

## **Book Review – Taxation, Fiscal Policy and the Economy in Sri Lanka**

By D. D. M. Waidyasekera, (Publishers: Stamford Lake (Pvt) Ltd) Review by Dr Saman Kelegama  
View(s):

This book consists of a collection of essays dealing with taxation and fiscal policy issues in relation to the economic development strategies pursued in Sri Lanka over time. Written by the author over several phases, they can be categorized broadly as being of three types namely, articles written to and published in various journals, books, magazines and newspapers both in Sri Lanka and abroad; secondly, presentations made at various conferences and seminars both national and internationally; and thirdly, studies and papers on specific issues and topics made by the author at different times.

The contents are divided into four parts. Part I deals with taxation and fiscal policy trends and issues including tax reforms and administration particularly in relation to development strategy covering different periods ranging from 1959 to 2012. Part 2 concentrates on specific issues in taxation and finance such as provincial finance, value added tax, stamp duty, taxation of dividends, tax amnesties and mobilization of decentralized revenue among others. Part 3 deals with economic issues and policy studies on various subjects ranging from land reform in Sri Lanka, the non-plantation agricultural sector, unemployment and underemployment, banking, the gem industry and includes a theoretical exposition of the economics of Joan Robinson. The final Part 4 consists of topics of a miscellaneous character such as a Revenue Ombudsman, taxation of gambling, casinos and racing in the Philippines, etc.

An assortment of various topics, they provide an insight into the author's varied fields of study pertaining to economic issues as he specialized in Economics in the University of Ceylon, Peradeniya during its early days under Sir Ivor Jennings as Vice Chancellor as confirmed in the Foreword written by the President of the Sri Lanka Economic Association, Prof. A. V. De S. Indraratna — his lecturer and Sub – Warden in charge of Marris Hall at the time. A former Commissioner of Inland Revenue and Secretary to the 1990 Presidential Taxation Commission, the author is currently the President of the Sri Lanka Institute of Taxation and is also closely associated with the Tax Faculty of the Institute of Chartered Accountants and the Institute of Policy Studies of Sri Lanka.

Unlike topics relating to such spheres as science, literature, art, philosophy, etc., issues relating to economics, fiscal policy and taxation are generally mainly of current interest and due to rapidly changing circumstances tend to become outdated or obsolete over time. Hence quite a number of issues examined in the book may appear to be outdated. Further, written to different books and journals both national and international at different times there appear to be considerable overlapping and repetition. These are some of the critical aspects that strike a reader and reviewer of the book and perhaps, it may have been useful if an attempt had been made by the author to bring some of the issues dealt with up to date.

The rationale for most of the articles to stand on their own without alteration, as explained, is that they provide an insight into the issues that appeared important and relevant at the time and hence provides an analysis and data that could assist in understanding the process of the evolution of fiscal policy, taxation and the economy in Sri Lanka over the years.

The book is very comprehensive in coverage of the subject and would be of assistance and interest to economic historians, policy makers, tax experts, student and administrators alike.