

Government Notifications

The Strategic Development Projects Act, No. 14 of 2008

BY VIRTUE of the powers vested in me under Section 4F of the Strategic Development Projects Act, No. 14 of 2008, read with section 3 of the said Act, I, Anura Kumara Dissanayake, Minister of Finance, Planning and Economic Development, do by this Regulation prescribe the eligibility criteria and the exemptions or concessions set out in the Schedule hereto.

2026-02-08
Anura Kumara Dissanayake,
Minister of Finance, Planning and
Economic Development

Ministry of Finance, Planning and Economic Development,
Colombo 01.

February 08, 2026.

SCHEDULE

Table: Eligibility Criteria for a project to be identified as a Strategic Development Project and Applicable Tax Concessions

Category (I)	Sectors (II)	Investment - USD Million (III)	Minimum Local Job Creation (IV)	No. of years of Tax Holiday (Corporate Income Tax) (V)	CID/VAT/PAL/CESS Exemptions (VI)
A	Infrastructure	More than 50 but not exceeding 150	100	6	During Project Implementation period for importation of Capital Goods and Construction Materials.
	Services & Utilities	More than 150 but not exceeding 300	100	8	
	Tourism & Leisure excluding casinos and any form of betting and gaming	More than 300	100	10	

Category (I)	Sectors (II)	Investment - USD Million (III)	Minimum Local Job Creation (IV)	No. of years of Tax Holiday (Corporate Income Tax) (V)	CID/VAT/PAL/CESS Exemptions (VI)
B	Manufacturing	More than 50 but not exceeding 100	250	5	During Project Implementation period for importation of Capital Goods and Construction Materials.
		More than 100 but not exceeding 150	250	8	
		More than 150	250	10	
C	Agriculture	More than 50 but not exceeding 100	50	5	
	Educational, Technological Establishments, Information Communication Technology	More than 100 but not exceeding 150	50	8	
		More than 150	50	10	

For the purposes of this Regulation;

1. Corporate Income Tax exemptions specified in Column (V) of the Table above, shall apply to all gains and profits of a Strategic Development Project, as determined in accordance with the Inland Revenue Act, No. 24 of 2017, and such exemption shall commence from the date of commencement of commercial operations;
2. CID - Customs Import Duty imposed under the Customs Ordinance (Chapter 235)
VAT - Value Added Tax imposed under the Value Added Tax Act, No 14 of 2002
PAL - Ports and Airports Development Levy imposed under the Ports and Airports Development Levy Act, No 18 of 2011
CESS – A cess imposed under the Sri Lanka Export Development Act, No 40 of 1979
3. Importation of motor vehicles intended for travelling or personal use shall not be exempted under Column (VI) of the Table given above.

4. The project shall be liable to pay taxes in terms of the provisions of the relevant laws for the time being in force, after the expiry of the tax exemption period.
5. Project Implementation period shall be the period commencing from the date as stipulated in the agreement entered with the Board of Investment of Sri Lanka and the enterprise and ending on the date of the commencement of commercial operations as certified by the Board of Investment of Sri Lanka.