

AN ACT TO AMEND THE URBAN COUNCILS ORDINANCE
(CHAPTER 255)

BE it enacted by the Parliament of the Democratic Socialist Republic of Sri Lanka as follows :-

Short title. 1. This Act may be cited as the Urban Councils (Amendment) Act, No. of 2011.

Replacement of section 4 of chapter 2. Section 4 of the Urban Councils Ordinance (Chapter 255) (hereinafter in this Act referred to as the “principal enactment”) is hereby repealed and following new section substituted therefor :-

“Function of Urban Councils. 4. (1) The Urban Council constituted for each town shall, subject to the powers reserved to or vested in any other authority by this Ordinance or by any other written law, be the local authority, within the administrative limits of the town, shall engage in socio-economic development activities **and in the protection and promotion of environment within such area and be** charged with the regulation, control and administration of all matters relating to public health, public utility services, public thoroughfares, and generally with the protection and promotion of the comfort, convenience and welfare of the people and the amenities of the town.msl

(2) In addition to the functions specified in subsection (1) of this section an Urban Council may also have the authority to engage in public business enterprises in collaboration with the private sector and non-governmental organizations.

(3) For the purposes of subsection (2) public business enterprises means”?????

Amendment of section 19 of the principal enactment.

3. Section 19 of the principal enactment is hereby amended by the repeal of subsection (2) thereof and substitution therefor of the following new subsection :-

“(2) (a) The Chairman or Vice Chairman of an Urban Council shall hold office for the term of office of the Council unless he earlier resigns or vacates such office.

(b) Notwithstanding the vacation or resignation of any person from the post of Chairman, or Vice Chairman, as the case may be, such person may continue to hold office as a member of the Council unless he expressly resigns from such membership.”.

Amendment of section 25 of the principal enactment.

4. (1) Section 25 of the principal enactment is hereby amended by the repeal of subsection (2) thereof and substitution therefor of the following new subsections :-

“(2) The Chairman, may convene a special meeting of the Council whenever the Chairman considers it desirable.

(3) The Chairman shall convene a special meeting of the Council whenever requested to do so specifying the reasons therefor in writing by the members of the Council not less than the quorum prescribed for an ordinary meeting of the Council.

(4) The special meeting in compliance with any

request under subsection (3) shall be convened within fourteen days of the receipt of such request by the Chairman.

(5) The Chairman shall in writing notify the special meeting to each member, at least 3 days before the meeting, personally or by leaving such notice at the residence of the respective members.”.

Replacement
of section 28
of the
principal
enactment.

5. Section 28 of the principal enactment is hereby repealed and following new section substituted therefor :-

“Minutes
of the
proceedings.
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28. (1) Minutes of proceedings of every meeting of an Urban Council shall be drawn up in an appropriate manner and entered in a record book kept for that purpose.

(2) The proceedings of each meeting referred to in subsection (1) shall be signed by the Chairman, Vice Chairman or the other presiding Council member. All such proceedings shall thereafter be taken to be the minutes of the original proceedings and a copy or extract thereof shall be admissible in any court, as *prima facie evidence* of the matters stated therein.

(3) The record book shall be kept open at the Urban Council office during office hours, for the inspection free of charge by the members of the Urban Council and by the general public on payment of rupees twenty five.”

Replacement
of section 29
of the
principal
enactment.

6. Section 29 of the principal enactment is hereby repealed and the following section is substituted therefor :-

“Standing
Committees.

29. (1) Every Urban Council shall, in each year, at its first general meeting or at any subsequent successive meeting, elect and appoint a Standing Committee on Finance and not less than four other Standing Committees, consisting partly of members of the Council and partly of knowledgeable citizens permanently residing within the administrative limits of such Urban Council.

(2) The main function of a Standing Committee shall be to advise the Council with reference to any of the powers, duties or responsibilities of the Council or any matter under the consideration of the Council.

(3) Notwithstanding the provisions of subsection (1), the Council may at its first general meeting, by resolution, adjourn the appointment of the Standing Committees to the second general meeting of the Council. The provisions relating to the electing and appointment of Standing Committees specified in this section and in section 29A shall apply to such adjourned election, subject only to any modifications that may be effected by such resolution.

(4) The Chairman of the Council shall not be eligible for election to any Standing Committee.

(5) (a) Every Standing Committee other

than the standing committee on Finance shall consist of four Council members and a maximum of four knowledgeable citizens.

(b) The Standing Committee on Finance shall consist of three Council members, and a maximum of four knowledgeable citizens and the Chairman of the Council who shall be an *ex-officio* member.

(6) (a) Knowledgeable citizens to standing committees shall be appointed by a resolution passed by the Urban Council and in making such appointments, preference shall be given to selecting representatives of Rate Payers Associations, Environment Protection Societies, Private Sector Organizations and such other similar organizations, which are operating within the respective Urban Council area.

(b) At least two of the knowledgeable citizens appointed to a standing committee shall be women and at least two shall be young citizens below the age of thirty years.

(c) A knowledgeable citizen shall not be appointed to more than one standing committee at a given time period.

(d) The knowledgeable citizens appointed as members of any Standing Committee, shall have no voting rights.

(7) In the event of any vacancy occurs in any standing committee during any year, the Urban Council

shall at a general meeting elect a member to fill the vacancy, having regard to the provisions of this section.

Insertion of
new section
29A, 29B,
29C and 29D
in the
principal
enactment

7. The following new sections are hereby inserted immediately after section 29 of the principal enactment and shall have effect as sections 29A, 29B, 29C and 29E of that enactment :-

“Members of the Standing Committees” 29A (1) (a) Every Standing Committee other than the standing committee on Finance shall consist of four Council members and a maximum of four knowledgeable citizens.

(b) The Standing Committee on Finance shall consist of three Council members, and a maximum of four knowledgeable citizens and the Chairman of the Council who shall be an *ex-officio* member.

(2) (a) Knowledgeable citizens to standing committees

shall be appointed by a resolution passed by the Urban Council and in making such appointments, preference shall be given to selecting representatives of Rate Payers Associations, Environment Protection Societies, Private Sector Organizations and such other similar organizations, which are operating within the respective Urban Council area.

(b) At least two of the knowledgeable citizens appointed to a standing committee shall be women and at least two shall be young citizens below the age of thirty years.

(c) A knowledgeable citizen shall not be appointed to more than one standing committee at a given time period.

(d) The knowledgeable citizens appointed as members of any Standing Committee, shall have no voting rights.

(3) In the event of any vacancy occurs in any standing committee during any year, the Urban Council shall at a general meeting elect a member to fill the vacancy, having regard to the provisions of this section.

**Joint Standing
Committees.**

29B (1) For the purpose of any matter in which any Urban Council is jointly interested with any other local authority, such local authority may by mutual consent with such other local authority, for the constitution of a Joint Standing Committee.

(2) A Joint Standing Committee referred to in subsection (1) shall consist of members appointed by the Urban Council, from among the elected members of the Urban Council and of the other local authority concerned and

of knowledgeable citizens living within the Urban Council area.

(3) The Municipal Council shall delegate to any Joint Standing Committee constituted under subsection (1), any of its powers or duties, other than the power to raise any loan, to levy any rate or to impose any tax

“Election of Council members to Standing Committees, Chairman of Standing Committees etc.,.

29C. (1) A Council member other than the Chairman shall not be eligible to be elected to two Standing Committees, until every other Council member has been elected to at least one Standing Committee and likewise no such Council member shall not be eligible to be elected to three Standing Committees until every other Council member has been elected to at least two Standing Committees.

Provided that, no such Council member shall be eligible to be elected to four Standing Committees until every other Council member has been elected to at least three Standing Committees and in any event a Council member shall not be eligible to be elected to more than four Standing Committees.

