

**CESSES IMPOSED UNDER THE
SRI LANKA EXPORT DEVELOPMENT
ACT NO. 40 OF 1979**

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CESSES IMPOSED UNDER THE SRI LANKA EXPORT DEVELOPMENT ACT NO. 40 OF 1979

What is a Cess?

A local levy on a commodity / product for a special purpose.

Authority to Impose a Cess

- Section 14, of the S.L.E.D.B. Act, No. 40 of 1979 has vested powers in the Minister in-charge of the E.D.B. to impose a cess.
- Concurrence of the Minister in-charge of Finance is required.
- A Gazette Notification should be published to give effect to the order.
- Cess could be imposed both on Imports and Exports.
- This section will apply as though it formed a part of the Custom Ordinance, and the provision of that Ordinance shall apply accordingly.
- Proceeds of the Cess to be credited to the Export Development Fund.
- This Cess is in addition to any import / export duty or any other Cess levied under any other written law of the country.

Cesses Imposed under the EDB Act

- 1) *Cesses on Imports*
- 2) *Cesses on Exports*

1] EDB CESSES ON IMPORTS

- 1.1 Cess on Selected Imported Items

| | | |
|----------------|---|--|
| Products | : | Selected imported items |
| Gazette No. | : | 1680/25 dated 09/11/2010 |
| Objectives | : | <ul style="list-style-type: none"> - Discourage imports of non-essential items - Protection of local farmers / manufacturers. - Funds for implementation of Export Development Programme. |
| Rates | : | <p>Different rates (Ranging from 1% to 35%) where ad valorem and unit rates are specified, the rate whichever is higher is applicable.</p> <p>Computation of Cess Levy :</p> <p style="text-align: center;">[CIF value + 10% of CIF value] x rate of cess levy</p> <p style="text-align: center;">or</p> <p style="text-align: center;">Quantity x unit rate of cess levy</p> |
| Not applicable | : | <ul style="list-style-type: none"> - To drugs registered under the Cosmetic Devices and Drugs Act. - To Ayurvedic, Unani and Siddha preparations (other than cosmetic, preparations). - Raw materials, intermediate goods, parts & accessories to be used for the transformation of fashion jewellery and containers of or packaging recommended by the Ministry of Industrial Development. |

2] EDB CESSES ON EXPORTS

2.1 Cess on Export of Tea

| | | |
|-------------|---|---|
| Product/s | : | Flavoured tea certified by Sri Lanka Tea Board as wholly of Sri Lankan origin [HS No. 0902.40.91] Other flavoured tea [HS No. 0902.40.93] Other tea [HS No. 0902.40.99] |
| Gazette No. | : | 1681/15 of 22.11.2010 |
| Rate/s | : | Rs. 10/= per kg |

2.2 Cess on Export of Rubber

| | | |
|-------------|---|---|
| Product/s | : | Various forms of rubber |
| Gazette No. | : | 1681/15 of 22.11.2010 |
| Rate/s | : | Natural rubber latex - Rs. 8/= per kg [HS No. 4001.10.90, 4001.10.10] RSS 1 - Rs. 8/= per kg [HS No. 4001.21.10] RSS 2 - Rs. 8/= per kg [HS No. 4001.21.20] RSS 3 - Rs. 8/= per kg [HS No. 4001.21.30] RSS 4 - Rs. 8/= per kg [HS No. 4001.21.40] RSS 5 - Rs. 8/= per kg [HS No. 4001.21.50] Other - Rs. 18/= per kg [HS No. 4001.21.90] . |

2.1 Cess on Export of Coconut

| | | |
|-----------|---|--|
| Product/s | : | Coconuts - Husked or partially husked. [HS No. 0801.19.10] |
| Rate/s | : | Rs. 30/= per unit |

2.4 Cess on Export of Pepper

| | | |
|-------------|---|---|
| Product/s | : | Pepper |
| Gazette No. | : | 1681/15 of 22.11.2010 |
| Rate/s | : | Light berries of pepper with density not exceeding 450 grams per liter - [HS No. 0904.11.10] - Rs. 10/= per kg Other pepper [HS No. 0904.11.90] - Rs. 3/= per kg |

2.5 Cess on Export of Vanilla

| | | |
|-------------|---|---|
| Product/s | : | Vanilla |
| Gazette No. | : | 1681/15 of 22.11.2010 |
| Rate/s | : | Vanilla pods [HS No. 0905.00.10] - Rs. 3/= per kg |

