

Sri Lanka

Summary of CbC Reporting and Transfer Pricing Documentation Rules

For more detailed guidance and the latest updates, please see the [Bloomberg Tax BEPS Tracker](#).

This summary reflects the regulations published in the Gazette Extraordinary 2217/7 on March 02, 2021, which rescind regulations published in the Gazette Extraordinary No. 2104/4 on December 31, 2018 (the 2018 regulations included CbC rules effective for fiscal years beginning on or after April 1, 2019 and Master File/Local File and TP Disclosure rules effective for fiscal years beginning on or after April 1, 2018).

Country-by-Country Report

- Effective Date: Fiscal years beginning on or after April 1, 2020.
- Filing Threshold: Ultimate parent entity of an MNE Group that is a tax resident in Sri Lanka if the consolidated group revenue is equal to or exceeds €750 million (or its equivalent in LKR) in the previous fiscal year.
- Local Filing: A constituent entity which is not the ultimate parent entity is required to file a CbC report if certain conditions are met.
- Information Reported: Consistent with OECD guidance.
- Language: English is acceptable.
- Forms/Filing Instructions:
 - CbC Notification of Reporting Entity: Filed with Commissioner General via regular mail or email.
 - CbC Report: Standard template provided in regulations / Filed with Commissioner General.
- Deadline for Filing Notification of Reporting Entity: By December 31st of the reporting fiscal year.
- Deadline for Filing CbC Report: Within 12 months after the last day of the reporting fiscal year.
- Penalties: General tax penalties may apply for non-submission/disclosure of information.
- Exchange of Information:
 - MCAA CbC: not yet signed.

For a schedule of CbC report and CbC notification deadlines (by country), please see [CbC Reporting Deadlines](#).

Master File

- Effective Date: Fiscal years beginning on or after April 1, 2020.
- Filing Threshold: Enterprises with group revenue exceeding €50 million (or its equivalent in LKR) for each year of assessment.
- Information Reported: Consistent with OECD guidance.
- Language: English.
- Deadline for Submission: Within 60 days of a written request by the Commissioner General of Inland Revenue.
- Penalties: General tax penalties may apply for non-compliance.

Local File

- Effective Date: Fiscal years beginning on or after April 1, 2020.
- Filing Threshold: Enterprises that carry out aggregate controlled transactions with associated enterprises that exceed LKR 200 million for each year of assessment.
- Information Reported: Generally consistent with OECD guidance, with additional information required (including additional financial information).
- Language: English.
- Deadline for Submission: Within 60 days of a written request by the Commissioner General of Inland Revenue.
- Penalties: General tax penalties may apply for non-compliance.

Transfer Pricing Disclosure

Enterprises that carry out aggregate controlled transactions with associated enterprises that exceed LKR 200 million during a year of assessment must prepare a Transfer Pricing Disclosure Form and file it with the Return of Income.