(2) The Chairman of the Council shall *ex-officio* be the Chairman of the Standing Committee on Finance, and other Standing Committees shall at its first meeting, elect by ballot its own Chairman.

(3) The Chairman of the Council may present and speak but not vote at the meetings of the Standing

Committees, other than the Standing Committee on Finance. Whenever the Mayor is present at any meeting of a Standing Committee, he shall preside at such meeting and may both speak and vote at every joint Standing Committee on Finance and any other joint Standing Committee or Committees.

(4) If the Chairman of any of the standing committee is absent from any meeting of that Standing Committee, the Committee concerned shall elect a Chairman for that particular meeting, from among the Council Members present at such meeting.

(5) (a) No business shall be transacted at any meeting of a Standing Committee unless the prescribed quorum is present. Until a by-law is made by the Council prescribing the quorum for any meeting of a Standing Committee or for any joint meeting of two or more Standing Committees, one third of the total number of the Council Members of such Committee or Committees, as the case may be, shall constitute a quorum:

Provided that for a joint meeting of Standing Committee at least one Council member of each Standing Committee shall be present.

(b) Where one-third of such number is an integer and fraction, the integer immediately higher to that integer and fraction shall be deemed to be the one-third for the purpose of this section.

(6) All matters or concerns authorized to be decided

by a Standing Committee under this Ordinance, shall be decided by the majority of the members present and voting at any meeting. Where the votes of the members present are equally divided in regard to any concerns raised, the person who presides at such meeting shall, in addition to his own vote have a casting vote.

(7) (a) No financial matter shall be finally dealt with by an Urban Council unless such matter has been first dealt with and reported on by the Standing Committee on Finance.

(b) All matters presented to the Urban Council shall be channeled through the Standing Committees.

(c) Notwithstanding the provisions of paragraph (b) any matter may be presented directly to the Urban Council in urgent and unavoidable circumstances. Such matter shall be presented to the meeting of the relevant Standing Committee to be held immediately after the Council meeting.

(8) Every meeting of a Standing Committee shall be held at the Urban Council office or any other place as the Committee may decide.

Powers,
duties and
functions of
standing
Committees.

29D. (1) Every Standing Committee shall exercise, perform and discharge such powers, duties and functions as are delegated to it by the Council or otherwise conferred or imposed upon it or vested in it by the Urban Council.

(2) The subject matters of the Standing

Committees other than the Standing Committee on Finance shall be suitably defined by the Urban Council.

(3) The subject matters of all the Standing Committees shall, wherever appropriate, be grouped together in order so that closely related subjects may be dealt with by one single Standing Committee.

(4) Any Standing Committee shall have the power to call upon any officer of the Urban Council and shall have access to the books, deeds, contracts, accounts, vouchers and other documents and papers of the Urban Council at a meeting of a Standing Committee.

Appointment
of special
committees.

29E. (1) An Urban Council may from time to time appoint from among the Council members, special committees, which will be dissolved once the assignment for which it is appointed is completed, consisting of such number of Council members as it thinks fit, for the purpose of inquiring into and reporting upon any matter pertaining to the Urban Council.

(2) Every special committee shall at its first meeting elect by ballot its own chairman.

(3) The Urban Council may determine the quorum for any meeting of a special committee at the time of appointing a special committee, and where the quorum is not determined by the Council, two-third of the members of the special committee shall form the quorum.

Insertion of
new section 30
in the principal
enactment.

8. Following new section is hereby inserted immediately after section 30 of the principal enactment and shall have effect as section 30A of that enactment :-

“Citizens
charter.

30A. (1) Every Urban Council shall formulate and publish a document referred to as the citizens charter specifying the services provided by the Urban Council for the welfare of the citizens of that Urban Council.

(2) The Urban council shall consult the civil society organizations functioning in the Urban Council area in formulating the citizens charger.

(3) The citizens charter shall contain information relating to -

(a) different types of services extended by the Urban Council;

(b) criteria to be satisfied and the procedure to be followed to obtain such services; and

(c) the time periods and the dates etc. during which such services are provided.

(4) Copies of the citizens charter shall be kept in the Urban Council office and other appropriate places within the Urban Council area for the reference

by the public.

(5) The Urban council shall review the citizens charter at least once in every year.

(6) Minister may make rules in respect of the functioning and implementation of a citizens charter.

**Replacement
of section 31
of the
principal
enactment.**

8A. Section 31 of the principal enactment is hereby repealed and the following new section is substituted therefor :-

“Urban
Council
to be a
Corporation.

31. (1) Every Urban Council shall be a Corporation with perpetual succession and a common seal and may sue and be sued by such name as may be assigned to it in the Order constituting the Council, or any subsequent order in modification thereof.

(2) The common seal of any Urban Council shall be in the custody of the Secretary of such Council, and shall not be affixed to any contract or other instrument on behalf of the Council, except in the presence of the Chairman and Secretary of the Council, who shall sign their names to such contract or instrument in token of their presence.”.

**Amendment of
section 35 of
the
principal
enactment.**

9. Section 35 of the principal enactment is hereby amended as follows:-

(a) by the renumbering of that section as subsection (1); and

(b) by the addition immediately after the renumbered subsection (1) of the following new subsection :-

“(2) (a) An Urban Council may in collaboration with other Local Authorities in the Province formulate and execute various joint venture programmes to deal with subject matters which are prudent and expedient to carry out jointly.

(b) For the purpose of execution of joint ventures under paragraph (a), all local authorities involved in such joint venture may, by general agreement -

(i) formulate a corporate plan in consultation with the experts on the relevant subject matter; and

(ii) where necessary formulate a public company or a corporate body.”.

Amendment of section 36 of the principal enactment.

10. Section 36 of the principal enactment is hereby amended as follows:-

(1) by the repeal of paragraph (b) thereof and the substitution therefor of the following paragraph -

“(b) to spend any part of the local fund -

(i) on maternity and child welfare services;

(ii) to train midwives for the purpose of any maternity service established by the Council;

(iii) to establish and maintain housing schemes for the poor;

(iv) on charitable ventures as may be determined by the Council;

(v) for the relief of distress caused by rain, floods, fire, or any other similar cause;

(vi) for the promotion of Urban Development projects and community development projects including projects for the advancement and welfare of the women;

(vii) for the promotion of local tourism in association with the Sri Lanka Tourism;

(viii) for the promotion of Ayurvedic and indigenous system of medicine including the establishment in such manner as may be delegated to it by the Provincial Council with whose administrative limits such Urban Council is situated, of Ayurvedic dispensaries and clinics, medical parks, medical plant nurseries and herbaria.”; and

(2) by the repeal of paragraph (hhh) thereof and the substitution therefor of the following paragraph -

“(hhh) exercise, perform and discharge any power, duty or function delegated to it by the Provincial Council established for the Province within which administrative limits the Urban Council is situated and implement any scheme or work assigned to it by such

Provincial Council;”.

Replacement
of section 38
of the
principal
enactment.

11. Section 38 of the principal enactment is hereby repealed and following section substituted therefor -

“Contracts.

38. Any contract for any of the purpose of this Ordinance involving an expenditure exceeding seventy five thousand rupees shall be, reduced to writing, signed by the Chairman and the Secretary of the respective Urban Council and affix the common seal and shall specify, *inter alia* -

- (a) the work to be done, the services to be rendered or the goods to be delivered;
- (b) the material to be used in respect of such work or service;
- (c) the price to be paid for such work, service, goods or materials;
- (d) the time period within which the work or service to be completed or the goods or materials are to be supplied; and
- (e) the penalty to be imposed in case of a breach of the contract.”.

