THE FINANCIAL LAW NO. (8) OF 1990

AND AMENDMENTS IN ACCORDANCE TO LAW NO. (50) OF 1999

AND AMENDMENT OF SOME EXECUTIVE BYLAW ARTICLES ISSUED BY MINISTERIAL RESOLUTION NO. (1034) OF 1999

STATEMENT OF THE MINISTER OF FINANCE
Alawi Saleh Al-Salami

The state of unification since its declaration in the 22nd of May 1990 cared to take effective measures to integrate and consolidate the effective regulations and laws implementing the directions of our rational political leadership of Marshal/ Ali Abdulla Saleh, the President of the Republic.

The Ministry of Finance was pioneer to achieve these directions where it issued the financial law No. (9) of 1990 which is considered a fruit of the Republic of Yemen declaration and by this law those financial systems which govern the preparation and implementation of the public budgets of the state were consolidated and enacted on the basis of scientific principles and modern accounting methods.

The executive bylaw of the financial law issued by the Ministerial resolution No. 70 of 1991 and the ministerial resolution No. 1034 of 1999 reflected the provisions that should be followed in preparing and implementing the public budgets.

From our interest to facilitate the task of those implementing the provisions of this law and its executive bylaw the Ministry of Finance has pleasure to put into the hands of those concerned and researchers a compiled version of the provisions of the financial law No. (8)of 1990 and law No. (50) of 1999 as well as its executive bylaw issued by the Ministerial Resolution No. (70) of 1991 and the Ministerial Resolution No. (1034) of 1999 to be a reference for implementation and research.

Minister of Finance
Alawi Saleh Al-Salami

LAW NO. (8) OF 1990 CONCERNING THE FINANCIAL LAW AND ITS AMENDMENTS IN ACCORDANCE TO LAW NO. (50) OF 1999

In the name of people,
The President of the Republic,
By review of the Republic of Yemen Constitution,
Law No. (8) of 1990 concerning the Financial Law,
And after approval of the Parliament,

The following law is promulgated :

CHAPTER ONE
Purview of Law Effectiveness

ARTICLE (1):

The provisions of this law apply to all ministries, government authorities and bodies and different organs and branches contained by the public budget of the state including all administrative units and local councils covered by the governorates budgets.

The same provisions apply to all economic units of the public and mixed sectors and units of independent and annexed budgets unless the incorporation laws stipulate the contrary.

The provisions of this law apply also to wherever there is no special provision applied to those bodies which incorporation laws include special rules, provisions and regulations.

ARTICLE (2):

The following definitions wherever indicated shall have the meanings opposite to each unless the context requires another meaning :

Public Budgets :	Comprehensive tables of all revenues assessed to be collected and all expected expenditures to be spent during a financial year.
The State Public Budget :	Budgets of Ministries and alike as well as public authorities and bodies and different organs and branches included by the budgets of administrative units and local councils.
Budgets of economic units :	Planned budgets of the public sector units which their capital is totally owned by the State as well as mixed units where the government contributes to their capital.
Independent and annexed budgets :	Budgets of units not included in the public budget of the State and budgets of economic units.

Trial Balance : The periodic statement (monthly / quarterly / annual) which includes the balances of movement of open accounts of books in general.

State Treasury : The State Account with the Central Bank (revenues / expenditures).

Depreciation : The gradual decrease in the value of assets by reason of ancientness or use or obsolescence during the financial year.

Financial year : Twelve months starting the 1st January and ending by the end of December.

Depreciation rate : A rate by which the depreciation installment is counted in accordance to the resolution of the Minister of Finance.

Obsolescence : The elapse of a legally defined time duration entailed by the end of the financial rights and the devolution of the private rights of individuals, companies and institutions to the treasury of the state as well as the end of the financial rights of the state.

Consolidated accounting system : The accounting system issued by a resolution of the Prime Minister.

The Monetary Basis : The accounting basis on which the preparation of the budget of any financial year including estimates of revenues and expenditures is based during that year as well as charging the final account of that budget by the actual collected revenues and the spent expenditure notwithstanding whether those revenues and expenditures pertain to the same financial year or a previous or later year.

