

Schedule 01A : Exempt amounts under third schedule of the inland revenue act no. 24 of 2017	
Item	Description
Sec 9 and Schedule 3 (h)	Gain made on realization of an asset consisting of shares quoted in any official list published by any stock exchange licensed by the Securities and Exchange Commission of Sri Lanka.
Sec 9 and Schedule 3 (i)	A charitable institution, where it is proved to the satisfaction of the Commissioner-General that such interest is applied solely for the purpose of providing care to children, the elderly or the disabled in a home maintained by such charitable institution;
Sec 9 and Schedule 3 (j)	Any prize received by a person as an award made by the President of the Republic of Sri Lanka or by the Government in recognition of an invention created, or any research undertaken, by such person.
Sec 9 and Schedule 3 (k)	Any sum received by- (i) any person from the President's Fund established by the President's Fund Act, No. 7 of 1978 or the National Defence Fund established by the National Defence Fund Act, No. 9 of 1985; (ii) any Public Corporation out of the funds voted by Parliament from the Consolidated Fund or out of any loan arranged through the Government;
Sec 9 and Schedule 3 (l)	Any income earned by- any non-resident person other than a Sri Lankan permanent establishment by way of interest, discount or realization of any gain on any sovereign bond denominated in local or foreign currency;
Sec 9 and Schedule 3 (n)	Any winning from a lottery, the gross amount of which does not exceed Rs. 500,000.
Sec 9 and Schedule 3 (o)	According to the Act and as per proposed amendments, Prior to January 1, 2020 a dividend paid by a resident company to a member to the extent that dividend payment is attributable to, or derived from, another dividend received by that resident company or another resident company that was subject to withholding under section 84.
Sec 9 and Schedule 3 (q)	The profits and income from any property donated by royal or other grant before March 2, 1815, to any place of public worship administered by a charitable institution, in so far as such profits and income are applied to the purposes for which such grant was made.
Sec 9 and Schedule 3 (r)	Dividends from and gains on the realization of shares in a non-resident company where derived by any person with respect to a substantial participation in the non-resident company. In this paragraph, "substantial participation" means— (i) holding 10 percent or more of the value of shares in the company, excluding redeemable shares; together with (ii) control, either directly or indirectly, of 10 percent or more of the voting power in the company.
Sec 9 and Schedule 3 (s)	Any amount derived by a person from the sale of any gem on which tax has been deducted under subsection (2) of section 84.
Proposed new exemption - 1	According to the Act and as per the proposed amendments to Sec 9 and Schedule 3 (i) of IRD Act No.24 of 2017 i) any person outside Sri Lanka on any loan granted to any person in Sri Lanka or to the Government of Sri Lanka by such person; (ii) any person on moneys lying to his credit in foreign currency in any foreign currency account opened by him or on his behalf, in any commercial bank or in any specialized bank, with the approval of the Central Bank of Sri Lanka, on or after January 1, 2020
Proposed new exemption - 2	According to the Act and as per proposed amendments to Sec 9 and Schedule 3 (l) of IRD Act No. 24 of 2017 Any income earned by- Any person by way of interest or discount paid or allowed, as the case may be, on any sovereign bond denominated in foreign currency, including Sri Lanka Development Bonds w.e.f January 1, 2020
Proposed new exemption - 3	Exempted dividend as per the proposed changes w.e.f January 1, 2020 (pending formal amendments being made to the IRD Act No. 24 of 2017). on or after January 1, 2020, a dividend paid by a resident company- (i) to a member to the extent that dividend payment is attributable to, or derived from another dividend received by that resident company or another resident company; (ii) to a member who is a non-resident;
Proposed new exemption - 4	on or after January 1, 2020, A Dividend paid by a resident company which is engaged in the businesses of entrepot trade, offshore businesses, front-end services to clients abroad, headquarters operations and logistics services in accordance with the provisions of Part IV of the Finance Act, no 12 of 2012 and which has entered into an agreement with BOI Sri Lanka subject to the conditions specified by the CGIR in his notice (PN/IT/2020-03) which informed the proposed changes to the taxpayers.
Proposed new exemption - 5	Exempted amounts as per the proposed changes(pending formal amendments being made to the IRD Act No. 24 of 2017) The gains and profits earned or derived by any person from- The sale of produce of an undertaking for agro farming of such person without subjecting such produce to any process of production or manufacture with effect from April 1, 2019;
Proposed new exemption - 6	Exempted amounts as per the proposed changes(pending formal amendments being made to the IRD Act No. 24 of 2017). The gains and profits earned or derived by any person from-Providing information technology and enabled services on or after January 1, 2020 as may be prescribed;
Proposed new exemption - 7	Exempted amounts as per the proposed changes(pending formal amendments being made to the IRD Act No. 24 of 2017). The gains and profits earned or derived by any person from- Any service rendered in or outside Sri Lanka to any person to be utilized outside Sri Lanka, where the payment for such services is received in foreign currency and remitted through a bank to Sri Lanka on or after January 1, 2020;

