



INLAND REVENUE DEPARTMENT

Notice to the Taxpayers

Implementation of Changes to Social Security Contribution Levy (SSCL) Act as amended by the Social Security Contribution Levy (Amendment) Act, No. 10 of 2026

The Social Security Contribution Levy Act, No. 25 of 2022 is hereby amended by the Social Security Contribution Levy (Amendment) Act, No. 10 of 2026, as certified by the Speaker on April 9, 2026.

Pursuant to the Amendment Act, the significant changes are set out below:

1. Reduction of Registration Threshold With effect from July 1, 2026

The aggregate turnover threshold for registration for SSCL, applicable to every taxable person (other than a person who imports any article) who carries on or carries out any taxable activity, has been reduced from Rs. 15 million to **Rs. 9 million for a quarter**, and from Rs. 60 million to **Rs. 36 million for a period of four consecutive quarters** [Section 4(1) (d)].

Accordingly, if the aggregate turnover of a taxable person carrying out any taxable activity **during the quarter from July 1 to September 30**, or in any **subsequent quarter**, exceeds or is likely to exceed **Rs. 9 million**, the person shall **apply for registration** for the SSCL **within fifteen days** from the date on which the aggregate turnover exceeds or is likely to exceed that threshold. The registered person **must pay SSCL** for the liable turnover from **that quarter onwards**.

2. Changes to the Application of SSCL on the Import and Supply of Motor Vehicles

- a. The **exemption** previously applicable to the **import of motor vehicles** under Item 25 of PART IA of the First Schedule **has been terminated** with effect from **May 1, 2026**. Accordingly, the **import of motor vehicles** will be **subject to SSCL** at the point of importation from **May 1, 2026**.
- b. A **new exemption has been introduced** under Item 7 of PART IB of the First Schedule to the SSCL Act, covering the **wholesale and retail sale of any motor vehicles** in Sri Lanka, with effect from **May 1, 2026**.

Commissioner General of Inland Revenue



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