Accrual Basis : The accounting basis on which the preparation of the budget for any financial year including estimates of revenues and expenditures are based during that year as well as charging the final account of that budget by revenues and expenditures notwithstanding whether those revenues were collected or not or those expenditures were spent or not.

Administrative Unit : The organs of the local authority.

Government Accounting : The set of accounting provisions, rules, measures and basis followed in preparation and implementation of the

	State public budget and its final accounts.
Economic Classification of the State Public Budgets Accounts :	A summary translation of all financial and accounting data and information representing a system of the pyramidal numbers sequence of accounts and design in a way commensurate with the nature of processes and activities of preparing and implementing the public budgets of one hand and achieving the current objectives and requirements of the public budget of the other hand.
The Government General Account :	The account which presents the actual revenues and expenditures of the State and the balance representing the surplus or deficit of the government financial position to implement the State public budget for the period which is prepared for.

CHAPTER TWO

The Structures of the Public Budgets and Method of Preparation

ARTICLE (3):

The public budgets are composed of :

1- The State Public Budget including budgets of administrative units and local councils.

2- Budgets of economic units (public and mixed).

3- Budgets of independent and annexed units.

ARTICLE (4):

Public budgets are the numerical translation of the financial program for a coming financial year to achieve specific objectives in the framework of the State overall plan for the economic and social development and in accordance to the State financial, monetary, economic and social policies.

ARTICLE (5):

Public budgets indicated by this law are annual budgets prepared for a financial year commencing the 1st of January and ending by the end of December of the same year.

ARTICLE (6):

a- The public budgets should include the budgets of all bodies, units and organs to which this law is applicable and no authority of above should be excluded.

b- Public budgets should contain :

1- Estimates of all types of revenues including all assistance, in kind and monetary grants and withdrawals from in kind and monetary loans which may be collected or obtained during the financial year subject of estimation.

2- Estimations of all expenditures expected to be spent during the financial year subject of estimation including provisions for debts service or local and foreign loans.

ARTICLE (7):

The State public budget is prepared on the basis of the administrative organization of organs and administrative units and local councils as well as the economic and functional classification of the aspects of the State activity and shall be issued by a law.

ARTICLE (8):

A budget is prepared for each unit of the economic units of public and mixed sector and for each specific group a law is issued as follows :

a- Budgets of the public sector units having service nature.

b- Budgets of the public sector units having productive nature.

c- Budgets of the mixed sector units.

The public sector units of service nature are determined by a resolution of the Council of Ministers.

ARTICLE (9):

A special budget is prepared for each unit of the independent and annexed budgets units and each shall be approved by a law.

ARTICLE (10):

The public budgets are divided into two main tables one for revenues and the other for expenditure and also divided to three parts as follows :

Part One : Current Budget

Part Two : Capital Budget

Part Three : Finance Budget

ARTICLE (11):

The public budget is divided into chapters, sub- sections, items, sub items, groups and accounts which the executive bylaw of this law defines significances, nature and denominations. For considerations decided by Parliament, appropriations as totals may be included in the State public budget without complying to the divisions of the budget.

ARTICLE (12):

A supreme Committee of the budget is formed by a resolution of the Prime Minister which defines the general frameworks of the budgets drafts and each year a technical committee for budgets is formed by a resolution of the Minister of Finance and the executive bylaw defines the method of forming the committee and its competencies.

ARTICLE (13):

The Minister of Finance issues each year the general bases and rules to be followed by authorities in preparing drafts of their budgets on the bases of the general framework approved by the Budget Supreme Committee inconsistent with the provisions of this law.

ARTICLE (14):

In each authority a committee is formed specialized in preparation of its draft budget and observes in the preparation of budgets the principles issued by the Minister of Finance provided by the previous article and by the specimens and tables defined by the Ministry of Finance. The executive bylaw defines the method of the committee formation, its tasks and competencies.

