It takes more than 6 years in vain to hear a single tax appeal - Revealed in the Sectoral Oversight Committee on National Economic and Physical Plans

Date : 10-12-2023

The Sectoral Oversight Committee on National Economic and Strategic Plans met in Parliament on 05.12.2023 under the chairmanship of Member of Parliament Hon. Mahinanda Aluthgamage to get the views of the Tax Appeals Commission regarding the matters to be included in the amendment of the Inland Revenue Department Act.

It was revealed in the committee that it takes more than 40 months to process a file of tax appeal in the Inland Revenue Department and after that tax appeal is referred to the Tax Appeals Commission, which will be examined for two years. The officials pointed out that after the Commission, the appeal will be referred to the Court of Appeal or the Supreme Court and it will take at least one year to get a decision on the relevant tax appeal.

However, it was revealed in the committee that 95% of the tax appeals referred to the Commission after being examined by the Inland Revenue Department, were compared and they matched with the conclusions of the Inland Revenue Department. The chairman of the committee emphasized the urgent need to revise the existing period for examining tax appeals.

The chairman said that by revising the long-time frame available for filing appeals by avoiding the payment of outstanding taxes to the concerned persons, it is proposed to complete one appeal within a maximum period of two years. The members of the committee stated that the people who are deliberately evading tax payments should be identified and if that tax money is collected from them, the general public who are suffering from VAT, Income tax, etc. can get some relief.

The officials of the Tax Appeals Commission also pointed out the importance of creating a special section in the judicial system for expeditious examination and completion of tax appeals.

Accordingly, the Chairman mentioned that all relevant departments will work more dedicatedly to make the tax collection process more efficient in this country by amending the Inland Revenue Department Act within 6 months.

Members of Parliament Hon. Ashoka Abeysinghe, Hon. Sudath Manjula, Hon. Gunathilaka Rajapaksa, and a group of government officials participated in this event.

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