



**PARLIAMENT OF THE DEMOCRATIC  
SOCIALIST REPUBLIC OF  
SRI LANKA**

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**SRI LANKA INSTITUTE OF TAXATION  
(INCORPORATION) ACT, No. 21 OF 2000**

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[Certified on 19th June, 2000]

*Printed on the Order of Government*

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*Sri Lanka Institute of Taxation*  
*(Incorporation) Act, No. 21 of 2000*

[Certified on 19th June, 2000]

L.D.—O. 47/98.

AN ACT TO INCORPORATE THE SRI LANKA INSTITUTE OF  
TAXATION

WHEREAS an Institute called and known as the “Sri Lanka Institute of Taxation” has heretofore been established for the purpose of effectually carrying out and transacting all objects and matters connected with the said Institute according to the rules agreed to by its members.

Preamble.

AND WHEREAS the said Institute has heretofore successfully carried out and transacted the several objects and matters for which it was established, and has applied to be incorporated, and it will be for the public advantage to grant the application :

BE it therefore enacted by the Parliament of the Democratic Socialist Republic of Sri Lanka as follows :—

1. This Act may be cited as the Sri Lanka Institute of Taxation (Incorporation) Act, No. 21 of 2000.

Short Title.

2. From and after the date of commencement of this Act, such and so many persons as now are members of the Sri Lanka Institute of Taxation (hereinafter referred to as “Institute”) or shall hereinafter be admitted members of the Sri Lanka Institute of Taxation, shall be a body corporate (hereinafter referred to as the “Corporation”) with perpetual succession, under the name and style “Sri Lanka Institute of Taxation” and by that name may sue and be sued in all courts, with full power and authority to have and use a common seal and alter the same at its pleasure.

Incorporation of  
the  
Sri Lanka  
Institute of  
Taxation.

General objects of  
the Corporation.

3. (1) The general objects for which that Corporation is established are hereby declared to be —

- (a) to create awareness in the field of taxation among the members of the public and to promote and advance the study of the law and practice of taxation and the principles of economic and political science in relation to taxation and public finance ;
- (b) to hold examinations and to grant certificates to persons who have satisfied the Examiners and the Council of the Corporation as to their knowledge and ability in the subject of taxation ;
- (c) to formulate a code of conduct to be observed by the members of the Corporation for the purposes of regulating the professional conduct of its members ;
- (d) to promote and co-ordinate the dissemination of tax awareness and knowledge with the respective revenue authorities of Sri Lanka ;
- (e) to facilitate the exchange of information and views on taxation and the creation of a well informed public opinion on the subject ;
- (f) to provide opportunities for the acquisition and dissemination of useful information concerning taxation in Sri Lanka and other countries ;
- (g) to make recommendations to the Government for the improvement or simplification of the tax law and practice and to highlight anomalies in laws relating to taxation and to comment on proposed changes in the laws.

Powers of the  
Corporation.

4. The Corporation shall have the power :—

- (a) to conduct and provide for the conduct of qualifying examinations for membership of the Corporation and approve courses of study for such examinations ;

- (b) to supervise and regulate the registration of students and the course of training for such registered students and determine the duration of such courses of training ;
- (c) to determine the fees to be paid in respect of registration of the different categories of membership ;
- (d) to maintain and publish a register of the members of the Corporation ;
- (e) to secure the maintenance of professional standards among members of the Corporation and to take such steps as may be necessary to acquaint themselves with the methods and practices necessary to maintain such standards ;
- (f) to maintain a library of books and periodicals relating to taxation and to encourage the publication of such books and periodicals in Sri Lanka ;
- (g) to print and publish any newspapers, periodicals, journals, books, examination papers, circulars or leaflets that are deemed desirable for the promotion of the objects of the Corporation ;
- (h) to carry out and encourage research in Sri Lanka in the field of taxation and other related subjects and generally to promote the tax education of students registered with the Corporation and secure advancement of tax practitioners and academics ;
- (i) to approve schemes for any practical training to be followed by the registered students ;
- (j) to award certificates, diplomas and other awards to registered students who have, successfully passed the relevant examinations to the satisfaction of the Council ;

- (k) to open, operate and close bank accounts ;
- (l) to borrow or raise money with or without security ;
- (m) to receive or collect grants and donations ;
- (n) to invest its funds ;
- (o) to employ, engage, dismiss or exercise disciplinary control over its officers and servants ;
- (p) to carry out any other acts considered necessary for the achieving of the objects of the Corporation ;
- (q) to formulate a code of conduct for the members of the Corporation.

Management of the affairs of the Corporation.

5. (1) The Management, control and administration of the affairs of the Corporation shall, be vested in an Executive Council (hereinafter referred to as the "Council") consisting of the President, Vice President, Secretary, Treasurer and seven other members of whom—

- (a) three members shall be appointed by the Minister of Finance ; and
- (b) four members elected by the members of the Corporation :

Provided that where a vacancy occurs in the number of members required by paragraph (a), whether by death, resignation or otherwise and the Minister of Finance has failed to make an appointment to fill such vacancy within three months from the occurrence of such vacancy, the Council shall elect a member of the Corporation to fill such vacancy :

Provided further that where a vacancy occurs in the number of members required by paragraph (b) the Council shall elect a member of the Corporation to fill such vacancy.

(2) The first Council of the Corporation shall be the Council holding office on the day immediately preceding the date of commencement of this Act.

(3) The first council shall hold office for a period of five years from the date of commencement of this Act. At the expiry of the period of five years the Council shall be elected in accordance with the rules.