Proposed new exemption - 8	<p>Exempted amounts as per the proposed changes(pending formal amendments being made to the IRD Act No. 24 of 2017).</p> <p>The gains and profits earned or derived by any person from- Any foreign source [other than gains and profits referred to in subparagraph (iii)] where such gains and profits are earned or derived in foreign currency and remitted through a bank to Sri Lanka on or after January 1, 2020</p>
Proposed new exemption - 9	<p>Exempted amounts as per the proposed changes with effect from January 1, 2020 (pending formal amendments being made to the IRD Act No. 24 of 2017).</p> <p>Any amount derived on or after January 1, 2020 by-</p> <ul style="list-style-type: none"> (i) any non-resident person from laboratory services or standards certification services. (ii) any religious institution which is registered with the Ministry in charge of the subject of religious affairs, by way of grants or donations."

Schedule 01B : Exempt amounts under third schedule of the Inland Revenue Act No. 24 of 2017

Item	Description
Sec.16 C	The profits and income of any new undertaking investing not less than fifty million rupees (subjected to the requirement of the IR Act)
Sec.16 D	The profits and income of strategic import replacement undertakings engaged in the manufacture of specified products referred to in column 1 of the schedule thereto
Sec.16 E	The profits and income of cultivation of any renewable energy crops and transactions connected with manufacturing, distribution and marketing of organic fertilizer
Sec.17	The profits and income of any company from any specified undertaking (subjected to the requirement of the IR Act)
Sec.17 A	The profits and income of any new undertaking engaged in any specified activities (subjected to the requirement of the IR Act)
Sec.18	The profits and income of certain undertakings for infrastructure development. (subjected to the requirement of the IR Act)
Sec.20	The profits and income of new industrial undertakings. (subjected to the requirement of the IR Act)
Sec.24 A	The profits and income of exhibiting cinematographic films in any new or upgraded cinema. (subjected to the requirement of the IR Act)

Schedule 01 D : Exempt Losses	
Item	Description
Sec 9 and Schedule 3 (h)_IRD Act No 24 of 2017	Gain made on realization of an asset consisting of shares quoted in any official list published by any stock exchange licensed by the Securities and Exchange Commission of Sri Lanka.
Sec 9 and Schedule 3 (i)_IRD Act No 24 of 2017	A charitable institution, where it is proved to the satisfaction of the Commissioner-General that such interest is applied solely for the purpose of providing care to children, the elderly or the disabled in a home maintained by such charitable institution;
Sec 9 and Schedule 3 (j)_IRD Act No 24 of 2017	Any prize received by a person as an award made by the President of the Republic of Sri Lanka or by the Government in recognition of an invention created, or any research undertaken, by such person.
Sec 9 and Schedule 3 (k)_IRD Act No 24 of 2017	Any sum received by- (i) any person from the President's Fund established by the President's Fund Act, No. 7 of 1978 or the National Defence Fund established by the National Defence Fund Act, No. 9 of 1985; (ii) any Public Corporation out of the funds voted by Parliament from the Consolidated Fund or out of any loan arranged through the Government;
Sec 9 and Schedule 3 (l)_IRD Act No 24 of 2017	Any income earned by- any non-resident person other than a Sri Lankan permanent establishment by way of interest, discount or realization of any gain on any sovereign bond denominated in local or foreign currency;
Sec 9 and Schedule 3 (n)_IRD Act No 24 of 2017	Any winning from a lottery, the gross amount of which does not exceed Rs. 500,000.
Sec 9 and Schedule 3 (o)_IRD Act No 24 of 2017	According to the Act and as per proposed amendments, Prior to January 1, 2020 a dividend paid by a resident company to a member to the extent that dividend payment is attributable to, or derived from, another dividend received by that resident company or another resident company that was subject to withholding under section 84.
Sec 9 and Schedule 3 (q)_IRD Act No 24 of 2017	The profits and income from any property donated by royal or other grant before March 2, 1815, to any place of public worship administered by a charitable institution, in so far as such profits and income are applied to the purposes for which such grant was made.
Sec 9 and Schedule 3 (r)_IRD Act No 24 of 2017	Dividends from and gains on the realization of shares in a non-resident company where derived by any person with respect to a substantial participation in the non-resident company. In this paragraph, "substantial participation" means— (i) holding 10 percent or more of the value of shares in the company, excluding redeemable shares; together with (ii) control, either directly or indirectly, of 10 percent or more of the voting power in the company.
Sec 9 and Schedule 3 (s)_IRD Act No 24 of 2017	Any amount derived by a person from the sale of any gem on which tax has been deducted under subsection (2) of section 84.
Proposed new exemption - 1_IRD Act No 24 of 2017	According to the Act and as per the proposed amendments to Sec 9 and Schedule 3 (i) of IRD Act No.24 of 2017 i) any person outside Sri Lanka on any loan granted to any person in Sri Lanka or to the Government of Sri Lanka by such person; (ii) any person on moneys lying to his credit in foreign currency in any foreign currency account opened by him or on his behalf, in any commercial bank or in any specialized bank, with the approval of the Central Bank of Sri Lanka, on or after January 1, 2020
Proposed new exemption - 2_IRD Act No 24 of 2017	According to the Act and as per proposed amendments to Sec 9 and Schedule 3(1) of IRD Act No. 24 of 2017 Any income earned by- Any person by way of interest or discount paid or allowed, as the case may be, on any sovereign bond denominated in foreign currency, including Sri Lanka Development Bonds w.e.f January 1, 2020
Proposed new exemption - 3_IRD Act No 24 of 2017	Exempted dividend as per the proposed changes w.e.f January 1, 2020 (pending formal amendments being made to the IRD Act No. 24 of 2017). on or after January 1, 2020, a dividend paid by a resident company- (i)to a member to the extent that dividend payment is attributable to, or derived from another dividend received by that resident company or another resident company; (ii)to a member who is a non-resident;
Proposed new exemption - 4_IRD Act No 24 of 2017	on or after January 1, 2020, A Dividend paid by a resident company which is engaged in the businesses of entrepot trade, offshore businesses, front-end services to clients abroad, headquarters operations and logistics services in accordance with the provisions of Part IV of the Finance Act, no 12 of 2012 and which has entered in to an agreement with BOI Sri Lanka subject to the conditions specified by the CGIR in his notice (PN/IT/2020-03) which informed the proposed changes to the taxpayers.
Proposed new exemption - 5_IRD Act No 24 of 2017	Exempted amounts as per the proposed changes(pending formal amendments being made to the IRD Act No. 24 of 2017) The gains and profits earned or derived by any person from- The sale of produce of an undertaking for agro farming of such person without subjecting such produce to any process of production or manufacture with effect from April 1, 2019;
Proposed new exemption - 6_IRD Act No 24 of 2017	Exempted amounts as per the proposed changes(pending formal amendments being made to the IRD Act No. 24 of 2017). The gains and profits earned or derived by any person from-Providing information technology and enabled services on or after January 1, 2020 as may be prescribed;
Proposed new exemption - 7_IRD Act No 24 of 2017	Exempted amounts as per the proposed changes(pending formal amendments being made to the IRD Act No. 24 of 2017). The gains and profits earned or derived by any person from- Any service rendered in or outside Sri Lanka to any person to be utilized outside Sri Lanka, where the payment for such services is received in foreign currency and remitted through a bank to Sri Lanka on or after January 1, 2020;