Insertion of
new sections
43A, 43B and
43C in
the principal
enactment.

12. The following new sections are hereby inserted immediately after section 43 of the principal enactment and shall have effect as sections 43A, 43B and 43C of that enactment -

“General
Administration

43A. (1) Subject to the powers and

for promoting
and securing
socio
economic
development.

responsibilities that may be entrusted to any other authority or institution by this ordinance or any other written law, an Urban Council shall be the general administrative authority for the purposes of promoting and securing socio-economic development, planning and utilization of physical resources within its administrative limits.

(2) For the purposes of subsection (1), the Urban Council may exercise all such powers as are vested in such Urban Council by this Ordinance and any other written law.

(3) The Urban Council shall, in the exercise, discharge and performance of the powers, duties and functions vested in or assigned to the Urban Council under this Ordinance on matters relating to planning, act in collaboration with the Divisional Secretariat and other governmental and non-governmental agencies within its administrative limits.

(4) It shall be the duty of the Urban Council in all such matters, to supervise and direct the carrying out of measures relating to integrated local planning.

Development
planning
activities.

43B. (1) In fulfilling and discharging its responsibilities and functions relating to Development Planning within its administrative limits, an Urban Council shall -

- (a) formulate long term perspective plans for a period of ten years, with special focus on infrastructure development based on the resources available and

the need for further development;

(b) formulate a medium development plan in line with the long term perspective plan, for a period of five years;

(c) prepare every year an annual development plan for the next year for the development of the area, in collaboration with the Divisional Secretariat and other relevant governmental and non-governmental agencies within the area.

(2)(a) The Urban Council shall submit draft copies of the plans referred to in paragraphs (a), (b) and (c) of subsection (1) in the form and manner prescribed, for the observations and concurrence of the Provincial Commissioner for Local Government. (hereinafter in this section referred to as the Provincial Commissioner)

(b) The Provincial Commissioner may direct the Urban Council to make changes in the draft development plan on the ground that any sector-wise priorities and criteria given by the Provincial Government had not been followed in the draft development plan or that it has not been prepared in accordance with the provisions of this

Ordinance or any by-laws or rules made thereunder or any Statutes enacted by the relevant Provincial Council.

(c) It shall be the duty of the Urban Council to make the changes proposed by the Provincial Commissioner under paragraph (b).

(3) (a) The Urban Council shall submit a final copy of each of the development plans prepared by the Urban Council to the Provincial Commissioner and the Regional Assistant Commissioner of Local Government for the district, within which the Urban Council is situated;

(b) promote active participation of the people in the planning process and make use of the Citizen's Committees at village level and community organizations at neighbourhood groups level, to function as the grassroots level planning units; and

(c) be responsible for coordinating with all relevant agencies in respect of socio-economic development activities undertaken by them and ensure that all local level development activities within its area, are properly integrated and provided to facilitate them.

Physical
planning
activities.

43C. In fulfilling its responsibilities and functions relating to physical planning within its administrative limits, an Urban Council shall -

- (a) subject to the guidelines and standards provided by national and provincial authorities on physical planning, be the general administrative authority for physical planning within its administration limits;
- (b) formulate zoning schemes and urban development schemes within its administrative area, in consultation with National Physical Planning Department and the Urban Development Authority;
- (c) be responsible for ensuring the implementation of physical plans, by facilitating the enforcement of regulatory measures in relation to land utilization;
- (d) ensure that blocking out plans are prepared and receive approval prior to the letting out of any such lands;
- (e) be responsible for ensuring that the blocking out of lands is in conformity with the national guidelines on land utilization and that it is in compliance with the physical planning procedure in

the area; and

- (f) take measures to regulate the activities of blocking out of lands through by-laws, particularly relating to following matters :-
 - (i) marking of reservations along roads and waterways;
 - (ii) removal of trees and leveling of land before sale;
 - (iii) allocation of ten *per centum* of the extent of blocking out land to the Urban Council for the purpose of providing common amenities;
 - (iv) registration of land developers;
 - (v) approval of blocking out plans;
 - (vi) advertising and sale of blocked out plots of land.”.

Replacement
of section 59
of the
principal
enactment.

13. Section 59 of the principal enactment is hereby repealed and the following section is substituted therefor :-

“Public
Transport
Service.

59. (1) An Urban Council may organize and maintain by itself or in collaboration with any other local authority or by agreement with any promoter any form of public transport service to provide better and competitive transport service for the inhabitants of the

area.

(2) Organization and maintenance of a transport service under subsection (1) shall be subject to such prohibitions or restrictions as may be imposed under National Thoroughfares Act No. [REDACTED] or any other written law.

(3) 'Inhabitants of the area' means those who live within the administrative limits of the Urban Council and such other Local Authorities with whom the Council collaborated for the purposes of this section.

Amendment of section 66 of the principal enactment.

14. Section 66 of the principal enactment is hereby amended by repeal of the proviso thereof and substitution therefor of the following proviso :-

“Provided that all the earth, rubbish or material thrown upon any adjacent land by the proper officer, shall be removed by him from such land within seven days.

Amendment of section 72 of the principal enactment.

15. Section 72 of the principal enactment is hereby amended in subsection (2) thereof, by the substitution for the words “with a fine not exceeding five hundred rupees and with a further fine not exceeding two hundred rupees for each day” of the words “with a fine not exceeding ten thousand rupees and with a further fine not exceeding five hundred rupees for each day.”.

Amendment of section 66 of the principal enactment.

16. Section 73 of the principal enactment is hereby amended in subsection (2) thereof, by the substitution for the words “with a fine not exceeding one hundred rupees” of the words “with a fine not exceeding one thousand rupees.”.

Amendment of

17. Section 77 of the principal enactment is hereby amended as

section 77 of
the
principal
enactment.

follows:-

- (a) by the renumbering of that section as subsection (1) of that section; and
- (b) by the insertion of the following subsection immediately after the renumbered subsection (1) :-

“(2) The Urban Council shall give sufficient notice in writing to the parties concerned before exercising any of the powers or entitlements referred to in subsection (1)”.

Amendment of
section 80 of
the
principal
enactment.

18. Section 80 of the principal enactment is hereby amended, in subsection (2) thereof, by the substitution for the words “with a fine not exceeding five hundred rupees”, of the words “with a fine not exceeding ten thousand rupees.”.

Amendment of
section 81 of
the
principal
enactment.

19. Section 81 of the principal enactment is hereby amended, in subsection (2) thereof, by the substitution for the words “with a fine not exceeding five hundred rupees”, of the words “with a fine not exceeding ten thousand rupees.”.

Amendment of
section 85 of
the
principal
enactment.

20. Section 85 of the principal enactment is hereby amended by the substitution, for the words “shall be guilty of an offence punishable with a fine not exceeding five hundred rupees”, of the words “shall be guilty of an offence punishable with a fine not exceeding ten thousand rupees and in the event of continuing offence to an additional fine not exceeding one thousand rupees for each day during which the offence is continued after conviction thereof by a competent court.”.

Amendment of
section 86 of

21. Section 86 of the principal enactment is hereby amended by the

the
principal
enactment.

substitution, for the words “with a fine not exceeding five hundred rupees”, of the words “with a fine not exceeding ten thousand rupees.”.

Amendment of
section 88 of
the
principal
enactment.

22. Section 88 of the principal enactment is hereby amended by the substitution, for the words “with a fine not exceeding five hundred rupees”, of the words “with a fine not exceeding ten thousand rupees.”.

Amendment of
section 90 of
the
principal
enactment.

