



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

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**RENT (AMENDMENT) ACT, No. 26 OF 2002**

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[Certified on 24th October, 2002]

*Printed on the Order of Government*

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*Rent (Amendment) Act, No. 26 of 2002*

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L.D.—O. 9/2001.

AN ACT TO AMEND THE RENT ACT, NO. 7 OF 1972

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

**1.** This Act may be cited as the Rent (Amendment) Act, No. 26 of 2002. Short title.

**2.** (1) Section 2 of the Rent Act, No. 7 of 1972 (hereinafter referred to as the “principal enactment”) is hereby amended in subsection (4) of that section by the insertion immediately after paragraph (c) thereof, of the following new paragraph :— Amendment of section 2 of Act, No. 7 of 1972.

“(cc) residential premises occupied or the possession thereof taken by the landlord on or after January 1, 1980, and let on or after that date ;”.

(2) The amendment made to section 2 of the principal enactment by subsection (1) of this section shall be deemed for all purposes to have come into force on January 1, 1980.

**3.** Section 5 of the principal enactment is hereby amended in subsection (1) of that section by the substitution for the words “the standard rent per annum”, of the words “unless such expenditure is borne by the landlord and the tenant in equal share, the standard rent per annum”. Amendment of section 5 of the principal enactment.

**4.** Section 10 of the principal enactment is hereby amended by the repeal of subsection (1) of that section and the substitution therefor, of the following subsection :— Amendment of section 10 of the principal enactment.

“(1) For the purposes of this Act, any part of any premises shall be deemed to have been let or sublet to any person if such person is in occupation of such premises or any part thereof in consideration of the payment of rent and the provisions of this Act shall not apply to such letting or subletting unless the landlord has consented in writing to the letting or subletting of such premises.”.

Amendment of  
section 18A of the  
principal  
enactment.

**5.** Section 18A of the principal enactment is hereby amended as follows :—

(1) in paragraph (a) of subsection (1) of that section by the substitution for the words “for residential purposes and constructed at least fifty years prior to the date of the application ;”, of the words “for residential or business purposes and constructed at least forty years prior to the date of the application ;”;

(2) in subsection (2) of that section –

(a) by the substitution, in paragraph (a), for the words “residential units”, of the words “residential or business units”;

(b) by the repeal of paragraph (b) of that subsection, and the substitution therefor, of the following paragraph :—

“(b) (i) order the owner of such building to provide alternate accommodation for the tenant, if any, of such building, in the same vicinity during the period of construction and until the building is completed for occupation or business, as the case may be, or alternatively a sum equivalent to two years’ rent in advance to the tenant to enable him to arrange alternate accommodation of a temporary nature until the owner completes the construction of the new building for occupation or business as the case may be ; or

- (ii) order the owner of such building to pay to the tenant thereof, such compensation as the Commissioner determines to be reasonable, for the loss of possession by such tenant ; so however that the amount ordered to be so paid shall in no case be less than ten years' annual value of the premises calculated as at the date of the application for demolition or twenty *per centum* of the market value of the premises as determined by the Chief Valuer as at the date of the application for demolition or rupees one hundred and fifty thousand, whichever is higher." . and
- (3) in subsection (7) of that section by the substitution for the words "residential units", of the words "residential or business units".

**6.** Section 20 of the principal enactment is hereby amended in subsection (1) of that section by the addition at the end of that subsection of the following :—

Amendment of section 20 of the principal enactment.

"For the purposes of this subsection, "sufficient space in such land" shall—

- (i) with reference to land situated within the limits of the Colombo Municipal Council, mean a land of more than six perches in extent ; and
- (ii) with reference to land situated in any other area, mean a land of more than eight perches in extent."

Amendment of section 20A of the principal enactment.

**7.** Section 20A of the principal enactment is hereby amended as follows :—

- (1) in subsection (1) of that section—
  - (a) by the substitution for all the words from “appurtenant land” to the end of that subsection, of the words “appurtenant land situated within the limits of the Colombo Municipal Council exceeding six perches in extent and in any other area exceeding eight perches in extent, to construct any building for residential or business purposes on such land or to make such extension to existing buildings as are capable of being used for residential or business purposes .”; and
  - (b) by the repeal of the proviso to that subsection.
- (2) in paragraph (a) of subsection (2) of that section, by the substitution for the words “for residential purposes” wherever they occur in that paragraph, of the words “for residential or business purposes”. and
- (3) in subsection (5) of that section by the substitution for the words “residential units”, of the words “residential or business units”.

