AN ACT TO AMEND THE MUNICIPAL COUNCILS ORDINANCE
AND THE URBAN COUNCILS ORDINANCE

BE it enacted by the Parliament of the Democratic Socialist Republic of Sri Lanka as
follows:

Short title.
1. This Act may be cited as the Municipal Councils and Urban Councils
   (Amendment) Act, No. 20 of 1985.

PART I

Amendment of
section 230 of the
principal enactment
2. The Municipal Councils Ordinance (hereafter in this Part referred to
   as the" principal enactment "), as amended by Act No. 42 of 1979, is
   hereby further amended in section 230 thereof, by the addition, at the
   end of that section, of the following new subsection:-

   " (4) The Minister may from time to time make regulations
   specifying the quantum of discount to which ratepayers who
   pay their rates in advance shall be entitled. ".

Amendment of
section 247A of the
principal enactment
3. Section 247A (inserted by Act No. 42 of 1979) of the principal
   enactment is hereby amended in subsection (2) of that section as
   follows:

   (1) by the substitution for the words" so licensed: II of the
       following:

       "so licensed, and, where such licence authorizes the use of
       such premises for the purposes of any trade, having regard
       to

       (a) the annual value of such premises;
       (b) the turnover of business of such trade;
       (c) the profit that is likely to be earned in such
           trade; and
       (d) the essential nature of the goods or services
           supplied in the course of such trade: " ; and

   (2) in the second proviso to that subsection

       (a) by the substitution for the words" registered
           with the Sri Lanka Tourist Board ", of the words
           registered with or approved or recognized by the
           Ceylon Tourist Board ; and

       (b) by the substitution for the words CI shall not
           exceed one per centum of such takings. ", of the
           following:

           "shall not exceed one per centum of such takings. Where such hotel, restaurant or lodging
           house is in its first year of operation, the licence duty shall be determined and levied
           according to the annual value of such premises. ".

Insertion of new
4. The following new section is hereby inserted immediately after section

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section 247B in the principal enactment 247B, and shall have effect as section 247BB, of the principal enactment:

" 247BB. Where a Municipal Council resolves to impose and Determine levy a duty in respect of a licence under section 247 A or a tax on a trade under section 247B, and the trade carried on is where several one of many other trades carried on in the same premises, the Council shall determine such duty or tax on the basis of the apportioned annual value of the area of the premises occupied for the purposes of such trade.".

Amendment of section 247c of the principal enactment 5. Section 247c (inserted by Act No. 42 of 1979) is hereby amended as follows:

(a) in subsection (1) of that section, by the substitution for the words" or any tax ", of the words or any tax,
(b) by the insertion, immediately after subsection (1) of that section, of the following new subsection:

" (IA) A Municipal Council may by resolution impose and levy annually on every person who, within the administrative limits of such Council, practices any profession a tax of an amount not exceeding an amount specified by the Minister by regulation as the maximum amount of tax which the Council may so impose and levy. ";
(c) in subsection (2) of that section, by the substitution for the expression cc under subsection (1) ", of the expression "under subsection (1) or subsection (1A)
(d) in subsection (3) of that section
(i) by the substitution for the words" the tax ", of the words" any tax"; and
(ii) in the definition of "business": by the substitution for the words" trade or profession or calling ", of the word" trade"; and
(e) by the substitution for the marginal note to that section, of the following marginal note:

"Tax on businesses and professions. ".

Amendment of section 247d of the principal enactment 6. Section 247D (inserted by Act No. 42 of 1979) of the principal enactment is hereby amended in subsection (1) of that section by the substitution, in paragraph (b) of that subsection, for the words" less than the prescribed proportion; or ", of the words" less than that prescribed by the Council by resolution; or ".

PART II

7. The Urban Councils Ordinance (hereafter in this Part referred to as the" principal enactment "), as amended by Act No. 42 of 1979, is hereby further amended in section 160 thereof, by the addition at the end of that section. of the following new subsection:

" (5) The Minister may from time to time make regulations specifying the quantum of discount to which rate payers who pay their rates in advance shall be entitled.".
Amendment of section 164. Section 164 of the principal enactment, as amended by Act No. 42 of 1979, is hereby further amended as subsection (2) of that section as follows:

(1) by the substitution for the words" to be licensed: "of the following:
"to be licensed, and, where such licence authorizes the use of such premises for the purposes of any trade, having regard to
(a) the annual value of such premises;
(b) the turnover of business, of such trade;
(c) the profit that is likely to be earned in such trade; and
(d) the essential nature of the goods or services supplied in the course of such trade: " ; and

(2) in the second proviso to that subsection
(a) by the substitution for the words" registered with ", of the words" registered with or approved or recognized by" ; and
(b) by the substitution for the words "shall not exceed one per centum of such takings." , of the following:
" shall not exceed one per Centum of such takings. Where such hotel, restaurant or lodging house is in its first year of operation, the licence duty shall be determined and levied according to the annual value of shall such premises. ".

Insertion of new section 165AA in the principal enactment.

9. The following new section is hereby inserted immediately after section 165A, and shall have effect as section 165AA, of the principal enactment:
"Determination165A. Where an Urban Council resolves to impose and levy a duty in respect of a licence under section 164 or a tax on a trade under section 165A, and the trade carried on is one of many other trades carried on in the same premises, the Council shall determine such duty or tax on the basis of the apportioned annual value of the area of the premises occupied for the purposes of such trade.".

Amendment of section 165B of the principal enactment

10. Section 165B (inserted by Act No. 42 of 1979) is hereby amended as follows:
(a) in subsection (1) of that section, by the substitution for the words" or any tax ", of the words" or no tax" ;
(b) by the insertion, immediately after subsection (1) of that section, of the following new subsection:
" (1A) An Urban Council may by resolution impose and levy annually on every person who, within the administrative limits of such Council, practices any profession a tax of an amount not exceeding an amount specified by the Minister by regulation as the maximum amount of 'tax which the Council may so impose and levy. " ;
(c) in subsection (2) of that section, by the substitution for the expression "under subsection (1) ", of the expression "under subsection (1) or subsection (1A) ";

(d) in subsection (3) of that section

(i) by the substitution for the words "the tax ", of the words "any tax",

(ii) in the definition of "business ", by the substitution for the words "trade or profession or calling", of the word "trade"; and

(e) by the substitution for the marginal note to that section, of the following marginal note:

"Tax on businesses and professions. ".

Amendment of section 165c of the principal enactment 11. Section 165c (inserted by Act No. 42 of 1979) of the principal enactment is hereby amended in subsection (1) of that section by the substitution, in paragraph (b) of that subsection, for the words "less than the prescribed proportion; or " of the words "less than "that prescribed by the Council by resolution; or ".