23. Section 90 of the principal enactment is hereby amended as follows:-

- (a) in subsection (1) thereof, by the substitution, for the words “with a fine not exceeding five hundred rupees;”, of the words “with a fine not exceeding ten thousand rupees;”;
- (b) in subsection (2) thereof, by the substitution, for the words “with a fine not exceeding fifty rupees;”, of the words “with a fine not exceeding ten hundred rupees;”;
- (c) in subsection (3) thereof, by the substitution, for the words “with a fine not exceeding five hundred rupees;”, of the words “with a fine not exceeding ten thousand rupees;”;
- (d) in subsection (4) thereof, by the substitution, for the words “with a fine not exceeding five hundred rupees;”, of the words “with a fine not exceeding ten thousand rupees.”.

Amendment of
section 92 of

24. Section 92 of the principal enactment is hereby amended by the substitution, for the words “with a fine not exceeding five hundred

the rupees”, of the words “with a fine not exceeding ten thousand rupees.”.
principal
enactment.

Amendment of 25. Section 100 of the principal enactment is hereby amended by the
section 100 of substitution for the words “with a fine not exceeding five hundred
the principal rupees.”, of the words “with a fine not exceeding ten thousand rupees.”.
enactment.

Amendment of 26. Section 102 of the principal enactment is hereby amended by the
section 102 of substitution for the words “of all headmen generally” of the words “of all
the principal Grama Niladaries generally”.
enactment.

Insertion of 27. The following new section is hereby inserted immediately after
new section section 98 of the principal enactment and shall have effect as section 98A
105A in the of that enactment:-
principal
enactment.

“Flow of 105A. Every person who permits any
certain matter factory refuse, hospital refuse or any
through drains hazardous matter to flow through a public
to be an drain or culvert, gutter or watercourse,
offence. shall be guilty of an offence and on
conviction shall be liable to a fine not
exceeding ten thousand rupees and in case
of a continuing offence, to an additional
fine not exceeding two thousand five
hundred rupees for each day during which
the offence is continued to be committed
after such conviction .”.

Replacement 27A. Section 106 of the principal enactment is hereby repealed and
of section 106 following section is substituted therefor :-
of the

principal “Penalty for 106. (1) Whoever within the administrative limits
enactment. unauthorized of an Urban Council -
drains &c.

(a) makes or construct any drain leading

into any of the public sewers or drain without prior written approval of the Urban Council; or

- (b) flows or causes to be flown any factory refuse hospital refuse or any other hazardous matter through a public drain, culvert or water cause,

commits an offence.

(2) The Urban Council shall require in writing the person contravenes the provisions of subsection (1) to demolish, alter or remade such drain or stop the illegal activities referred to in paragraph (b) of subsection (1) forthwith.

(3) Where a person disobeys or ignores the written notice under subsection (2), the Urban Council shall –

- (a) demolish alter or remade the drain or stop the illegal activities as the Council may deem appropriate; and
- (b) institute legal proceedings in the Magistrates Court against such person.

(4) A person convicted of an offence by the Magistrates Courts at a legal proceedings instituted against him shall be liable to a fine not exceeding ten thousand rupees and to pay the Council the expenses incurred by such Council for the restoration activities

referred to in paragraph (a) of subsection (3).

Amendment of section 109 of the principal enactment.

28. Section 109 of the principal enactment is hereby amended by the substitution, for the words “with a fine not exceeding five hundred rupees.”, of the words “with a fine not exceeding ten thousand rupees and an additional fine not exceeding one thousand rupees for each day during which the offence is continued after conviction thereof.”.

The provision Sections 102 to

Amendment of section 113 of the principal enactment.

29. Section 113 of the principal enactment is hereby amended in subsection (2) thereof, by the substitution for the words “with a fine of fifty rupees”, of the words “with a fine of one thousand rupees”.

Amendment of section 115 of the principal enactment.

30. Section 115 of the principal enactment is hereby amended in subsection (1) thereof, by the substitution, for the words “with a fine not exceeding five hundred rupees,”, of the words “with a fine not exceeding ten thousand rupees.”.

Amendment of section 117 of the principal enactment.

31. Section 117 of the principal enactment is hereby amended in subsection (2) thereof, by the substitution, for the words “with a fine not exceeding five hundred rupees,”, of the words “with a fine not exceeding ten thousand rupees.”.

Replacement of heading appears under Part IV and immediately before section 118 of the principal enactment.

32. The following new heading is substituted for the heading “CONSERVANCY AND SCAVENGING” appearing in Part IV of the principal enactment :-

“ENVIRONMENTAL PROTECTION”

Replacement

33. Section 118, 119 and 120 of the principal enactment are hereby

of sections 118, 119 and 120 of the principal enactment.

repealed and the following sections are substituted therefor :-

“Urban Council to be responsible for protecting environment.

118. (1) The Urban Council shall, subject to any responsibilities and powers that may be conferred on it by any law, be the general administrative authority for the purpose of promoting and protecting environment within its administrative limits.

(2) In fulfilling the responsibility entrusted to an Urban Council under subsection (1), an Urban Council shall, in compliance with any guidelines or criteria formulated by the Central Environmental Authority, take measures to prevent any damage being caused to the environment from :-

- (a) the disposal of solid and liquid refuse;
- (b) polythene decorations, banners, and advertisements;
- (c) unauthorized display of bill boards, banners and posters;
- (d) unauthorized removal of earth, clay, sand and rocks from areas around and outside waterways;
- (e) filling of lands, low land and marshy lands; and
- (f) haphazard location of industries.”.

Duty of Council, as to conservancy and

119. (1) It shall be the duty of the Urban Council of each town, so far as is reasonably practicable, to take all necessary measures in every part of the town -

scavenging.

- (a) for properly sweeping and cleaning the streets including the footways, and for collecting and removing all street refuse;
- (b) for securing the due removal at proper periods of all house refuse, and the due cleansing and emptying at proper periods of all latrines and cesspits; and
- (c) for the proper disposal of all street refuse, house refuse, and night-soil.

(2) All street refuse, house refuse, night-soil, or other similar matter collected by any Urban Council under the provisions of this Part shall be the property of the Council, and the Council shall have full power to sell or dispose of all such matter.

(3) Every Urban Council shall from time to time provide places convenient for the proper disposal of all street refuse, house refuse, night-soil, and similar matter removed in accordance with the provisions of this Part, and for keeping all vehicles, animals, implements, and other things required for that purpose or for any of the other purposes of this Ordinance, and shall take all such measures and precautions as may be necessary to ensure that no such refuse, night-soil, or similar matter removed in accordance with the provisions of this Part is disposed of in such a way as to cause a nuisance.

By-laws to
be made for
promoting

120.(1) The Urban Council shall, in keeping with the National Policy on Solid Waste and its Strategies and

waste
management
etc.,.

with a view to promoting waste minimization, waste segregation and resource recovery against waste, make by-laws to :-

- (a) promote composting of bio-degradable waste and releasing it back to the environment in a health and environmental friendly manner;
- (b) provide for taking all necessary measures to encourage resource recovery from recyclable waste materials, such as paper, plastics, mettles and glass;
- (c) provide for taking all necessary measures to minimize the adverse effects and damage being caused to the environment, such as pollution of water, soil and air; and
- (d) use the most safety methods such as sanitary land filling, for the purpose of final disposal of waste in order to reduce adverse impact on environment.

(2) Any person who is found dumping litter, garbage, building debris, sand, soil or branches of trees or make space to hoist flags, buntings, banners, posters or permits pasting shall be guilty of an offence under this Ordinance and on conviction be liable to fine not exceeding two thousand rupees.”.

Amendment of section 127A of the principal enactment.