ARTICLE (15):

The monetary basis is followed in the preparation of the State public budget and the accrual principle is followed in preparation of the economic units budgets of the public and mixed sector and independent and annexed budgets unless laws of their incorporation provide otherwise.

ARTICLE (16):

Revenues are estimated without allocating any expenditure and no revenue may be allocated for a specific purpose of expenditure else than by a law and compensation is impermissible between a specific expenditure and a specific revenue.

ARTICLE (17):

Each authority commits to submit the draft of its budget in times defined by the Ministry of Finance and if any authority delays the submission of its budget draft from the defined time the Ministry of Finance shall carry out the estimation.

ARTICLE (18):

The Ministry of Finance undertakes the study and analysis of the budgets drafts submittedby an authority and submits the results of its study to the technical committee to undertake discussion with authorities and submission to the Supreme Committee accompanied by a statement including a general presentation of the principles and objectives on which the draft is based.

ARTICLE (19):

The Ministry of Finance undertakes preparation of the final version of public budgets drafts provided by this law in light of the comments of the supreme committee and the technical committee and present the same to the council of Ministers for approval.

ARTICLE (20):

The council of Ministers submits the public budgets drafts to the parliament at least two months prior to commencement of the financial year and these drafts shall be accompanied by all the required documents to enable the council study, discuss and evaluate the public budgets drafts and particularly the following :

1- The total deficit or surplus of the public budgets.
2- The government plan of financing the expected deficit or that may result from implementation.
3- Expected utilizations of foreign currency revenues contained by the public budgets drafts.
4- Statement about the State financial position clarifying all economic indicators and elements of followed financial and monetary policies.
5- Analytical study of impacts that may occur as a result of implementing the public budgets on the economic and social situations and elements of the financial and monetary policies that shall be followed by the government to surpass these impacts.
6- Statement about the general principles and rules and options and objectives on which budgets drafts are based.

CHAPTER THREE
Implementation of Public Budgets

ARTICLE (21):

If the new public budgets laws are not issued prior to the start of the new financial year the old public budgets are pursued until the new budgets are approved. The Minister of Finance issues a resolution to pursue the previous year budgets until the issuance of the new ones provided that revenues are collected and expenditures are spent in accordance to the applicable laws effective the previous year taking in consideration the contents of the new budgets drafts of increases in the estimation of revenues or decrease or omission of certain appropriations.

ARTICLE (22):

The issue of the public budgets laws is considered an authorization for each authority to the extent of its competence to utilize appropriations allocated therefor to the purposes for which they were allocated with effect from the beginning of the financial year.

The authorized parties to spend from the State public budget either central or local should abide by what is issued from the Ministry of Finance as instructions and measures undertaken for the budget between the flow of revenues and limits of expenditures.

ARTICLE (23):

The special visas in the public budgets tables are considered part of those laws and have the same force and all authorities should abide by their content.

ARTICLE (24):

All revenues collected in favor of the State should give the right to the official collection coupon for this purpose which is issued by the Ministry of Finance and sealed by its official seal. It is strictly prohibited to use any other type of coupons except those approved by the Ministry of Finance.

ARTICLE (25):

All authorities should endeavor to collect revenues entrusted to them by laws creating them and no type of revenue or part thereof should be put aside either cash or in kind or excluded from the budget revenues except by law.

ARTICLE (26):

All revenues are paid in to the Central Bank and its branches one by one and it is absolutely forbidden to pay in any type of revenues other than to the Central Bank and in case no branch for the Central Bank exists the revenues may be paid in to a bank authorized by the Central Bank. All in kind revenues shall be deposited in the government stores specialized for that in accordance to the provisions of the bidding, auctions and government stores law and executive bylaw.

ARTICLE (27):

The share of the government from profits of the public sector are collected in installments during the financial year in accordance to the determined periods. The share of the government from profits of mixed sector are collected immediately after approval of the balance sheet and final accounts in accordance to fixed times by a resolution of the Minister of Finance and all economic units of the public and mixed sector and units of independent and annexed budgets should pay the government dues in the fixed times.

