

PRESS BRIEFING

TAXPAYER BURDEN & THE URGENCY OF SOE REFORMS

ADVOCATA

SOELH

Taxpayer Burden and the Urgency of State Owned Enterprise Reform

03 April 2024

ADVOCATA INSTITUTE



ADVOCATA
www.advocata.org

Cumulative loss per taxpayer



Cumulative loss of key 52 SOEs in 2022	→	LKR 744.6 billion
Total registered taxpayers (as at 31.12.2022)	→	437,547
Loss per registered taxpayer	→	LKR 1.7 million

Sources: Ministry of Finance Annual Reports

Sri Lanka Inland Revenue Department Annual Report 2022

Cumulative loss per citizen



Cumulative loss of key 52 SOEs in 2022	→	LKR 744.6 billion
Total population of Sri Lanka	→	21.9 million
Loss per citizen	→	LKR 33,949

*Sources: Ministry of Finance Annual Reports
United Nations, World Population Prospects*

Cumulative loss per household



Cumulative loss of key 52 SOEs in 2022 → **LKR 744.6 billion**

Number of households → **5,251,126**

Loss per household → **LKR 141,809**

Sources: Ministry of Finance Annual Reports

Department of Census and Statistics, Census of Population and Housing 2012

Cumulative loss vs tax income



Cumulative loss of key 52 SOEs in 2022 → **LKR 744.6 billion**

Income tax revenue 2022 → **LKR 524.5 billion**

Estimated Income tax revenue 2024 → **LKR 668.4 billion**

Estimated PAYE tax revenue 2024 → **LKR 160 billion**

*Sources: Ministry of Finance Annual Reports
Sri Lanka Inland Revenue Department Annual Report 2022
Ministry of Finance 2024 Approved Detailed Budget Estimates*

ADVOCATA

Transparency and Governance

	Annual Reports		Right to Information	
	Have Annual Reports for the last five years been tabled in Parliament?	Does the Annual Report include the mandatory provisions set out in the Public Enterprise Department guidelines	Is the information pertaining to the RTI officer available on the website?	Does the SOE respond to an RTI within the timeframe specified in the Act?
Yes	1	14	19	18
No	43	2	33	34
Partially	8	36	0	0
Total	52	52	52	52

Source: Advocata Institute, SOEs in Sri Lanka a Governance and Consolidation Plan

Transparency and Governance

	Auditing Standards
Unqualified	10
Qualified	32
Disclaimer	9
Total	51

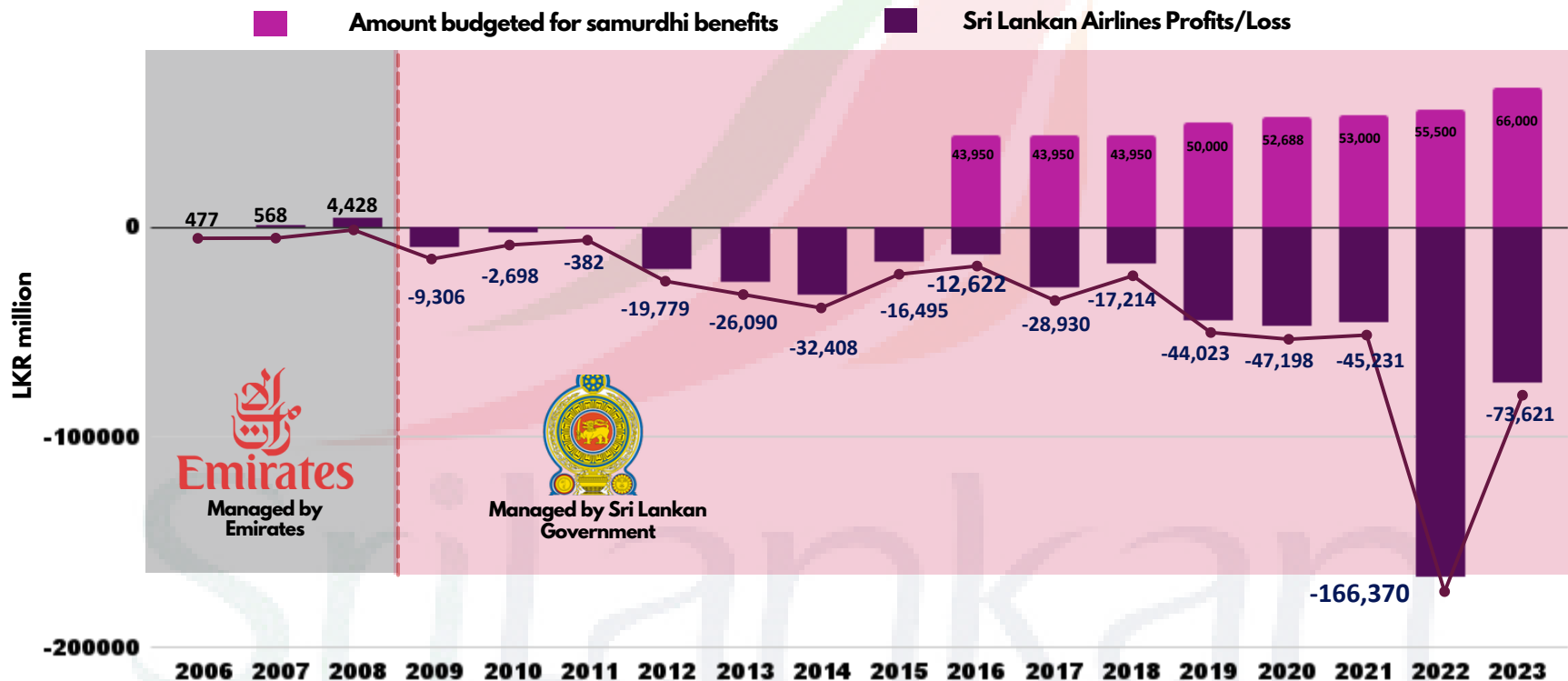
Unqualified - When the auditor concludes that the financial statements give a true and fair view in accordance with the identified financial reporting framework.

Qualified - When the auditor concludes that an unqualified opinion cannot be expressed but that the effect of any disagreement with management, or limitation on scope is not so material and pervasive as to require an adverse opinion or a disclaimer of opinion.

Disclaimer - When the possible effect of a limitation on scope is so material and pervasive that the auditor has not been able to obtain sufficient appropriate audit evidence and accordingly is unable to express an opinion on the financial statements

Sri Lanka Airlines (Company) Profit/Loss VS

Budgeted Expenditure For Samurdhi Benefits



Source:
Sri Lanka Airlines Annual Reports
Social safety net budgeting - Ministry of Finance