34. Section 127A of the principal enactment is hereby amended by the substitution, for the words “with a fine not exceeding one hundred rupees,”, of the words “with a fine not exceeding two thousand rupees.”.

Amendment of section 127B of the principal enactment.

35. Section 127B of the principal enactment is hereby amended in subsection (2) thereof by the substitution for the words “with a fine not exceeding one hundred rupees,” of the words “with a fine not exceeding ten thousand rupees.”.

Amendment of section 127C of the principal enactment.

36. Section 127C of the principal enactment is hereby amended by the substitution for the words “to a fine not exceeding five hundred rupees and in the case of continuing offence, to an additional fine not exceeding one hundred rupees for each day” of the words “to a fine not exceeding ten thousand rupees and in the case of continuing office to an additional fine not exceeding one thousand rupees for each day”.

Amendment of section 127D of the principal enactment.

37. Section 127D of the principal enactment is hereby amended in subsection (2) thereof by the substitution for the words “fine, equalent to twice the fee payable for a licence” of the words “fine, equalent to ten times the fee payable for a licence”.

Amendment of section 128 of the principal enactment.

38. Section 128 of the principal enactment is hereby amended in subsection (2) thereof by the substitution for the words “with a fine not exceeding six hundred rupees and with a further fine not exceeding five hundred rupees for every day” of the words “with a fine not exceeding twelve thousand rupees and with a further fine not exceeding ten thousand rupees for each day”.

Amendment of section 129 of the principal enactment.

39. Section 129 of the principal enactment is hereby amended as follows -

(1) by the re-numbering of that section as subsection (1)

thereof;

(2) in the re-numbered subsection (1) of that section by the insertion immediately after paragraph (g) thereof, of the following new paragraphs -

(ga) establish and maintain public libraries and reading rooms;

(gb) establish and maintain children's parks;

(gc) establish and maintain public parks;

(gd) establish and maintain playgrounds;

(ge) the maintenance of the fire fighting equipment required for the area;

(gf) establish and maintain amusement centres;

(gg) establish and maintain maternity and child welfare centres;

(gh) establish and maintain pre-schools and day care centres;

(gi) establish and maintain Ayurvedic dispensaries;

(gj) establish and maintain herbaria and plant nurseries.”;

(3) by the addition of the following subsection immediately after the renumbered subsection (1) -

“(2) The Urban Council may encourage and promote participation of private sector organizations in the public utility services specified in subsection (1), in accordance with the criteria determined by the Urban Council to enable such Council to provide a better service.”.

Amendment of section 147 of the principal enactment.

40. Section 147 of the principal enactment is hereby amended by the addition of the following new subsection :-

“(5) The Council shall obtain the services of the Department of valuation for the estimation of the compensation payable under this section.”.

Replacement of section 149 of the principal enactment.

41. Section 149 of the principal enactment is hereby repealed and the following section is substituted therefor -

“Transfer markets.

149. An Urban Council may by arrangement with any Pradeshiya Sabha transfer to the Pradeshiya Sabha the management of any public market administered by the Council under this Ordinance.”.

Amendment of section 153 of the principal enactment.

43. Section 153 of the principal enactment is hereby amended by the repeal of subsection (2) thereof and substitution therefor of the following subsection -

“(2) Every contravention of a by-law made by any Urban

Council shall be an offence and every person who contravenes any by law shall on conviction be liable -

- (a) in the case of a first offence to a fine not exceeding ten thousand rupees;
- (b) in the case of a second or subsequent offence, to a fine not exceeding twenty thousand; and
- (c) in the case of a continuing offence an additional fine not exceeding five hundred rupees in respect of each day during which the offence is continued after a conviction thereof by a court of competent jurisdiction.”.

Amendment of section 157 of the principal enactment.

44. Section 157 of the principal enactment is hereby amended as follows:-

(1) by the repeal of subsection (1) thereof and the substitution therefor of the following new subsection :-

“(1) Procedure, including -

- (a) the procedure to be followed by a member of the Council, for the resignation from that membership;
- (b) the regulation of the meetings of the Council, and its committees;
- (c) the procedure for obtaining permission by a member of the Council to be absent

from a meeting of the Council;

(d) the form in which estimates, budgets, statements, and returns incidental to the business of the Council shall be drawn up;

(e) the form in which the accounts of the Council shall be kept.”

(2) in subsection (2) thereof, by the insertion immediately after paragraph (b), of the following paragraph :-

“(c) the provisions of paragraph (a) shall not apply to the officers and servants or any scheduled post, in the Local Government Service and the Provincial Public Service.”

(3) in subsection (6) thereof by the repeal of paragraph (g) of that subsection and substitution therefor of the following paragraph -

“(g) the regulation and control of blocking out of lands taking in to consideration all relevant laws applicable including provisions of the fragmentation (Tea, Rubber and Coconut) Act, No. of 2003 and the approval of such blocking out plans and any sub division of such lands.”

(4) by the repeal of paragraph (h) of subsection (7) of that section, and the substitution therefor of the following paragraph:-

“(h) The prohibition or the regulation and control of advertisements being displayed or exhibited, so as to be visible from any thoroughfare, including, in such manner so as to ensure the protection of moral

and cultural values”.

(5) in subsection (9) of that section -

“(i) by the insertion paragraph immediately after paragraph (d) of subsection (9), of the following paragraph -

“(dd) Solid waste management including strategies to promote waste minimization, waste segregation and resource recovery against waste as may be required,-

(a) to protect the environment by promoting composting with biodegradable waste which can be released to the environment in a healthy and environmentally friendly manner;

(b) to take necessary steps to encourage resource recovery from recyclable waste material such as paper plastic, metals and glass;

(c) to take all possible measures to minimize adverse effect, and damage to the environment by means of pollution of water, soil and air;

(d) to utilize methods such as sanitary land filling for the disposal of waste to reduce any adverse impact to the environment.

(ii) in paragraph (f) of that paragraph by the

substitution for the words “loud speakers, amplifiers” of the words “loud speakers, amplifiers, visual and audio visual equipment”;

(iii) in sub-paragraph (u) of that paragraph by the substitution for the words “disinfecting of houses, dwellings” of the words “disinfecting of houses, dwellings, schools, halls which are used for the purpose of preaching halls, auditoriums, premises where private tuition class are held and places where people assemble by owners, occupiers or persons having control of such places.”;

(6) in subsection (10) of that section -

(i) in sub-paragraph (a) of that paragraph by the substitution for the words “sheep goats and pigs” of the words “sheep, goats, poultry and pigs”;

(ii) in sub-paragraph (c) of that paragraph by the substitution for the words “cattle, horses, sheep and goats” of the words “cattle, horses, sheep, poultry and goats”;

(iii) in sub-paragraph (j) of that paragraph by the substitution for the words “dead animals; and of the words “dead animal”;

(iv) by the addition immediately after sub-paragraph (h) of that paragraph of the following sub-paragraph-

“(i) the regulation, supervision, inspection and control of farms, including prawn farms and poultry farms”;

1. in sub

(7) by the insertion immediately after subsection (14B) of that section, of the following new subsections -

(14C) The regulation, inspection and control of -

- (a) private Ayurvedic dispensaries and private health institutions;
- (b) schools other than Government Schools and Government Assisted Schools;
- (c) private tuition classes and cookery classes;
- (d) pre schools and day care centres and creches conducted by private persons;
- (e) telephone posts and telephone booths;
- (f) radio and telephone towers;
- (g) medical and legal consultancy services;
- (h) bookies or betting centres.

