

# KPMG Sri Lanka

## Tax News Flash

April 2020

### TAX UPDATE

#### For clients of KPMG in Sri Lanka

The Department of Inland Revenue (“DIR”) has released the attached notice (PN/Tax Returns/2020-01) dated 21<sup>st</sup> April 2020, informing all tax payers that due to the prevailing situation in the country consequent to the outbreak of COVID-19, an extension has been granted until 31<sup>st</sup> May 2020 for the submission of the following tax returns/ statements/ forms:

- Annual Declaration of Employer (“PAYE Tax Return”) – Year of assessment 2019/2020
- Annual Statement of Withholding Tax - Year of Assessment 2019/2020
- Economic Service Charge (“ESC”) Return - Year of Assessment 2019/2020
- Compounded Stamp Duty Return for the quarter ending 31<sup>st</sup> March 2020
- Value Added Tax on Financial Services (VAT on FS) Interim Estimate for the last six months of the Year of Assessment 2019/2020 (for financial institutions which submit returns on year of assessment basis)
- Value Added Tax (“VAT”) returns for the months of February and March, and quarter ending 31<sup>st</sup> March 2020
- Transfer Pricing Disclosure Form for the Year of Assessment 2018/2019.

Furthermore, this notice intimates that e-Filing facility is available through DIR’s portal for taxpayers who wish to submit the VAT, ESC, PAYE Tax Returns and Withholding Tax Schedules for above periods.

You may click on the link below to access the notice published by the DIR:

[http://www.ird.gov.lk/en/Lists/Latest%20News%20%20Notices/Attachments/240/CMN21042020\\_E.pdf](http://www.ird.gov.lk/en/Lists/Latest%20News%20%20Notices/Attachments/240/CMN21042020_E.pdf)

Follow us on,



KPMG Sri Lanka



@kpmgsl

[www.home.kpmg/lk](http://www.home.kpmg/lk)

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act upon such information without appropriate professional advice after a thorough examination of the particular situation.

© 2020 KPMG, a Sri Lankan partnership, and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (“KPMG International”), a Swiss entity. All rights reserved.



## **INLAND REVENUE DEPARTMENT**

### **Notice to Taxpayers**

#### **Extension of Tax Return Submission Dates PAYE, WHT, ESC, Stamp Duty, VAT on FS Interim Estimate & Transfer Pricing Disclosure Form**

Taking in to account the prevailing situation in the country the dates of submission for following Tax Returns has been extended up to **May 31, 2020**.

- **Annual Declaration of Employer (PAYE Tax Return) - Y/A 2019/2020**
- **Annual Statement of Withholding Tax (WHT) - Y/A 2019/2020**
- **Economic Service Charge (ESC) Return - Y/A 2019/2020**
- **Compounded Stamp Duty Return for the quarter ending March 31, 2020**
- **Value Added Tax on Financial Services (VAT on FS) Interim Estimate for last six months of the Year of Assessment 2019/2020 (financial institutions which submit returns on year of assessment basis)**
- **Value Added Tax (VAT) returns for the months of February, March and quarter ending March 31, 2020.**
- **Transfer Pricing Disclosure Form for the Y/A 2018/2019**

However, e-Filing facility is available through IRD Portal e-Services for taxpayers who wish to submit the VAT, ESC, PAYE returns and withholding Schedules for above periods.

**Commissioner General of Inland Revenue**



**TAXES - FOR A BETTER FUTURE**