

16<sup>th</sup> May 2024

Ref: SEC/DG/2024/05/129

**ADMINISTRATIVE CHARGES FOR PROCESSING OFF-THE-FLOOR TRANSFERS**

With reference to the letter from the Inland Revenue Department dated May 08, 2024, pertaining to the Reactivation of VAT Registration, we wish to advise that the administrative charges for processing Off-the-Floor Transfers will be subject to 18% Value Added Tax (VAT), effective from May 3, 2024. The following charges which are currently applicable will continue.

- Single Account to Joint Account - A flat fee of Rs. 1,000/=
- Data Entry Errors - A flat fee of Rs. 1,500/=
- Margin Trading - A flat fee of Rs. 1,000 or 0.01% of value of the portfolio, whichever is higher subject to a maximum limit of Rs. 10,000/=
- Financial Facility -do-
- Change of Custodian Bank/Financier/ Trustee -do-
- All Other Categories – such as Gifting, Transfer to a Trust, Termination of a Trust, Re-constitution of a Company, Re-structuring, De-listing, Mandatory Offers, Voluntary Offers- 0.05% of the value of securities on the preceding date of the application with an exemption for applications below a security valuation of Rs. 2 Million. A maximum limit of Rs. 2.5 Million for corporate clients and Rs. 1 Million for individuals.

Sincerely,

Chinthaka Mendis  
**DIRECTOR GENERAL**  
mw/la