

PARLIAMENT OF CEYLON

2nd Session 1953



Tobacco Tax Act, No. 27 of 1953

Date of Assent : July 24, 1953

Printed on the Orders of Government

Printed at the CEYLON GOVT. PRESS, COLOMBO. To be purchased at the GOVT. PUBLICATIONS BUREAU, COLOMBO. Annual Subscription (including Bills) Rs. 25, payable in advance to the SUPERINTENDENT, GOVERNMENT PUBLICATIONS BUREAU, POST OFFICE Box 500, Secretariat, Colombo 1

Price : 15 cents

Postage : 10 cents

L.D.—C.F. 8/53.

AN ACT TO IMPOSE A TAX ON CEYLON TOBACCO LEAF
INTENDED TO BE USED IN THE MANUFACTURE OF
CIGARETTES OR PIPE TOBACCO.

[Date of Assent : July 24, 1953]

BE it enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Senate and the House of Representatives of Ceylon in this present Parliament assembled, and by the authority of the same, as follows :—

1. This Act may be cited as the Tobacco Tax Act, No. 27 of 1953. Short title.

2. (1) There shall be charged, levied and paid a tax (hereinafter referred to as the "tobacco tax") at the rate of four rupees per pound on all Ceylon tobacco leaf which is intended to be used in the manufacture of cigarettes or pipe tobacco. Imposition of tobacco tax.

(2) The rate of the tobacco tax may from time to time be varied by resolution of the House of Representatives.

(3) For the purposes of this Act, all Ceylon tobacco leaf which is delivered at or received into any factory shall be presumed to be tobacco leaf intended to be used in the manufacture of cigarettes or pipe tobacco.

3. (1) The tobacco tax shall be payable by each person who carries on business as a manufacturer of cigarettes or pipe tobacco in the manufacture of which Ceylon tobacco leaf is used. The amount of the tax shall be computed by reference to the quantity of Ceylon tobacco leaf delivered at or received into the factory at which such manufacture is carried on ; and the amount of the tax payable upon the total quantity of such tobacco leaf so delivered or received in any week shall be paid as provided in this Act not later than the end of the next succeeding week. Tax to be payable by manufacturers of cigarettes or pipe tobacco.

(2) No person shall use any Ceylon tobacco leaf or cause or permit any Ceylon tobacco leaf to be used in the manufacture of cigarettes or pipe tobacco unless and until the tobacco tax payable on such tobacco leaf has been duly paid in accordance with the provisions of this Act.

(3) Where any quantity of Ceylon tobacco leaf is delivered at any factory it shall be the duty of the person in charge of the factory, within a period of

forty-eight hours after the time of such delivery, to furnish to the Excise Commissioner or to any officer designated by the Commissioner for the purpose a declaration signed by such person specifying the quantity of tobacco leaf so delivered.

Every such declaration shall be in such form as may be approved or provided for the purpose by the Excise Commissioner.

Registration
of
manufacturers.

4. (1) On and after the first day of September, 1953, no person shall use Ceylon tobacco leaf in the manufacture of cigarettes or pipe tobacco unless he has been registered by the Excise Commissioner as a manufacturer for the purposes of this Act.

(2) Every application for registration as a manufacturer for the purposes of this Act—

(a) shall be made to the Excise Commissioner in such form as he may provide for the purpose ;

(b) shall contain all such particulars as may be required to be set out in such form with respect to the use or the proposed use of Ceylon tobacco leaf to which this Act applies in the manufacture of cigarettes or pipe tobacco ; and

(c) shall be accompanied by an application fee of fifty rupees.

(3) A person who is registered as a manufacturer for the purposes of this Act shall, whenever so required by the Excise Commissioner, furnish a return containing particulars as to the quantity of cigarettes being produced or estimated to be produced by the use of a specified quantity of Ceylon tobacco leaf ; and separate particulars shall be furnished in such return with respect to each brand of cigarettes or pipe tobacco manufactured by that manufacturer.

Tax to be
paid to
Government
Agent.

