



Extension of Time for Payment of Income Tax

July 2022

Tax Alert

The Circular No: SEC/2022/E/01 on the extension of time for payment of Income Tax was published by the Inland Revenue Department on 27 June 2022.

The Circular sets out the procedure for any person who wishes to apply for the extension of time of payment of income tax under Section 151 Inland Revenue Act, No. 24 of 2017 (IRA).

Extension of time of payment of tax is restricted to taxes and penalties assessed/ deemed to be assessed as default, advance, amended or additional assessment. As per Section 151, interest shall remain payable notwithstanding the extension of time.

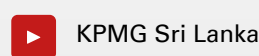
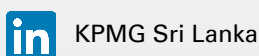
Section 151 of the IRA provides a taxpayer right to request for an extension of time of payment of income tax and if the Commissioner General of Inland Revenue (CGIR) does not provide a response within 30 days of making the application the said application is deemed to be approved.

Section 151 requires that application to be furnished in a form prescribed by the CGIR. Accordingly, the CGIR has prescribed the said form and the guidelines thereto in this circular.

Contact us

KPMG Tax Team

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உள்ளநாட்டு இறைவரித் திணைக்களம்
INLAND REVENUE DEPARTMENT

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Circular No: SEC/2022/E/01

June 27, 2022

Circular to Taxpayers

Extension of Time for Payment of Income Tax

This Circular sets out the procedure to any person who wishes to apply for the extension of time for payment of income tax under Section 151 Inland Revenue Act, No. 24 of 2017 (IRA).

1. Tax Liabilities Covered

In accordance with Section 151 (1) of the IRA, taxpayers may apply to extend the time of payments specified in Section 145 of the IRA. Therefore, applications to extend the time of payments could be submitted for any tax or penalty assessed or deemed to be assessed as default, advance, amended or additional assessment, and due and payable as provided in section 145 of the IRA.

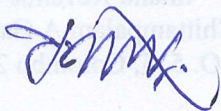
2. Procedure to Apply for the Time Extension

I. Duly fill the Specified Form of Application (Attachment 1)

II. Attach following documents to the Application

- Reasons to Request for the Time Extension. If time extension is requested based on an appeal pending resolution, copy of the appeal should also be attached with other reasons.
- If the person wishes to make the due payment as instalment-wise, Instalment plan of the person (Date of Payment, Amount, Manner of Payment)
- If the person wishes to provide other arrangements to ensure the payment, relevant documents should be attached. However, the Tax Officials may request the same, even though the person has not attached any other arrangement to ensure the payment [Sec.151 (2)].
- Include Contact details (Mobile Nos., Office Fixed Lines, E-mail Addresses) of two employees /relatives or authorized representatives for the purpose of obtaining further documentary evidences or interviews, if necessary
- Details of previously granted time extensions but the total taxes not paid as at the date of application (Relevant Tax Payment, Year of Assessment, Amount Outstanding as at the date of Application)

III. Submit the application with attachments to the Central Documentation Unit/ Regional Offices of the Inland Revenue Department and copy to the Default Collection Unit /Branch of the relevant tax file.



D. R. S. Hapuarachchi
Commissioner General of Inland Revenue (Acting)

D.E.S. Hapuarachchi
Commissioner General of Inland Revenue (Acting)
Inland Revenue Department
Sir Chittampalam A. Gardiner Mawatha
Colombo 02.

For office use only

Serial number	Unit /RO	Officer

APPLICATION FOR EXTENSION OF THE TIME FOR PAYMENT

1. **Name of the Taxpayer:**

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2. **TIN:**

3. **Address:**

.....

4. **Type of the Taxpayer:** Individual / Partnership/ Company (incorporated in or outside Sri Lanka) / Public Corporation/ Trust / Unit Trust or Mutual Fund/ Charitable Institution/ Non-Governmental Organization/ Employees Trust Fund / Employees Provident Fund / Pension Fund/ Employees Termination Fund/ Employees Gratuity Fund/ Other Fund /Other (Please specify).....

5. **Whether Resident or Non Resident for the relevant Year of Assessment:**

.....

6. **Details of the tax payment for which time extension is sought**

Year of Assessment	Tax (Rs.)	Penalty (Rs.)	Due date for payment	Charge/Assessment No. (if any)

7. **Time of Extension Requested:**

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8. Details of previous time extension requests

1	2	3	4	5	6
Date of Request	Year of Assessment	Whether extension granted/ not granted	Whether the extension is granted by permitting to pay the tax as instalments? (Yes/No)	If "Yes" for Column 4, outstanding installments and instalments paid (Number and Amount in Rs.)	Whether other arrangements made for extension? (Yes/No) – Please specify

(If the provided space is not enough, Use a separate sheet)

9. Declaration

I declare to the best of my knowledge and belief that all particulars furnished in this form are accurate and complete. I am aware that making an incorrect or false statement or giving false information is an offence.

Full Name of the Declarant:

Designation:

(Individual/Partner/Managing Director/Director/Secretary/Principal Officer/Duly Authorized Agent)

Telephone Number: Office Mobile:

E-mail :

Signature:

Official Frank

NIC Number/ Passport Number:

Specified form to apply for an extension of the time for payment in terms of Section 151 (1) of the Inland Revenue Act, No.24 of 2017.