2.6 Cess on Export of Cinnamon

| | | |
|-------------|---|---|
| Product/s | : | Cinnamon in various forms |
| Gazette No. | : | 1681/15 of 22.11.2010 |
| Rate/s | : | Cinnamon quilings - [HS No. 0906.11] - Rs. 3/= per kg Cinnamon featherings - [HS No. 0906.11.40] - Rs. 3/= per kg Cinnamon chips - [HS No. 0906.11.50] - Rs. 3/= per kg |

2.7 Cess on Export of Cloves

| | | |
|-------------|---|---|
| Product/s | : | Cloves |
| Gazette No. | : | 1681/15 of 22.11.2010 |
| Rate/s | : | Whole fruit - [HS No. 0907.00.10] - Rs. 3/= per kg Cloves - [HS No. 0907.00.20] - Rs. 3/= per kg Clove stems - [HS No. 0907.00.30] - Rs. 3/= per kg |

2.8 Cess on Export of Nutmeg

| | | |
|-------------|---|---|
| Product/s | : | Nutmeg in various forms |
| Gazette No. | : | 1681/15 of 22.11.2010 |
| Rate/s | : | Nutmeg-broken wormy & punkey [HS No. 0908.10.10] - Rs. 10/= per kg Nutmeg other [HS No. 0908.10] - Rs. 10/= per kg |

2.9 Cess on Export of Mace

| | | |
|-------------|---|--|
| Product/s | : | Mace |
| Gazette No. | : | 1681/15 of 22.11.2010 |
| Rate/s | : | Mace [HS No. 0908.20] - Rs. 3/= per kg |

2.10 Cess on Export of Maize

| | | |
|-------------|---|-----------------------------------|
| Product/s | : | Maize [Corn] |
| Gazette No. | : | 1681/15 of 22.11.2010 |
| Rate/s | : | [HS No. 2302.10] - Rs. 1/= per kg |

2.11 Cess on Export of Rice

| | | |
|-------------|---|--------------------------------------|
| Product/s | : | Rice |
| Gazette No. | : | 1681/15 of 22.11.2010 |
| Rate/s | : | Rs. 1/= per kg - [HS No. 2302.40.10] |

2.12 Cess on Export of Graphite

| | | |
|-------------|---|---|
| Product/s | : | Natural Graphite& Waste |
| Gazette No. | : | 1681/15 of 22.11.2010 |
| Rate/s | : | Rs. 20,000/= per MT - [HS No. 2504.90.10] |

2.13 Cess on Export of Coral and Similar Material

| | | |
|-------------|---|------------------------------------|
| Product/s | : | Coral chanks - [HS No. 0508.00.10] |
| Gazette No. | : | 1681/15 of 22.11.2010 |
| Rate/s | : | Rs. 100/= per 1000 units |

2.14 Cess on Export of Silica Sands and Quartz Sands

| | | |
|-------------|---|---|
| Product/s | : | Silica Sands and Quartz Sands waste |
| Gazette No. | : | 1681/15 of 22.11.2010 |
| Rate/s | : | Waste [HS No. 2505.10.10] - Rs. 200/= per MT Other : [HS No. 2505.10.90] - Rs. 20,000/= per MT Other : [HS No. 2505.90] - Rs. 1000/= per MT |

2.15 Cess on Export of Quartz

| | | |
|-------------|---|--|
| Product/s | : | Raw Vein Quartz |
| Gazette No. | : | 1681/15 of 22.11.2010 |
| Rate/s | : | Rs. 4000/= per MT: [HS No. 2506.10.10] |

2.16 Cess on Export of Natural Calcium Phosphate, Natural Aluminium, Calcium Phosphates and Phosphatic chalk

| | | |
|-------------|---|--|
| Product/s | : | Unground rock phosphate |
| Gazette No. | : | 1681/15 of 22.11.2010 |
| Rate/s | : | Rs. 3000/= per MT- [HS No. 2510.10.10] |

2.17 Cess on Export of Emery, Natural Corundum, Natural Garnet and other Natural Abrasives

| | | |
|-------------|---|---|
| Product/s | : | Emery, Natural Corundum, Natural Garnet and other natural abrasives |
| Gazette No. | : | 1681/15 of 22.11.2010 |
| Rate/s | : | Rs. 20,000/= per MT [HS No. 2513.20] - |

