

Dear Sir/Madam,

Withholding Tax on Deposit Interest

We apprise our valued customers of the fresh guidelines issued to all Banks and other Financial Institutions by the Department of Inland Revenue on the new provisions relating to Withholding Tax on interest, which came into effect from 1st April 2009.

Under these provisions:-

1. The current Withholding Tax rate is 10% of the interest paid.
2. An individual or charitable institution makes a declaration in writing to the Branch of the Bank that the assessable income (Total income including interest but excluding exempt income) for the year assessment does not exceed Rs.300,000/- , a tax deduction will not be made from interest for that year of assessment. Where the assessable income exceeds Rs.300,000/- but does not exceed Rs.1,000,000/- tax will be deducted at 2.5% from such interest for that year of assessment .

If you may qualify under item 2, we shall thank you to return the attached format duly furnished which would be valid only for the year of assessment starting from 01 April 2009 to 31 March 2010 in order to avoid any tax being recovered. Kindly note that the declaration given by you prior to 01 April 2009 will not be valid. Hence, fresh declaration has to be submitted as per attached format.

We shall thank you for your past confidence in us and hope for its continuance in future.

Yours faithfully,

Sgd
Manager - Operations

Department of Inland Revenue
Declaration in terms of Section 133 of the Inland Revenue Act.

To : Manager - Sampath Bank PLC
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Account No's: (1)
(2)

YEAR OF ASSESSMENT

DECLARATION (Individuals)

I hereby declare that.

1. The Assessable Income (Total Income excluding exempt income) for the above year of assessment is less than Rs.300,000/-*
2. The Assessable Income (Total income excluding exempt income) for the above year of Assessment is more than Rs.300,000/- but less than Rs.1,000,000/- *
3. The Assessable Income (Total income excluding exempt income) for the above year of Assessment is more than Rs.1,000,000/- *
4. Tax File No: (If any)
5. National Identity Card No:

I hereby further declare that the declaration made by me is true and correct.

Date
(* Please delete the statements not relevant)

Signature of the Declarer