

Choices. Priorities. Opportunities.

Summary of Budget Proposals 2019



Tourism



NBT exempted on foreign currency receipts of specified hotels

Foreigners investing USD 400,000 or more in condominiums will be entitled to residential VISA

From 01st April 2020 online booking of lodging allowed only if same are registered with SLTDA

Applicable CESS rates to be reduced to support hotel sector

Employee | Workforce



Legislation to be introduced to enable flexible working hours and work from home concept for women

Tax concessions for companies that grant 3 months of maternity leave

Financial assistance to established daycare centers for children of working mothers in order to encourage women in the workforce

Minimum employment criteria of 50 employees to qualify for enhanced salary deduction applicable for the KPO industry to be removed

SME/Entrepreneurship



RS. 1300mn allocated to build two fishing ports.

PAL on Gem and Jewelry machinery imports to be reduced to 2.5%

Phasing out of CESS on construction, manufacture and tourism industries over a period of 3 years.

Enterprise Sri Lanka to be expanded to provide concessionary loans to young entrepreneurs.

Rs 500mn allocated for the development of the Enterprise Sri Lanka program

Special excise duty on small trucks will be reduced.

Education | Vocational



Scholarship for education excellence to be established. Scholarships to be given to students with best results to study in best foreign universities

Rs 32,000mn allocated for the development of school infrastructure

Rs 400mn to be allocated for training Tamil language teachers

Army will carry out NVQ certified courses

Concessionary loan schemes for students who do not enter university

Environment



Schemes to conserve mangroves to be implemented

Green Societies – every divisional secretariat to be involved in beach cleaning

Minimum standards on sanitary near taps and showers to be implemented to address water waste

Transportation



1,000 luxury buses to be introduced for city rides

Train carriages to be given to private sector under lease

Pre-paid cards GPS & Apps to be introduced in Western and Central provinces for public transport

Loan scheme for electric trishaws & mini taxis. Government will bear 75% of the loan

Increase of toll on expressway by Rs 100 during the peak hours from April 1, 2019

Healthcare



Rs 600mn allocated for the development of the Suwaseriya Ambulance Programme

Infrastructure



RS. 1300mn allocated to build two fishing ports

Rs 2,000mn allocated to "Sukitha Purawara" town development programme

Ruwanpura expressway project will be commenced in 2019

Rs 5,000mn allocated for the Light Rail project due to commence this year

No foreign construction company can bid for government projects unless they are fully foreign funded or there is a joint venture with a local company

Rs 1,000mn allocated for the development and maintenance of Colombo City

By 2023 all government offices and commercial buildings should accommodate access to disabled persons

Tobacco | Alcohol | Gambling



Prices of one Cigarette will be increased by Rs 5

From June 2019 NBT to be imposed on cigarettes

CESS on beedi leaves to be increased to Rs 3,500 per Kg

Production tax on hard liquor (750ml bottle) will be increased by Rs. 63 and on can of beer (330ml) by Rs. 9 from today

Levy on business of Casino increased from Rs 200mn to Rs 400mn

Automobile



Personalized number plates can be obtained for Rs 1 million

Production tax on Petrol vehicles; less than 800cc will be increased by Rs. 150000
Less than 1000cc increased by Rs. 175,000
Less than 1300 cc by Rs 500000

Import duty on luxury vehicles to be revised

200% cash margin on imports removed for vehicles

Production tax on 70 KV electric vehicles reduced by Rs 175,000



Bribery Commission to be strengthened through Rs 100mn allocation

Amendments to the Inland Revenue Act to be introduced

New Customs Act will be introduced



6% concessionary home loan facilities upto Rs 10mn repayable in 25 years for newlyweds

Enhanced capital allowances on specified investments.

3.5% NBT will replace 2.5% Stamp Duty on all foreign transactions using credit or debit cards

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