

BY COURIER

Hon. Attorney General
Attorney General's Department
Hultsdorp
Colombo 1.

Attn: Mr. Harsha Fernando
Senior State Counsel

NOTE

Consent Motion - CA Writ Application No. 1661/2003

I bring to your kind attention that the Auditor General had deemed that he stood bounden in duty to have recently submitted a 'Special Report' to Parliament on the 'Audit on the Management of Government Tax Revenue', reporting on an enormous loss of Government Tax Revenue; and, *inter-alia*, in respect of which, I forwarded the attached Letter, the contents of which are self-explanatory and pertinent. Copy of my Letter dated 20.6.2005 referred to at paragraph 3 on page 4 of my aforesaid Letter is also annexed. I understand that after having been discussed in Parliament, the matter is to be dealt with by the Public Accounts Committee of Parliament.

The said Special Audit Report submitted to Parliament by the Auditor General is very revealing and only underscores the need for and warrants the giving effect to the terms of the Consent Motion forwarded to be entered into in the pending Writ Application No. 1661/2003 in the Court of Appeal, a copy of which is attached.

The Consent Motion is in the background of the repeal of the Tax Amnesty, which had been determined by the Supreme Court to have defrauded public revenue causing extensive loss to the State, and that it is to be borne in mind that public revenue is held by the government in trust on behalf of the people. No legitimacy or legitimate expectation would flow in the circumstances of such fraud, moreso particularly perpetrated in relation to public revenue.


Nihal Sri Ameresekere

29th August 2006

cc: Commissioner General of Inland Revenue
Director General of Customs
Director General of Excise
Controller of Imports & Exports
Controller of Exchange,
Chairman, Commission to Investigate Allegations
of Bribery or Corruption

Auditor General