



INLAND REVENUE DEPARTMENT

Notice to Sri Lankan resident individuals earning interest income from banks or financial institutions

Self-Declaration for the Year of Assessment 2026/2027 and Subsequent Years

If you are a Sri Lankan resident individual earning interest from banks or financial institutions, you may be eligible to avoid the withholding tax deduction on your interest income by submitting a self-declaration, provided you meet the following criteria.

If you -

- ✓ are a resident individual in Sri Lanka as defined under the provisions of the Inland Revenue Act, No. 24 of 2017;
- ✓ earn interest income from licensed banks or financial institutions; and
- ✓ are not having a taxable income for the relevant year of assessment (because the total assessable income is Rs. 1,800,000 or less),

you are eligible to submit a self-declaration.

This self-declaration can be submitted covering the year of assessment 2026/2027 (from 01.04.2026 to 31.03.2027) and future years, provided that you do not expect taxable income. However, if, for any reason, you anticipate having taxable income in any future year of assessment after submitting a self-declaration, you must update the previously submitted self-declaration by submitting a new one to notify any changes in your status.

Your Tax Identification Number (TIN) must be provided in the self-declaration form. However, if you have not yet obtained your TIN and your bank or financial institution is willing to assist you in obtaining it by collecting the necessary information from you and submitting it to the Inland Revenue Department's Email address, inf@ird.gov.lk, as per the instructions in Circular No. SEC/2025/E/04 [dated 28 April 2025], you may submit your self-declaration to the bank or financial institution without the TIN. In such cases, the relevant banks and financial institutions are required to follow the procedure outlined in Item 1 of Circular No. SEC/2025/E/04 [dated 28 April 2025], as published on the Inland Revenue Department's website.

Even if you have submitted a self-declaration for the Year of Assessment 2025/2026, you must provide a new self-declaration to your bank or financial institution before the interest is credited to your account.

Given the current situation, new self-declarations can be submitted to your banks and financial institutions in soft copy format via e-mail or any other reliable method facilitated by the bank or financial institution. However, you are advised to remain vigilant in protecting your data when using these methods. Printed copies must be submitted in place of soft copies once a future notice is issued by the Commissioner General.

Please refer to the new circular published on this matter before filling out your self-declaration.

The new self-declaration format and the circular can be downloaded from the Inland Revenue Department's website at www.ird.gov.lk

Commissioner General of Inland Revenue

