imported</i>	<i>Quantity (Kg.) Units</i>	<i>Access Bill No.</i>

#### SCHEDULE IV

#### APPLICATION FOR A CERTIFICATE OF REGISTRATION FOR THE EXPORT OF TOBACCO/CIGARETTE/CIGARS/BEDI/PIPE TOBACCO

1. Name of Applicant / Name of Institute :\_\_\_\_\_.
2. Address :\_\_\_\_\_.
3. Particulars for which certificate of Registration is sought :\_\_\_\_\_.
4. Details of products expected to be exported :\_\_\_\_\_.

<i>S/No.</i>	<i>Type</i>	<i>Quantity (Kgs.) Unit</i>
1.		
2.		
3.		
4.		
5.		
6.		
7.		

5. The country to which products to be exported :\_\_\_\_\_.
6. I agree to furnish following documents in terms of Tobacco Act during the relevant period :—
  - (i) Bill of lading, Invoice of the export Cigarettes/Cigar/Bedi/Pipe Tobacco/Tobacco:\_\_\_\_\_.
  - (ii) Bill of Lading or air route document :\_\_\_\_\_.
  - (iii) Certificate from customs :\_\_\_\_\_.
7. Name of the Shipping Company/Transport Institute :\_\_\_\_\_.
8. Expected date of Export :\_\_\_\_\_.
9. Whether the type of cigarettes for export has been approved ? :\_\_\_\_\_.

I declare that the above particulars are true.

\_\_\_\_\_  
Name and Signature of the Applicant.

Date :\_\_\_\_\_.



### SCHEDULE V

#### APPLICATION FOR A CERTIFICATE OF REGISTRATION FOR THE IMPORT OF TOBACCO/CIGARETTE/CIGARS/BEEDE/PIPE TOBACCO AS RAW MATERIALS OR PARTS

1. Name of Applicant / Name of Institute :\_\_\_\_\_.
2. Address :\_\_\_\_\_.
3. Country of Import :\_\_\_\_\_.
4. Details of materials expected to be imported :\_\_\_\_\_.

S/No.	Type	Quantity (Kgs.) Unit
1.		
2.		
3.		
4.		
5.		
6.		
7.		

5. Whether the Excise/Tobacco Tax has been paid ? (Receipt to be attached.  
The Tax should be paid before Importation). :\_\_\_\_\_.
6. Name of the Shipping Company :\_\_\_\_\_.
7. Whether the approval has been obtained from the Director General of Customs ?  
(Attach a copy) :\_\_\_\_\_.

I declare that the above particulars are true.

\_\_\_\_\_  
Name and Signature of the Applicant.

Date :

### SCHEDULE VI

#### CERTIFICATE OF REGISTRATION FOR THE EXPORT / IMPORT OF TOBACCO/CIGARETTE/CIGARS/BEEDE

1. Name of Applicant / Name of Institute :\_\_\_\_\_.
2. Address :\_\_\_\_\_.
3. Registration Number :\_\_\_\_\_.
4. Permission is given for the Import / Export of the following items :\_\_\_\_\_.

<i>S/No.</i>	<i>Type</i>	<i>Quantity (Kgs.) Unit</i>
1.		
2.		
3.		
4.		
5.		
6.		
7.		

5. The country to which products to be expected to be Imported / Exported :\_\_\_\_\_.
6. Receipt Number :\_\_\_\_\_.  
Date :\_\_\_\_\_. Amount :\_\_\_\_\_.
7. Whether the Imports and Exports have been approved ? (Only for Cigarettes):\_\_\_\_\_.
8. Access Letter Number :\_\_\_\_\_.
9. Valid period from ..... to .....

\_\_\_\_\_  
(Commissioner General of Excise).

Date :\_\_\_\_\_.

#### SCHEDULE VII

#### CERTIFICATE OF REGISTRATION FOR THE MANUFACTURE/STORAGE OF TOBACCO/CIGARETTE/CIGAR/BEEDI/PIPE TOBACCO

1. Name of Applicant / Name of Institution :\_\_\_\_\_.
2. Address :\_\_\_\_\_.
3. Address of Business Premises :\_\_\_\_\_.
4. Registration No. :\_\_\_\_\_.
5. Valid period from ..... to .....

You are hereby granted permission to Manufacture / Store Tobacco/Cigarette/Cigars/Beedi/Pipe Tobacco in premises ..... (Plan is attached with the application) in ..... Police area in ..... Excise Station ..... in Divisional Secretary's Division in ..... in the District of .....  
.....

\_\_\_\_\_  
Commissioner General of Excise.

Date :\_\_\_\_\_.

A Registration Holder shall be subjected to Tobacco Tax Act, No. 8 of 1999 and regulations made thereunder.