

## **Values for Non Cash Benefits**

### *1. Value of Company shares awarded by Employer*

“Value” of any benefit accruing to any employee of an employer, from the allotment of any share or awarding an option to acquire any share, to such employee means: the excess, if any, of the market value of such share at the time allotted under an employee share scheme, reduced by the employee’s contribution for the shares as the case may be.

### *2. Value of benefits from any residence provided by the Employer*

- (i) “Value” of any benefit of any place of residence provided by the employer, in respective situations, should be the market value or value specify as follows where the market value is not ascertainable.

<b>Monthly Remuneration (Rs)</b>	<b>Monthly Non-Cash Benefit (Rs.)</b>		
	<b>In Rated area</b>	<b>In Unrated area</b>	<b>Estate Bungalows</b>
If less than or equal to 200,000	20,000 or 12.5% of remuneration whichever is less	15,000 or 10 % of remuneration whichever is less	10,000 or 7.5% of remuneration whichever is less
If more than 200,000	40,000 or 12.5% of remuneration whichever is less	30,000 or 10 % of remuneration whichever is less	20,000 or 7.5% of remuneration whichever is less
If such residence is furnished	2.5% of remuneration or 5,000 whichever is less		

**Note:** Where the value of any benefit is less than the fair market value then the difference between the benefit considered for the purpose of withholding tax on employment income of an employee and the fair market value should be disallowed as a domestic expense for the purpose of Section 10 of the Act.

- (ii) Where the employer reimburses any expense connected with a house or apartment occupied by the employee, the value of benefit shall be the actual expense reimbursed by the employer.

### 3. Value of Transport Facilities provided by the Employer

- (i) The value of benefit to an employee from the (fully or partly) private use of any motor vehicle should be the market value or value specify as follows where the market value is not ascertainable.

Engine	Non-Cash Benefit (Rs. Per Month)		
	Vehicle	Driver	Fuel
Not more than 1800 cc Fuel or Hybrid (Petrol/Diesel) Not more than 200 KW Electrical Vehicles	30,000	20,000	20,000
More than 1800 cc and not more than 3000 cc Fuel or Hybrid (Petrol/Diesel) more than 200 KW not more than 500 KW Electrical Vehicles	50,000	20,000	30,000
More than 3000 cc Fuel or Hybrid (Petrol/Diesel) more than 500 KW Electrical Vehicles	75,000	20,000	40,000

**Note:** Where the value of any benefit is less than the fair market value then the difference between the benefit considered for the purpose of withholding tax on employment income of an employee and the fair market value should be disallowed as a domestic expense for the purpose of Section 10 of the Act.

- (ii) The value of benefit to an employee from the (fully or partly) private use of any motor bicycle –
- (a) provided by the employer with fuel on such employer's account, shall be deemed to be Rs. 5,000 per month, (irrespective of the engine capacity);
- (b) provided by the employer without fuel, shall be deemed to be Rs. 3,000 per month, (irrespective of the engine capacity)
- (iii) The value of the benefit from private use of –
- (a) any motor vehicle provided by the employer where accurate record of such usage is maintained by such employer, shall be deemed to be Rs. 25 per kilometer (irrespective of the engine capacity of the vehicle);
- (b) any motor bicycle provided by the employer where accurate record of such usage is maintained by such employer, shall be deemed to be Rs. 5 per kilometer (irrespective of the engine capacity of the vehicle)
- (iv) Where the employer incurs or reimburses any expense in respect of fuel or maintenance of any motor vehicle or motor bicycle owned by the employee, the value of the benefit to the employee is the actual expenditure.

4. *Other Benefits provided by the Employer*

	<b>Nature of benefits</b>	<b>Value of Benefits</b>
1	Provision of Hotel Facilities for expatriates	100% of the cost
2	Loans on Concessionary rates	Difference between the Sri Lanka Inter Bank offer rate (annual) or rate calculated according to SLFRS whichever is higher and the Concessionary Rate
3	Provision of servants etc.	100% of the cost
4	Provision of Electricity and Gas etc.	100% of the cost
5	Provision of Medical Benefits  A discharge or reimbursement of dental , medical or health insurance expenses where the <b>benefit is not available to all full-time employees in equal terms</b>	100% of such medical bills.
6	Provision of free meals	100% of the cost
7	Payment of insurance premiums	100% of the cost
8	Payment of telephone bills & annual charges (other than official purposes)	50% of the cost
9	Air tickets (other than official purposes)	100% of the cost
10	Payment of Tax	Amount of Tax paid