ARTICLE (28):

The economic units of the public and mixed sector should abide by payment of installments of loans and credit facilities and interests due at their scheduled times pursuant to agreements concluded therefor and in case of delay the Minister of Finance shall order the Central Bank to deduct those dues from the dues of authorities which did not pay.

ARTICLE (29):

Appropriations included in the public budgets should not be used except in accordance to laws, bylaws and regulations that regulate the process of expenditure.

ARTICLE (30):

The maximum limit of expenditure allocations by the laws of public budgets and amending laws should not be exceeded. For necessity, transfers may be made within the same chapter in accordance to what the executive bylaw defines. All authorities should take the necessary measures to plan expenditure all through the financial year.

ARTICLE (31):

The parliament should approve the transfer of any amount from one chapter of the public budget to the other and each expenditure not contained or in excess of estimation should be fixed by law and if an authority asks for an additional appropriation it should submit an application to the Ministry of Finance to study and prepare a draft law submission to open a credit to the Council of Ministers and if the Council agrees the draft law shall be submitted to the Parliament to complete the constitutional procedures therefor. The additional appropriations applications should be to the narrowest limits and restricted to maximum necessary cases to meet unavoidable excess .

ARTICLE (32):

The executive authority may not conclude, guarantee or engage to loans by a draft which entails expenditure from the State treasury in a future year or years except by approval of the parliament.

ARTICLE (33):

The executive authority or public organs and institutions may not conclude loans or foreign commodity or cash facilities whatever they may be except after approval of the parliament.

ARTICLE (34):

By a notification from the Ministry of Finance, the Central Bank undertakes repayment of installments and interests of due loans to beneficiaries by deduction from appropriations allocated for that in the State public budget and it shall also notify each of the Ministry of Finance, Ministry of Planning and Development, the Central Organization of Control and Accountancy and concerned parties of the loans repaid with statement of the loan principal and the total installments and interests previously repaid and the total repayment thereof during the financial year and the balance of the unpaid loans and interests until the end of the financial year either for the local or foreign loans.

ARTICLE (35):

All authorities covered by the public budgets should consult with the Ministry of Finance about the draft laws and decisions on which financial charges are accrued to the budgets or those which have impact on the financial aspects prior to submission of their drafts in order to discuss the possibility of arranging the required financial appropriation and study the financial impact resulting therefrom.

ARTICLE (36):

The appropriations of the public budgets and additional appropriations that are not spent until the end of the financial year are void and inapplicable.

CHAPTER FOUR

Accounting Systems

ARTICLE (37):

Government accounting is applicable to the implementation of the State public budget including the administrative units and local councils and the consolidated accounting system is applicable relating to the implementation of economic units budgets of the public and mixed sectors and in implementation of the independent and annexed budgets unless provided otherwise by law. The executive bylaw defines the detailed provisions and rules of that inconsistent with the provisions of this law.

ARTICLE (38):

A general account is opened in the Central Bank for revenues and expenditures of the State public budget under the title (General Government Account – Ministry of Finance) and is categorized in accordance to the categorization of the State public budget and all the State revenues which were collected are added thereto and deducted therefrom all expenditure declared to be spent by the Ministry of Finance.

ARTICLE (39):

A special account of the general secretariat of each of the authorities included by the functional categorization of the State general budget of sections and branches of the administrative units and local councils is opened in the Central Bank by approval of the Minister of Finance to meet the expenditures approved in accordance to the regulation and the Central Bank is prohibited to open any account for any authority without prior agreement of the Minister of Finance. All authorities are prohibited to open any accounts in any of the banks other than the Central Bank.

ARTICLE (40):

The Central Bank undertakes notifying the Ministry of Finance of accounts opened with it for each unit of the State public budget.

ARTICLE (41):

The Ministry of Finance feeds the different accounts with appropriations of expenditures in the Central Bank which is necessary for each of the authorities from appropriations included in the engagement of the State public authority and the Ministry of Finance notifies each of the Central Bank and the heads of authorities by a copy of its notification to implement the aforesaid.

