



INLAND REVENUE DEPARTMENT

Notice to the General

Tax Immunity for Undisclosed Assets, Income or Taxable Supplies

The Finance Act, No. 18 of 2021, ensures tax Immunity to any person who pays a Tax on Voluntary Disclosure (TVD) and makes a Declaration with respect to his undisclosed assets, Income or Taxable supplies; if any; held as at or prior to March 31, 2020, by paying Tax on Voluntary Disclosure at a nominal rate 1%.

If the Declarant has the undisclosed taxable supplies, income or assets as cash in hand (in or outside Sri Lanka) or as bank deposits outside Sri Lanka (foreign deposit), such cash or the foreign deposit (which should be brought to Sri Lanka); as the case may be; should be invested in any asset or financial instruments prior to March 31, 2022.

If any Declarant is, unable to invest such cash or foreign deposit immediately as prescribed, such amount could be deposited in a bank account in Sri Lanka either in LKR or in foreign currency subject to the Regulations of the Central Bank of Sri Lanka (CBSL)

As informed by the CBSL, when making bank deposits for this purpose, Declarant must quote in deposit slip as **“Deposit is made under the Finance Act, No. 18 of 2021”**.

Once the Commissioner General has duly acknowledged the Declaration, the Declarants are entitled for full immunity in relation to undisclosed assets, income or taxable supply (except the amounts already assessed) from following actions for the past period ended on or prior to March 31, 2020,-

- liability to pay any tax, penalty or interest under-
 - any Inland Revenue Act
 - Value Added Tax (VAT) No. 14 of 2002 (if the VAT is not collected by the registered person)
- Any investigation or prosecution against the Declarants, by the IRD

Closing date for the payment of tax and to make a Declaration is March 31, 2022.

For further details, refer to the Guidelines under the reference No. [SEC/2021/06](#) and the Explanatory Note under the reference No. [SEC/2021/07](#) both dated September 17, 2021, which could be downloaded from the IRD web portal via: [Downloads :: Forms and Returns :: Tax on Voluntary Disclosure \(TVD\)](#). The Declaration form also could be downloaded via the same link.

Commissioner General of Inland Revenue



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