5. The amount of the tobacco tax payable from time to time under this Act by any manufacturer shall be paid to the Government Agent of the Province or to the Assistant Government Agent of the District in which the factory at which that manufacturer carries on business is situated and shall be credited to the Consolidated Fund.

Regulations made under section 7 may provide for the manner of payment of the tobacco tax.

6. The Excise Commissioner or any officer of the Excise Department of a rank not below that of Inspector may at any reasonable time enter and inspect any factory or any premises in which Ceylon tobacco leaf is kept or stored or suspected to be kept or stored for the purpose of ascertaining the quantity of such tobacco leaf which is in such factory or premises, or of ascertaining whether or not the tobacco tax is payable thereon, or of verifying the accuracy of any return or declaration furnished to the Excise Commissioner under this Act, or of examining any books or documents relating to the purchase or delivery of such tobacco leaf.

Powers of inspection.

7. (1) The Minister of Finance may make regulations for the purpose of carrying out and giving effect to the provisions of this Act and for the prevention of the evasion of the tobacco tax imposed by this Act.

Regulations.

(2) Without prejudice to the generality of the powers conferred by sub-section (1) regulations made under that sub-section may provide for the maintenance, at any factory at which Ceylon tobacco leaf is used, of a separate warehouse or room for the storage of such tobacco leaf prior to the payment of the tobacco tax payable thereon, and for the measures that may be taken by the Excise Commissioner to supervise or control the removal of such tobacco leaf from such warehouse or room and to prevent its being used in the manufacture of cigarettes or pipe tobacco prior to payment as aforesaid.

(3) Every regulation made under this section shall be published in the *Gazette* and shall come into operation on the date of such publication or on such later date as may be specified in the regulation.

(4) Every such regulation shall as soon as convenient after the date of its publication in the *Gazette* be brought before the Senate and the House of Representatives for approval ; and any such regulation which the Senate or the House of Representatives refuses to approve shall cease to be in force with effect from the date of such refusal, but without prejudice to the validity of anything previously done thereunder.

(5) Notification of the approval under sub-section (4) of any regulation shall be published in the *Gazette*, and upon such publication the regulation shall be as valid and effectual as though it were herein enacted.

Offences and
penalties.

8. (1) Any person who contravenes or fails to comply with any of the provisions of this Act or of any regulation made thereunder shall be guilty of an offence and liable on conviction after summary trial before a Magistrate to a fine not exceeding one thousand rupees or to imprisonment of either description for a term not exceeding six months.

(2) The court which convicts any person of any offence under this Act committed in respect of any Ceylon tobacco leaf may in addition to any other punishment which it may impose make order declaring that such tobacco leaf shall be forfeited to Her Majesty.

(3) Where a person convicted of an offence under this Act has been registered as a manufacturer for the purposes of this Act, the court may in addition to any other punishment hereinbefore provided make order cancelling the registration of that person as a manufacturer :

Provided, however, that any such person may again be registered as a manufacturer by the Excise Commissioner if he thinks fit so to do in his discretion.

(4) In any prosecution for any offence under this Act a certificate under the hand of the Government Analyst to the effect that any tobacco leaf is Ceylon tobacco leaf shall, unless the contrary is proved, be conclusive evidence of the facts stated therein.

Commencement
of charge of tax.

9. Notwithstanding anything to the contrary in any other provision of this Act, the tobacco tax shall be payable upon the total quantity of Ceylon tobacco leaf which, at the date of the commencement of this Act is kept or stored in any factory ; and for the purposes of the application of sub-section (1) of section 3 in relation to the total quantity as aforesaid that total quantity shall be deemed to have been delivered at or received into that factory during the week which includes the date of the commencement of this Act.

Interpretation.

10. In this Act—

“Ceylon tobacco leaf” means the leaf of the tobacco plant grown in Ceylon ;

“factory”—

(a) means any premises at which the manufacture of cigarettes or pipe tobacco is carried on, and

(b) includes any store or other place maintained in connection with any premises referred to in paragraph (a).