ARTICLE (42):

The Central Bank and its branches and upon concurrence of the Minister of Finance opens an account for each unit of the public sector and each unit pays in all its collections and spends all its expenditures therefrom against checks issued by the Central Bank and its branches and the public sector units of non service nature may open accounts with commercial banks in which the state owns at least 51% of shares (capital) by a resolution of the Council of Ministers.

ARTICLE (43):

Engagement and expenditure may not be made except within the limits of appropriations of the budget of the authority and to the extent of allocated purposes with due observance of what is issued by the Council of Ministers or the Ministry of Finance of instructions concerning the organization and rationalization of expenditure.

ARTICLE (44):

Each of the authorities subject to this law undertake spending from the appropriations allocated for it in accordance to their requirements pursuant to checks withdrawn by its acquaintance.

ARTICLE (45):

The Central Bank should refrain to pay any check submitted to it from any unit of the State public budget units if payment is impermissible by the monthly appropriation of that authority to pay the required amount except in accordance to what is defined by the executive bylaw and the withdrawn checks are deposited in favor of government authorities from the accounts opened for these government authorities with the Central Bank.

ARTICLE (46):

The executive bylaw defines the accounting rules, principles and basis in accordance to the modern international principles followed in categorization and recording financial transactions made by units covered by the public budgets. It also defines accounts and accounting books and registers and statistical and stores data as well as financial forms and specimens and value books utilized in the implementation of public budgets and all authorities are prohibited from using otherwise except what is approved by the Ministry of Finance.

ARTICLE (47):

As a general principle and in all instances, any amount may not be paid or adjusted by deduction from appropriation of the budget except by submission of supporting documents to spend or adjust the amount after rendering of the service or supply of commodity or performance of the agreed work.

ARTICLE (48):

Advance payment may be excepted from the provisions of above article in the followinginstances :

a- Amounts allowed to be paid in advance in accordance to contractual or expenditure conditions on services or purchases or works.

b- Interim advance allowed to be spent for urgent purposes as custody with an employee.

c- The petty cash spent to an employee on the account of travel allowance or transport expenditure for a local or abroad mission.

d- Appropriations or transfers opened abroad for services, purchases or works.

e- The elapse of one month as maximum without settlement of any custody after performance of the purpose for which it was spent is considered a violation for which the person who spent and the person to whom the custody was paid are jointly accountable to return the paid amounts in accordance to the provisions of this article.

ARTICLE (49):

The advanced paid amounts stated conclusively by the previous article are deducted from the relevant debit accounts and the permission for that deduction is issued by the head of the authority or whoever he authorizes provided that each amount is settled within a period not exceeding two months prior to the end of same financial year and in case the submission of documents is impossible within the said period and before closing the final account, deduction is made from the appropriations of the budget by amounts spent for the purposes stated in the previous article which documents were not submitted until the end of the financial year against addition to the competent credit account and when documents are presented the necessary adjustments are made within the following two months of the new financial year beginning as maximum and the authority shall bear the responsibility of not adjusting the debit accounts in the fixed period.

ARTICLE (50):

If the outcome of reviewing the submitted documents of the amounts previously spent in advance revealed that amounts should be returned they should be immediately required and adjusted by excluding from the relevant sub-item the expenditure or addition to revenues as the case may be.

ARTICLE (51):

The depreciation rates and methods of calculation are defined in accordance to the depreciation rates system issued by the Council of Ministers on the basis of scientific principles and criteria.

ARTICLE (52):

The reserves from the current activity surplus (net profit) shall be as follows :
15% statutory reserve
15% general reserve

Other reserves may be created for any unit that its activity requires by a resolution of the Minister of Finance and the balance of the current activity surplus (net profit) becomes a share of the State.

ARTICLE (53):

The current activity losses are covered by the surplus of the coming financial year activity (net profit) and if the activity surplus is insufficient to cover the complete losses they shall be covered by 10% of the net balance of the general reserve and if losses are not covered they shall be carried forward to the coming year in the same way.