(4) The election under subsection (1) shall be conducted in accordance with such rules made under this Act.

6. The following persons shall be eligible for membership of the Corporation :—

Eligibility for membership of the Corporation.

(a) a person who passes the qualifying examinations of the Corporation to be conducted by the Council under this Act ; or

(b) a person who submits a thesis or other publication acceptable to the Council ;

7. (1) The Council shall establish and maintain a fund under its management and control into which shall be paid all moneys received by the Council and out of which shall be met all expenses and liabilities incurred by the Council in carrying out its powers, functions and duties under this Act.

Financial provisions.

(2) The Council may invest moneys in the fund in any securities issued or guaranteed by the Government of Sri Lanka or in any other securities or deposits or in such investments as approved by the Council.

(3) The Council may borrow or raise money for the purposes of the Corporation in such manner as it thinks fit.

(4) The Council may sell, lease, rent, hire, exchange, mortgage, dispose of, or otherwise deal with all or any part of the property of the Corporation as may be deemed expedient for the promotion of its objects.

(5) The Council may acquire any property movable or immovable by purchase, gift or in any other manner.

(6) The Council may maintain an account in any bank or banks in Sri Lanka.

(7) The Council shall cause proper books of account to be kept with respect to —

- (a) all sums of money received and expended by the Corporation and the matters in respect of which such receipts and expenditure takes place ;
- (b) all sales and purchases of goods by the Corporation ;
- (c) the assests and liabilities of the Corporation.

(8) The books of account shall be kept at the office of the Corporation or such other place or places as the Council shall think fit and shall always be open to the inspection of the members of the Council or the Corporation.

(9) The annual accounts of the Corporation shall be subject to audit by a qualified Auditor or Auditors recognised under the Companies Act, No. 17 of 1982 and, appointed for this purpose.

(10) The financial year of the Corporation shall be the period of twelve months commencing on the First day of April in any year and terminating on the Thirty First day of March in the next succeeding year.

(11) As soon as may be after the end of the financial year, the statement of accounts duly audited shall be published in the Gazette and copies of the accounts shall be forwarded to the Minister of Finance and each member of the Corporation.

Rules of the  
Corporation.

8. (1) It shall be lawful for the Corporation from time to time, at any general meeting and by a majority of at least two-thirds of the members present and voting to make rules, not inconsistent with the provisions of this Act or any other written law, for the management of the affairs of the Corporation and the achievement of its objects. Without

prejudice to the generality of the foregoing powers, such rules may be made in respect of all or any of the following matters :—

- (a) classification of membership, fees payable by each class of member, their admission, resignation and expulsion ;
- (b) the procedure to be followed in convening meetings of the Corporation or Council, or any sub-committee thereof, the quorum therefor and the transaction of business at such meetings ;
- (c) election of the Council, resignation or vacation of office, or removal from office, of office-bearers of the Council and the powers, duties, functions and conduct of the members of the Council ;
- (d) appointment, powers, duties and conduct of the officers, agents and servants of the Corporation ;
- (e) administration and management of the property of the Corporation ; and
- (f) generally, for the management of the affairs of the Corporation and the accomplishment of its objects.

(2) The rules of the Institute in force on the day immediately preceding the date of commencement of this Act, shall, in so far as they are not inconsistent with the provisions of this Act, or any other written law, be deemed to be the rules of the Corporation and may be amended, altered or rescinded at any general meeting and in like manner as a rule made under subsection (1) of this section.

(3) The members of the Corporation shall be subject to the rules in force for the time being of the Corporation.

Use of titles after name.

9. A Fellow of the Corporation shall be entitled to use after his name the letters FTII (Sri Lanka) and an Associate of the Corporation shall be entitled to use in like manner the letters ATII (Sri Lanka). An Honorary fellow and Honorary Associate shall be entitled to use the title Honorary FTII (Sri Lanka) and Honorary ATII (Sri Lanka) respectively in like manner.

Restrictions as to the use of title.

10. Subject to the provisions of this Act, and any other written law, no person not being a member of the Corporation shall take or use titles or letters after his name FTII (Sri Lanka) or Honorary ATII (Sri Lanka) as provided for in section 9 of this Act.

Debts due by and payable to the Institute.

11. All debts and liabilities of the Institute existing on the day immediately preceding the date of commencement of this Act shall be paid and discharged by the Corporation hereby established and all debts due to, and subscriptions and contributions payable to the Institute, on that day, shall be paid to the Corporation for the purposes of this Act.

Corporation may hold property movable and immovable.

12. The Corporation shall be able and capable in law to take and hold any property, movable or immovable, which may become vested in it by virtue of any purchase, grant, gift, testamentary disposition or otherwise and all such property shall be held by the Corporation for the time being with full power to sell, mortgage, lease, exchange or otherwise dispose of the same.

Limit of liabilities of the members of the Corporation.

13. No member of the Corporation shall for the purpose of discharging the debts and liabilities or for any other purpose, be liable to make any contribution exceeding the amount of the membership fees as may be due from him to the Corporation.

Seal of the Corporation.

14. The Secretary shall have the custody of the seal of the Corporation which shall not be affixed to any instrument whatsoever except with the authority of the Council and in the presence of at least two members of the Council who shall

sign their names to the instrument in token of their presence and such signing shall be independent of the signing of any Person as a witness.

**15.** Nothing in this Act contained shall prejudice or affect the rights of the Republic, or of any body politic or corporate or of any other persons, except such as are mentioned in this Act, and those claiming by, from, or under, them.

Saving of the rights of the Republic and others.

**16.** In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail.

Sinhala text to prevail in case of inconsistency.

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