2.18 Cess on Export of Granite, Prophyry, Basalt, Sandstone and other Monumental or Building Stones

| | | |
|-------------|---|--|
| Product/s | : | Cess on Export of Granite, Prophyry, Basalt, Sandstone and other Monumental or Building Stones merely cut, by sawing or otherwise, into blocks or slabs of rectangular [including, square] shape; sand stone, and other monumental stones. |
| Gazette No. | : | 1681/15 of 22.11.2010 |
| Rate/s | : | Merely cut by sawing or otherwise - Rs.4,000/= per MT [HS No. 2516.12] - Sandstone - Rs.4,000/= per MT [HS No. 2516.20] Other monumental or building stones [HS No. 2516.90 - 4,000/= Per MT]. |

2.19 Cess on Export of Pebble, Gravel, Broken or Crushed Stones

| | | |
|-------------|---|--|
| Product/s | : | Pebbles, gravel, broken or crushed stone of a kind commonly used for concrete, for road metalling or for railway |
| Gazette No. | : | 1681/15 of 22.11.2010 |
| Rate/s | : | Rs. 3,000/= per MT [HS No. 2517.49] |

2.20 Cess on Export of Mica

| | | |
|-------------|---|--|
| Product/s | : | Mica |
| Gazette No. | : | 1681/15 of 22.11.2010 |
| Rate/s | : | Cured mica - Rs. 800/= per MT [HS No. 2525.10] Micawaste - Rs.100/= per MT [HS No. 2525.30] |

2.21 Cess on Export of Raw Hides

| | | |
|-------------|---|--|
| Product/s | : | Various forms of hides and skins |
| Gazette No. | : | 1681/15 dated 22.11.2010 |
| Rate/s | : | <p>Whole hides and skins of a weight per skin not exceeding 8 kg when simply dried, 10 kg when dry salted or 16kg when fresh, wet salted or otherwise preserved - [Hs No. 4101.20]</p> <ul style="list-style-type: none"> - 75% of the FOB value or Rs. 500/= per Kg <p>Whole hides and skins of a weight exceeding 16 kg - [HS No. 4101.50]</p> <ul style="list-style-type: none"> - 75% of the FOB value or Rs. 500/= per Kg <p>Whole hides and skins [HS No. 4101.90] - 75% of FOB value or Rs. 500/= per kg</p> <p>Raw hides and skins of sheep or lamb [HS No. 4102.10, 4102.21, 4102.29]</p> <ul style="list-style-type: none"> - 75% of the FOB value or Rs. 500/= per Kg <p>Raw hides and skins of reptiles, swine & other [HS No. 4103.20, 4103.30, 4103.90]</p> <ul style="list-style-type: none"> - 75% of the FOB value or Rs. 500/= per Kg <p>Tanned or crust hides and skins of bovine [including buffalo] in the wet state [including wet blue state] wet blue chrome tanned etc. [HS Nos. 4104.11.10, 4104.11.90, 4104.19.10, 4104.41, 4104.49]</p> <ul style="list-style-type: none"> - 50% of the FOB value |

| | |
|--|--|
| | <p>Tanned or crust skins of sheep or lamb in wet or dry state [HS No. 4105.10, 4105.30]</p> <p>- 50% of the FOB value</p> <p>Leather further prepared after tanning or crusting {HS No. 4107.99}</p> <p>- 10% of the FOB value</p> |
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2.22 Cess on Export of Wood

| | | |
|-------------|---|-----------------------------|
| Product/s | : | Wood in rough form. |
| Gazette No. | : | 1681/15 of 22.11.2010 |
| Rate/s | : | HS No. 4403.99 - 10% of FOB |

2.23 Cess on Export of Metal Scrap

| | | |
|-------------|---|--|
| Product/s | : | Various types of metal scrap |
| Gazette No. | : | 1681/15 of 22.11.2010 |
| Rate/s | : | <p>Waste scrap of cast iron, iron alloy, stainless steel , tinned iron or steel</p> <p>[Hs Nos. 7204.10, 7204.21, 7204.29, 7204.30, 7204.41, 7204.49, 7204.50] - 10%</p> <p>Copper waste scrap [HS No. 7404.00] - 50%</p> <p>Nickel waste & scrap [HS No. 7503.00] - 25%</p> <p>Aluminium waste & scrap [HS No. 7602.00] - 25%</p> <p>Lead waste & scrap [HS No. 7802.00] - 25%</p> <p>Zinc waste & scrap [HS No. 7902.00] - 25%</p> <p>Tin waste & scrap [HS No. 8002.00] - 25%</p> |