(14D) The protection of environment, including -

- (a) the protection of the natural resources and the protection and development of scenic resources in the area;
- (b) prevention of air and noise pollution;
- (c) protection of built environment and preservation of buildings and creations of cultural and historical significant;

(d) prevention environmental pollution caused from unauthorized industrial, agricultural and livestock activities and unauthorized contraction and trading activities; and

(e) educating, bringing awareness among citizens on environmental protection.

(14E) Transacting with community organizations, governmental organizations and non governmental organizations.

(14F) Regulation and control of pasting of posters and notices.

(14G) Establishment and maintenance of libraries and reading rooms.

(14H) Establishment and maintenance of play grounds.

(14I) Establishment and maintenance of community centres.

(14J) Establishment and maintenance of pre-schools, daycare centres and crèches.

Amendment of section 158 of the principal enactment.

45. Section 158 of the principal enactment is hereby amended as follows :-

(1) by the substitution for paragraph (h) of the subsection(2) of that section of the following paragraphs :-

“(h) all sums of money appropriated from time to time and transferred to a Pradeshiya Sabha by a Provincial Council, whether by way of a resolution or otherwise:”

(2) by the addition immediately after paragraph (i) of the following paragraphs :-

“(j) all sums of money donated by a person or a body of persons to a Pradeshiya Sabha;”

(3) by the repeal of subsection (3) thereof and substitution therefor of the following subsection :-

“(3) All moneys received by the Urban Council and payable into the local fund shall be deposited in a Bank approved by the Central Bank, to the credit of an account bearing the name of that fund”.

Amendment of section 159 of the principal enactment.

46. Section 159 of the principal enactment is hereby amended in paragraph (f) thereof by the substitution for the words “such expenses not exceeding in the aggregate five thousand rupees in any year” of the words “such expenses not exceeding in the aggregate fifty thousand rupees in any year”.

Amendment of

47. Section 163 of the principal enactment is hereby amended as follows:-

(1) by the repeal of subsection (1) of that section and the substitution therefor of the following subsection :-

“(1) (a) the tax on vehicles and animals which an Urban Council is authorized to impose under section 162 shall be an annual tax in respect of vehicles and animals ordinarily kept or used within the administrative limits of an Urban

Council;

(b) the rate of the amount of tax for the purpose of paragraph (a) shall be determined by the respective Urban Council, by a resolution adopted by the Council and published in the *Gazette*.

(2) by the repeal of subsections (6), (7), (8) and (9) of that section and substitution therefor of the following subsections-

enactment.

“(6) where any vehicle or animal liable to any tax under this ordinance is used within the administrative limits of more than one Urban Council, such vehicle or animal shall only be liable to pay one such tax in respect of that vehicle or animal and such tax shall be paid to the Urban council where such vehicle or animal is principally used.

(7) Where any vehicle or animal is ordinarily liable to the taxes imposed under section 162 of this Ordinance, section 245 of the Municipal Councils Ordinance and section 148 of the Pradeshiya Sabha Act such vehicle or animal shall be liable to only one such tax which shall be payable -

(b) where the vehicle or animal is kept within the administrative limits of an Urban Council, Municipal Council or Pradeshiya Sabha, to such Urban Council, Municipal Council or Pradeshiya Sabha, as the case may be;

(c) where the vehicle or animal is not kept within the

administrative limits of an Urban Council, Municipal Council or Pradeshiya Sabha, to such Urban Council, Municipal Council or Pradeshiya Sabha within whose administrative limits, it is principally used.

(8) Where any question arises as to which Urban Council, Municipal council or Pradeshiya Sabha, a tax on vehicle or animal be paid under this section, such question shall be determined by the Commissioner.

(9) (a) A person fails to pay the tax imposed under this section, after seven days of a written notice, by the respective Urban Council, commits an offence and shall on conviction by the Magistrates Court be liable to pay a fine not exceeding five thousand rupees in addition to the amount of tax payable.

(b) The amount recovered under paragraph (a), shall be credited to the Fund of the Urban Council.”.

(C) For the purpose of this section “vehicles and animals” means ….

Replacement
of section 164
of
the principal
enactment.

48. Section 164 of the principal enactment is hereby repealed and substitution therefor of the following new section :-

“Licence
duty.

164. (1) The licence duty which an Urban Council is authorized to impose under section 162 shall be in respect use of any premises or place for any business or industry specified under this Ordinance or any by law made thereunder.

(2) The licence duty levied under subsection (1) shall be determined by the Council according to the annual turnover of the business so licensed and having regard to the:-

- (i) profit that is likely to be earned in such business; and
- (j) essential nature of the goods or services supplied in the course of such business.

(3) The licence **duty** levied is based on the annual turnover of the business for the year preceding the year in which such duty is payable, at such rates not exceeding the rates as set out below and the licence **duty** so levied shall not exceed *one per centum* of such annual turnover or forty **thousand rupees**, whichever sum is less:-

<u>Column I</u>	<u>Column II</u>
Annual Turnover of the business	Tax payable
<u>Column I</u> Annual Turnover of the business	<u>Column II</u> Tax payable
Does not exceed Rs.100,000/-	Nil
Exceed Rs.100,000/- but does not exceed Rs.1,000/-	2,000/-
Exceed Rs.1,000,000/- but does not exceed Rs.5,000,000/-	6,000/-
Exceed Rs.5,000,000/- but does not exceed Rs.10,000,000/-	15,000/-
Exceed Rs.10,000,000/- but does not exceed Rs.15,000,000/-	25,000/-
Exceed Rs.15,000,000/-	40,000/-

(4) Where such business in respect of which a licence duty to be imposed is in its first year of operation, the licence duty shall be determined and levied based on the annual value of the premises in which such business is being carried on and the duty so payable shall, where the annual value of such premises is as specified in Column I set out below, not exceed the sum as set out in the corresponding entry in Column II :-

Column I

Column II

Annual value	Licence duty payable
Does not exceed Rs.10,000/-	2,000/-
Exceed Rs.10,000/- but does not exceed Rs.100,000/-	6,000/-
Exceed Rs.100,000/- but does not exceed Rs.1,000,000/-	15,000/-
Exceed Rs.1,000,000/- but does not exceed Rs.10,000,000/-	25,000/-
Exceed Rs.10,000,000/-	40,000/-

(4) (a) Notwithstanding anything to the contrary contained in any other law, the licence holder shall be required to furnish :-

- (i) a copy of a statement of Accounts to the Urban Council before 30th November of the succeeding accounting year; and
- (ii) where the such licence holder is liable to declare his income to the Department of Inland Revenue, he shall be required to submit a copy of the income declaration that was submitted to the Commissioner General of Inland Revenue to the Urban Council.

(b) The failure to furnish such statements referred to in paragraph (a) shall be an offence punishable with a fine not exceeding fifteen thousand rupees and in case of a continuing offence, to a further fine not exceeding five hundred rupees for each day in which the offence is continued to be committed after conviction.

(c) For the purpose of this section the term “business” includes any trade or the business of a manufacturer or of any person taking commission or fees in respect of any transaction or services rendered or the business of an independent contractor, but does not include the occupation of selling articles, goods or materials at a private fair or the occupation of maintaining an education establishment or school to which grants from State funds are paid or to which such grants were earlier paid but at present are not being paid.”

Replacement
of section
165A of the
principal
enactment.

49. Section 165A of the principal enactment is hereby repealed and the following new section is substituted therefor :-

“Tax on
certain
business.

165A. (1) An Urban Council may subject to the succeeding provisions of this section impose and levy a tax on any business carried on within the administrative limits of that Urban Council.

(2) An Urban Council shall not impose and levy a tax under subsection (1) for any business in respect of which a licence duty is imposed under this ordinance or any by laws made thereunder.