Amendment of section 22 of the principal enactment.

**8.** (1) Section 22 of the principal enactment is hereby amended as follows : –

- (a) in subsection (1) of that section –
  - (i) by the repeal of paragraph (b) of that subsection and the substitution therefor, of the following paragraph : –
    - “(b) such premises are in the opinion of the court, reasonably required for occupation as a residence for the

landlord, or any member of the family of the landlord, or for the purposes of the trade, business, profession, vocation or employment of the landlord, and such landlord has deposited, prior to the institution of such action or proceedings a sum equivalent to ten years' rent or rupees one hundred and fifty thousand, whichever is higher, with the Commissioner for National Housing and has caused notice of such action or proceedings to be served on the Commissioner ; or” ;

- (ii) by the repeal of paragraph (*bb*) of that subsection ;
- (iii) in paragraph (*d*) of that subsection by the substitution for the words “default of the tenant or any such person.”, of the words “default of the tenant or any such person ; or ” ; and
- (iv) by the insertion immediately after paragraph (*d*) of that subsection, of the following paragraphs :—
  - “(e) structural alterations have been made by the tenant to such premises without prior authorization in writing, of the landlord and the relevant local authority ; or
  - (f) the character of such premises has been changed by the tenant partly or wholly from residential premises to one of business premises or *vice versa* without obtaining the prior authorization in writing, of the landlord ; or

- (g) the premises are required for the purpose of development and a sum equivalent to ten years' annual value of such premises calculated as at the date of the institution of the action or twenty *per centum* of the market value of such premises as determined by the Chief Valuer as at the date of the institution of action or rupees one hundred and fifty thousand, whichever is higher, has been deposited by the landlord with the Commissioner for National Housing for payment to the tenant as compensation. ” ;
- (b) by the repeal of subsection (1A) of that section and the substitution therefor, of the following :-

“(1A) Where the landlord has served notice on the Commissioner for National Housing of any action or proceedings for the ejection of the tenant under paragraph (b) of subsection (1), the Commissioner shall, in consultation with the General Manager of the National Housing Development Authority forthwith arrange for alternate accommodation to be provided to the tenant of such premises and upon such arrangement being made notify the court of—

- (i) the availability of alternate accommodation to the tenant of such premises ;
- (ii) the sale-price of such alternate accommodation ; and

- (iii) the balance amount, after setting off the sum deposited by the landlord under paragraph (b) of subsection (1), of the sale-price the tenant would have to pay, without any interest thereon, in seven hundred and twenty equal installments in order to become the absolute owner of such alternate accommodation. ” ;
- (c) in subsection (1B) of that section, by the substitution for the words and figure “any premises referred to in paragraph (bb) of subsection (1) is or are instituted in any court,”, of the words “any premises, is or are instituted in any court,”;
- (d) by the repeal of subsection (1c) of that section and the substitution therefor of the following :—

“(1c) Where a decree for the ejectment of the tenant of any premises is entered by any court on the ground that such premises are reasonably required for occupation as a residence for the landlord or any member of the family of such landlord, or for the purposes of the trade, business, profession, vocation or employment of the landlord, and-

- (a) where the Commissioner of National Housing has under subsection (1A) notified court that he is able to provide alternate accommodation for such tenant ; or
- (b) where the Commissioner of National Housing has failed to notify court of the availability of alternate accommodation under subsection (1A) for over a period of

one year from the date of decree of ejection and the court is satisfied on application made by the landlord stating that—

- (i) the sum of money required to be deposited by him with the Commissioner for National Housing under paragraph (b) of subsection (1) has been deposited ;
- (ii) the Commissioner for National Housing has failed to notify court of the availability of alternate accommodation under subsection (1A) ; and
- (iii) a period of one year has elapsed since the date on which the decree for ejection was entered and he is entitled to obtain a writ of execution,

the court shall forthwith issue a writ in execution of the decree to the Fiscal of the court requiring and authorizing him to deliver vacant possession of the premises to the landlord of such premises. ” ;

- (e) in subsection (1D) of that section, by the substitution for the words “a writ in execution of a decree for the ejection of the tenant of any premises referred to in paragraph (bb) of subsection (1) is issued by any court,”, of the words “a writ in execution of a decree for the ejection of the tenant of any premises is issued by any court,”;

