Sectoral Oversight Committee on National Economic and Physical Plan draws attention to the Proposed Amendments to the Inland Revenue Act

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- **The time frame of 2 years for a tax appeal to the IRD Commissioner General will be reduced to 6 months.**
- **Focus on reducing the 2-year period for appeals to the Tax Appeals Commission to 6 months.**
- **An appeal can be made to the Tax Appeals Commission only if there is an error in tax calculation.**
- **Opportunity to seek assistance from the Court of Appeal only if there is a legal issue regarding taxes**
- **Committee's focus on regulation of audit firms**

A special meeting of the Sectoral Oversight Committee on National Economic and Physical Plan was held yesterday (Jan. 09) in the Parliament under the patronage of the Minister of Justice Prison Affairs and Constitutional Reforms Hon. (Dr.) Wijeyadasa Rajapakshe and the participation of the Attorney General regarding the amendments to be brought to the Inland Revenue Act.

This meeting was held under the Chairmanship of Hon. Mahindananda Aluthgamage as an extension of the previous meeting in regard on the 13th of December. There was a lengthy discussion about the amendments to be made to the Inland Revenue Act to increase state revenue at the said meeting and this discussion was held yesterday as an extension of the discussion held on December 13th.

In the meeting held last December 13, there was a long discussion about the amendments to be made in the Inland Revenue Department Act in order to increase the state revenue. The officials pointed out that according to the existing act, there is 30 months for the tax report to be audited by the officer, and after appealing to the Commissioner General, there will be another two years for hearing the appeal. Thus, it was discussed that the two (02) years for hearing appeals to the Commissioner General of Inland Revenue Department is too much and it is advisable to reduce it to six (06) months.

Today, a long discussion was held in this regard with the participation of the Attorney General. As an amendment to the Act, it was suggested that after receiving the tax appeal to the Commissioner General, his order should be given within 6 months and if the taxpayer does not agree with the decision, he can appeal to the Tax Appeals Commission within one month. Also, the Tax Appeals Commission must give its decision within six (06) months and the Tax Appeals Commission only has the power to investigate if the existing calculations of the amount assessed by the Inland Revenue Department are faulty. If there is any other legal issue, it was discussed how to appeal to the Court of Appeal and the amendment of the Act.

Also, the committee pointed out that this amendment is expected to reduce the 15-year long period

for tax appeal to 3 years. Apart from this, the committee also paid attention to the regulation of audit firms.

The amendments related to the Tax Appeals Commission Act were also discussed here.

State Minister Hon. Lasantha Alagiyawanna, Members of Parliament Hon. Harshana Rajakaruna, Hon. Iran Wickramaratne and Hon. Madhura Withanage participated in this committee.