(3) The tax levied under subsection (1) shall be an annual tax determined by the Council based on the **annual turnover** of the business being carried on and having regard to -

(a) profit that is likely to be earned in such business; and

(b) essential nature of the goods or services supplied in the course of such business.

(4) The **tax** so levied is based on the annual turnover of the business for the year preceding the year in which such tax is payable, at such rates not exceeding the rates as set out below and the **tax** so levied shall not exceed *one per centum* of such annual turnover or fifty thousand rupees, whichever the sum is less:-

<u>Column I</u>	<u>Column II</u>
Annual Turnover of the business	Tax payable
<u>Column I</u> Annual Turnover of the business	<u>Column II</u> Tax payable
Does not exceed Rs.100,000/-	Nil
Exceed Rs.100,000/- but does not exceed Rs.1,000/-	2,000/-
Exceed Rs.1,000,000/- but does not exceed Rs.5,000,000/-	6,000/-
Exceed Rs.5,000,000/- but does not exceed Rs.10,000,000/-	15,000/-
Exceed Rs.10,000,000/- but does not exceed Rs.15,000,000/-	25,000/-
Exceed Rs.15,000,000/-	40,000/-

(5) Where such business is in its first year of operation, the amount of tax shall be determined and levied based on the annual value of the premises in which such business is being carried on, and the tax so payable shall, where the annual value of such premises is as specified in Column I set out below, not exceed the sum as set out in the corresponding entry in Column II :-

Column I

Column II

Annual value	Licence duty payable
Does not exceed Rs.10,000/-	2,000/-
Exceed Rs.10,000/- but does not exceed Rs.100,000/-	6,000/-
Exceed Rs.100,000/- but does not exceed Rs.1,000,000/-	15,000/-
Exceed Rs.1,000,000/- but does not exceed Rs.10,000,000/-	25,000/-
Exceed Rs.10,000,000/-	40,000/-

(6) (a) Notwithstanding anything to the contrary contained in any other law, the person who carries on such business shall be required to furnish :-

(i) a copy of the statement of Accounts to the Urban Council before thirty first March of the next accounting year; and

(ii) where such person is liable to declare his income to the Department of Inland Revenue, he shall be required to submit the copy of the income declaration that was submitted to the Commissioner General of Inland Revenue.

(b) The failure to furnish the statements referred to in paragraph (a) shall be an offence punishable with a fine not exceeding fifteen thousand rupees and in case of a continuing offence, to a further fine not exceeding five hundred rupees for each day in which the offence is continued to be committed after conviction.

(7) The tax levied under subsection (1) shall be payable by any person who carries on such business or

industry on such date as may be determined by the Urban Council and notified by publication of a Notice in the *Gazette*.

(8) If any person liable to pay the tax leviable under this section fails to pay such tax within seven days after demand, the Secretary shall report such failure to the Magistrate's Court having jurisdiction over the area in which the Urban Council is situated. The Court shall proceed to recover the amount due as if it were a fine imposed by Court, notwithstanding that such amount exceeds the amount of fine which a Magistrate may impose in the exercise of his ordinary jurisdiction, and the amount so recovered shall be paid into the Fund of the Urban Council.”.

(9) For the purpose of this section, the term “business” shall have the same meaning as given to such term in section 164.

Repeal of section 165AA of the principal enactment.

50. Section 165AA of the principal enactment is hereby repealed.

Repeal of section 165B of the principal enactment.

51. Section 165B of the principal enactment is hereby repealed and the following section is substituted therefor :-

“Tax payable by business persons not paying licence duty or tax.

165B. (1) An Urban Council may by resolution impose and levy annually on every person who within the administrative limits of such Council carries on any business for which no licence is necessary under the provisions of this Ordinance or under any by-law made thereunder or no tax is necessary to be payable under section 165A, a tax according to the annual turnover of

the business for the year preceding the year in which such tax is payable at such rates not exceeding the rates set out below :-

<u>Column I</u>	<u>Column II</u>
Annual Turnover of the business	Tax payable
<u>Column I</u> Annual Turnover of the business	<u>Column II</u> Tax payable
Does not exceed Rs.100,000/-	Nil
Exceed Rs.100,000/- but does not exceed Rs.1,000/-	2,000/-
Exceed Rs.1,000,000/- but does not exceed Rs.5,000,000/-	6,000/-
Exceed Rs.5,000,000/- but does not exceed Rs.10,000,000/-	15,000/-
Exceed Rs.10,000,000/- but does not exceed Rs.15,000,000/-	25,000/-
Exceed Rs.15,000,000/-	40,000/-

(2) The provisions of subsection (1) shall not apply to itinerant vendors who do not carry on business at fixed places or do not for the purposes of such business establish themselves on any public road or other public place.

(3) The Urban Council may by resolution impose and levy annually on every person, company, joint venture and on every person who practices any profession within the administrative limits of such Council, a tax of an amount not exceeding such amount as shall be specified by the Minister by regulation as the maximum amount of tax which the Council may so impose and levy.

(4) (a) Notwithstanding anything to the contrary contained in any other law, the person who carries on any business referred to in the preceding provisions shall be required to furnish :-

(i) a copy of a statement of Accountants to the Urban Council before thirty first March of the next accounting year; and

(ii) where such person is liable to declare his income to the Department of Inland Revenue, he shall be required to submit a copy of the declaration of income that was submitted to the Commissioner General of Inland Revenue.

(b) The failure to furnish statements referred to in paragraph (a) shall be an offence punishable with a fine not exceeding twenty five thousand rupees and in case of a continuing offence, to a further fine not exceeding one thousand rupees for each day in which the offence is continued to be committed after conviction.

(5) For the purpose of this section, the term “business” shall have the same meaning as given to such term in section 164.

(6) (a) A person liable to pay a tax under this section who fails to pay such tax within one day on written notice by the Urban Council commits an offence and shall on conviction by the Magistrates Courts be liable to a fine not exceeding five thousand rupees in addition to the amount of tax payable.

(b) The entire amount recovered by the Courts under paragraph (a) shall be paid to the Fund of the Urban Council.

Insertion of new section 165BB in the principal enactment.

52. The following new section is hereby inserted immediately after section 165B of the principal enactment and shall have effect as section 165BB of that enactment :-

“Levy on advertisement.

165BB. (1) An Urban Council may by resolution, impose and levy annually, a licence **duty** for the purpose of regulate and control of advertisement displayed or exhibited so as to be visible from any thoroughfare within the administrative limits of that Urban Council in the manner specified in subsection (2).

(2) Where the square area of the advertisement falls within the limits specified in Column I of the Schedule set out below, the tax imposed or levied shall not exceed the sum specified in the corresponding entry in Column II of that Schedule :-

Schedule

<u>Column I</u>	<u>Column II</u>
Square area	Tax imposed
Less than 1 sq.m.	Rs.5,000/-

1 - 3 sq.m.	Rs.10,000/-
3 - 5 sq.m.	Rs.20,000/-
5 - 10 sq.m.	
Over 10 sq.m.	Rs.100,000/-
	Rs.200,000/-

Provided further that, the preceding provision of the Act shall not apply to any of the following advertisements ... as PS Act.

Amendment of section 165D of the principal enactment.

52A. Section 165D of the principal enactment as amended by Act, No. 39 of 1986 is hereby further amended by the addition at the end of that section of the following new subsections:-

“(3) An auctioneer or a broker or the servant or agent of an auctioneer or a broker, shall be required to furnish on or before the 31st of March of the year following the year in which any land was sold by auction or otherwise, a statement specifying the commission or fee received or is receivable by him, for any transactions effected in connection with such sale.