(f) in subsection (2) of that section—

- (i) in paragraph (d) of that subsection by the substitution for the words “default of the tenant or any such person.”, of the words “default of the tenant or any such person ; or” ; and
- (ii) by the insertion immediately after paragraph (d) of that subsection, of the following paragraphs :—

“(e) structural alterations have been made by the tenant to such premises without prior authorization in writing, of the landlord and the relevant local authority ; or

(f) the character of such premises has been changed by the tenant partly or wholly from residential premises to one of business premises or *vice versa* without obtaining the prior authorization in writing, of the landlord ; or

(g) the premises are required for the purpose of development and a sum equivalent to ten years’ annual value of such premises calculated as at the date of the institution of the action or twenty *per centum* of the market value of such premises determined by the Chief Valuer as at the date of the institution of action, or rupees one hundred and fifty thousand, whichever is higher, has been deposited by the landlord with the Commissioner for National Housing for payment to the tenant as compensation.”;

- (g) in subsection (3) of that section—
  - (i) by the repeal of paragraph (a) of that subsection and the substitution therefor, of the following :—
    - “(a) if the landlord has not given the tenant three months’ notice of the termination of tenancy ; or” ; and
  - (ii) in paragraph (c) of that subsection, by the substitution for the words “all arrears of rent.”, of the words “all arrears of rent and provided such tendering of arrears being the first occasion.”
- (h) in subsection (5) of that section, by the substitution for the words “make order that a writ for the ejection of”, of the words “make, on not more than one occasion, order that a writ for the ejection of” ;
- (i) in subsection (6) of that section—
  - (a) by the substitution for the words “one year’s notice in writing of the termination of the tenancy ;”, of the words “six months’ notice in writing of the termination of the tenancy.” ; and
  - (b) by the repeal of the proviso to that subsection ;
- (j) in subsection (7) of that section by the substitution for the words “premises on a date prior to the specified date ;”, of the words “premises on a date prior or subsequent to the specified date by inheritance or gift from a parent or spouse ;” and

- (k) by the repeal of subsections (8), (9), (10), (11), (12), (13), (14), (15) and (16) of that section and the substitution therefor, of the following subsection :—

“(8) For the purposes of the foregoing provisions of this section, “alternate accommodation” means any house, apartment, flat or dwelling unit which has a floor area of not less than four hundred square feet and which is situated within a radius of twenty kilometers of the premises in respect of which the action or proceeding is pending in Court.”.

(2) The amendment made to the principal enactment by subsection (1) of this section shall *mutatis mutandis* apply to decrees entered prior to the date of commencement of this Act, subject to—

- (a) the requirement that the landlord of such premises shall deposit the required sum with the Commissioner of National Housing, within two months of the date of coming into operation of this Act, ;
- (b) the requirement that the Commissioner of National Housing shall, where decree has already been entered, provide alternate accommodation to the tenant of such premises ; and
- (c) the condition that the period of one year will commence with effect from the date on which the required amount is deposited with the Commissioner of National Housing.

9. Section 27 of the principal enactment is hereby amended in the proviso to subsection (1) of that section by the substitution for the words “premises on a date prior to the specified date.”, of the words “premises on a date prior or subsequent to the specified date by inheritance or gift from a parent or spouse.”.

Amendment of section 27 of the principal enactment.

Amendment of section 36 of the principal enactment.

**10.** Section 36 of the principal enactment is hereby amended by the repeal of subsection (2) of that section and the substitution of the following therefor :—

“(2) Any person who—

(a) in the case of residential premises, is the surviving spouse or child or parent or unmarried brother or sister of the deceased tenant or brother or sister of the deceased tenant if he was unmarried at the time of death, and was a member of the household of the deceased tenant during the whole of the period of six months immediately preceding his death, and

(b) in the case of business premises, is the surviving spouse or child of the deceased tenant, where such spouse or child carries on in such premises the business carried on by the deceased tenant,

shall, subject to any order of the board as hereinafter provided, be deemed for the purposes of this Act to be the tenant of the premises :

Provided however, no surviving spouse, child, parent, brother or sister as the case may be, shall be deemed to be the tenant of the premises of the deceased tenant under subsection (2), if such person—

- (i) was the owner of any such premises on the date of the death of the deceased tenant ; and
- (ii) is not the surviving spouse, child, parent, brother or sister of the original tenant.”.

Amendment of section 42 of the principal enactment.

**11.** Section 42 of the principal enactment is hereby amended in subsection (1) of that section by the repeal of the figure “22(15)”.

Sinhala text to prevail in case of inconsistency.

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

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