Proposed new exemption - 8_IRD Act No 24 of 2017	Exempted amounts as per the proposed changes(pending formal amendments being made to the IRD Act No. 24 of 2017). The gains and profits earned or derived by any person from- Any foreign source [other than gains and profits referred to in subparagraph (iii)] where such gains and profits are earned or derived in foreign currency and remitted through a bank to Sri Lanka on or after January 1, 2020
Proposed new exemption - 9_IRD Act No 24 of 2017	Exempted amounts as per the proposed changes with effect from January 1, 2020 (pending formal amendments being made to the IRD Act No. 24 of 2017). Any amount derived on or after January 1, 2020 by- (i)any non-resident person from laboratory services or standards certification services. (ii) any religious institution which is registered with the Ministry in charge of the subject of religious affairs, by way of grants or donations."
Sec.16c_IRD Act No 10 of 2006	The profits and income of any new undertaking investing not less than fifty million rupees (subjected to the requirement of the IR Act)
Sec.16d_IRD Act No 10 of 2006	The profits and income of strategic import replacement undertakings engaged in the manufacture of specified products referred to in column 1 of the schedule thereto
Sec.16e_IRD Act No 10 of 2006	The profits and income of cultivation of any renewable energy crops and transactions connected with manufacturing, distribution and marketing of organic fertilizer
Sec.17_IRD Act No 10 of 2006	The profits and income of any company from any specified undertaking (subjected to the requirement of the IR Act)
Sec.17a_IRD Act No 10 of 2006	The profits and income of any new undertaking engaged in any specified activities (subjected to the requirement of the IR Act)
Sec.18_IRD Act No 10 of 2006	The profits and income of certain undertakings for infrastructure development. (subjected to the requirement of the IR Act)
Sec.20_IRD Act No 10 of 2006	The profits and income of new industrial undertakings. (subjected to the requirement of the IR Act)
Sec.24a_IRD Act No 10 of 2006	The profits and income of exhibiting cinematographic films in any new or upgraded cinema. (subjected to the requirement of the IR Act)
BOI law	Exempt loss under the provisions of the BOI Act