(4) An auctioneer or broker or the servant or agent of an auctioneer or broker who fails to furnish the statement as required under subsection (3), shall be guilty of an offence and the Secretary shall report such failure to the Magistrate’s Court having jurisdiction over the area of such Urban Council. On conviction, such person shall be liable to a fine of ten thousand rupees and in the event of a continuing offence, to an additional fine of one hundred rupees for each day in which the offence is continued to be committed after such conviction.”.

Amendment of section 171 of the principal enactment.

53. Section 171 of the principal enactment is hereby amended by the substitution for the words “fifty rupees” thereof, of the words “five hundred rupees”.

Amendment of section 176 of the principal enactment.

54. Section 176 of the principal enactment is hereby amended by the addition at the end of that section of the following new subsection :-

(4) (a) The Chairman shall, at each general meeting of the Council, submit an up dated statement of Accounts of the Council Fund for the period commencing from the date of commencement of the current financial year and up to the close of the month preceding the month in which the meeting takes place.

(b) A copy of the Financial statement referred to in paragraph (a) together with the minutes of the general meeting shall be forwarded to the Commissioner forthwith and shall be published in the Gazette.

Replacement of section 177 of the principal enactment.

55. The principal enactment is hereby amended by the repeal of section 177 and substitution therefor of the following section :-

“Preparation and publication of annual Accounts.

177. (1) The Chairman of an Urban Council shall furnish in writing a proper statement of accounts of the Urban Council for the period of twelve months commencing from first day of January each year and ending on the 31st day of that year, before the 30th April of the following year.

(2) The Chairman shall seek the assistance of the Secretary of the Council for the furnishing of the Accounts and it shall be the duty of the Secretary to provide all such required assistance.

(3) The Council may with the sanction of the Commissioner, vary the accounting period referred

to in subsection (1).

(4) The statement of Accounts shall be certified by a qualified auditor as true and accurate and it shall be kept open for the inspection by any resident within the administrative limits of such Urban Council.

(5) An abstract of the statement of Accounts shall be published in one local daily news paper published in Sinhala, Tamil and English languages before 1st day of January or any other date as may be determined by the Council with the sanction of the Commissioner.

178A the Chairman to resign from the office with effect of not passing the budget by the Council

Amendment of section 180 of the principal enactment. 56. Section 180 of the principal enactment is hereby amended by the repeal of subsection (1) thereof and substitution therefor of the following subsection :-

“Annual Report. 180. (1) The Chairman of every Urban Council shall at the end of each financial year publish a detailed report of the administrative activities of the Council during such financial year, with a statement showing the nature and amount of receipts and disbursements on accounts of the local fund during that financial year, on or before 30th June of the following year.

Amendment of section 193 of the principal enactment. 57. Section 193 of the principal enactment is hereby amended in subsection (2) thereof by the repeal of paragraph (2) of that subsection and substitution therefore of the following paragraph :-

“(2) For prescribing the powers duties and

functions of the Chairman in his capacity as the Chief Executive Officer, and the Secretary in his capacity as the Chief Administrative Officer, of the Urban Council.

Replacement
of
section 194 of
the
principal
enactment.

58. Section 194 of the principal enactment is hereby repealed and the following new section is substituted therefor :-

“Approval of
rules.

194. (1) Every rule made by the Minister shall be published in the *Gazette*, and shall come into operation on the date of such publication or on such later date as shall be specified in the rule.

(2) Every rule made by the Minister shall as soon as convenient after its publication in the *Gazette*, be brought before Parliament for its approval.

(3) Any rule which is not so approved shall be deemed to be rescinded as from the date of such disapproval, but without prejudice to anything previously done thereunder.

(4) The date on which any rule shall be deemed to be rescinded, shall be published in the *Gazette*.

(5) Every rule made by the Minister shall after approval of the Parliament, be as valid and effective as if it were enacted under this ordinance, and shall prevail over any by law made by the Urban Council, in respect of the same matter or for the same purpose.

Replacement

59. The principal enactment is hereby amended by the repeal of

of section 198 and the substitution therefor of the following new section :-
section 198 of
the
principal
enactment.

“Commissioner
s
Report. 198.(1) The Commissioner shall prepare and transmit to the Chairman of each Urban Council a report containing a general survey of the affairs of the Council in each year, on or before 30th July of the following year.

(2) The Chairman shall table the Commissioners report at the next meeting of the Council held immediately after receipt of such report, for the information of the members of the Council.

Amendment of section 249 of the principal enactment.

60. Section 249 of the principal enactment is hereby amended by the substitution for the definition of “principal thoroughfare” of the following definition :-

“principal thoroughfare” means a national highway, an expressway, and a user free national highway declared under sections 8, 9 and 10, respectively of the National Thoroughfares Act, No. 40 of 2008.

Amendment of the Fourth schedule of the principal enactment.

60A. The fourth schedule of the principle enactment is hereby repealed and the following new schedule is substituted therefor:-

Fourth Schedule (Section158)

All fines and penalties recovered by an Pradeshiya Sabha or by a Magistrate Court having jurisdiction over the Pradeshiya

Sabha area, in respect of breaches, committed within that area, under this Act or any repealed enactment, in the performance of the duties or exerciser of the powers of the Pradeshiya Sabha under this Ordinance or any repealed enactment **and** of the following provisions of written law or any by-laws, rules or regulations made thereunder as the case may be:--

Column I	Column II
The Auctioneers and Brokers Ordinance	Any offence under the Ordinance
The Boats Ordinance	Any offence under the Ordinance
The Brothels Ordinance	Any offence under the Ordinance
The Brad Ordinance	Any offence under the Ordinance
The Butchers Ordinance	Any offence under the Ordinance
The Cemeteries and Burials Ordinance	Any offence under the Ordinance
The Census Ordinance	Any offence under the Ordinance
The Contagious Diseases Ordinance	Any offence under the Ordinance

The Contagious Diseases (Animal) Ordinance	Any offence under the Ordinance
The Excise Ordinance	Any offence under the Ordinance
The Gaming Ordinance	Any offence under the Ordinance
The Gas Meter Ordinance	Any offence under the Ordinance
The Motor Traffic Act	Any offence under the Act
The nuisances Ordinance	Any offence under the Ordinance
The Penal Code	Section 257, 258, 259
The Police Ordinance	Any offence under the Ordinance
The Prevention of Cruelty to Animals Ordinance	Any offence under the Ordinance
The Quarries Ordinance	Any offence under the Ordinance
The Rabies Ordinance	Any offence under the Ordinance
The Crown Lands Ordinance	Any offence under Part VIII of the

	Ordinance	
The Surveyors Ordinance	Any offence under the Ordinance	
The Thoroughfares Ordinance	Any offence under the Ordinance	
The Tools Ordinance	Any offence under the Ordinance	
The Vaccination Ordinance	Any offence under the Ordinance	
The Vagrant Ordinance	Any offence under the Ordinance	
The Vehicles Ordinance	Any offence under the Ordinance	
The Weights and Measures Ordinance	Any offence under the Ordinance	
The Wells and Pits Ordinance	Any offence under the Ordinance	
The Food Act	Any Offence under the Act	
The Medical Ordinance	Offence under section 54 of the Ordinance	
The State gem corporation Act	Any Offence under the Act	

The Felling of trees Act (control) Any Offence under the Act

The Fauna and Flora protection Act Any Offence under the Act

The Environmental authority Act Any Offence under the Act

(2) Where any person liable to pay a fine imposed under subsection (1) fails to pay the same, the Municipal Magistrate shall proceed to recover the amount of fine and the amount so recovered shall be paid in to the Municipal Fund.”.

Sinhala text to prevail in case of in consistency.

61. In the event of any inconsistency between and Sinhala and Tamil texts of this Act, the Sinhala text shall prevail.