ARTICLE (54):

The Central Bank submits to the Ministry of Finance a monthly statement of revenues and expenditures of the actual State public budget for each authority in the way defined by the executive bylaw.

A financial analysis is also submitted to the Minister of Finance for each three months about the implementation of public budgets and about the financial and monetary position of the state

ARTICLE (55):

a- The Ministry of Finance together with the Ministry of Planning and Development participate in each loan agreement concluded by the State and the public debt department (internal and external) gives the Central Bank and the concerned parties a copy of documents and guarantees related to each loan agreement concluded by the State.

b- The Central Bank undertakes giving opinion about each loan agreement concluded by the State and upon notification from the Ministry of Finance opens the required accounts of the loans collection and payment of installments and interests and the Central Bank may not provide a guarantee or warrantee for the government or any public, mixed or other institution except by agreement of the parliament.

CHAPTER FIVE

Financial Monitoring, Internal Control and Financial Accountancy

ARTICLE (56):

Without prejudice to the competencies of the Central Organization for Control and Accountancy, the Ministry of Finance exercises the job of financial monitoring and inspection and internal control of all financial transactions of all bodies subject to this law before payment and collection and thereafter in accordance to the laws. The Ministry also has the right of permanent and continuous verification of abidance of those bodies to the application of financial regulations, laws and bylaws and that payment processes are made in accordance to the approved budget of each body and that the public revenues are collected in accordance to laws, regulations and decisions.

ARTICLE (57):

The Ministry of Finance has the right to inspect warehouses and storing as well as requesting data and information in a periodical way and when needed in order to know about any specific financial operations.

ARTICLE (58):

All workers in administrative authorities and financial fields have to submit an annual declaration of the financial property of all movable and immovable properties.

ARTICLE (59):

The General Directors of Financial Affairs represent the Ministry of Finance with those bodies in which they work and they have the right to sign payment orders in accordance to this law and its bylaw.

ARTICLE (60):

The heads of parties subject to this law as well as the representatives of the Ministry of Finance to those parties are responsible for the implementation of all financial laws, bylaws and decisions.

ARTICLE (61):

The implementation bylaw specifies the detailed competencies of the Ministry of Finance representatives in light of their complete responsibilities to implement this law and other financial laws, decisions, bylaws and instructions.

ARTICLE (62):

The representatives of the Ministry of Finance are prohibited from approving payment of any amount without having an allocation for that in the budget of any body or if the allocation is not for the required purpose or if the payment entails an excess of the approved allocation or if payment was on account of an intermediate account or in violation of applicable laws, decisions, bylaws, and instructions.

ARTICLE (63):

The representatives of the Ministry of Finance in all bodies subject to this law , who work therein should refrain from marking each payment order having a financial violation and it should be submitted in writing immediately after being revealed to the competent authority which issued the order and if it insisted on payment despite that the issuer of order or decision maker shall bear the full responsibility. The representative of the Ministry of Finance shall carry out payment and notify the Ministry of Finance and the Chairman of the Central Organization for Control and Accountancy in writing of the violation event immediately after it happened and those bodies should immediately investigate that violation.

ARTICLE (64):

The heads of those bodies subject to this law as well as the representatives of the Ministry of Finance should inform each of the Ministry of Finance and the Central Organization for Control and Accountancy of embezzlement, theft, fire, negligence and extravagance events and alike immediately after being discovered and this does not violate the competencies of the concerned bodies heads in taking the necessary measures in accordance to effective laws.

ARTICLE (65):

The following financial violations are within the financial violations :

1- Payment from revenues.
2- Putting aside any type of revenues or part thereof.
3- Not paying in the cash revenues completely to the defined account at the Central Bank and not paying in the kind revenues to the state stores allocated for that subject non violation of the provisions of this law.
4- Non payment of the alms, taxes, fees and the share of government from profits and other obligations due for the state or delay of payment from defined deadlines.
5- Exemptions granted in violation of laws and agreements under institutional procedures.
6- Non submission of the budget draft to the Ministry of Finance in the specified times.
7- The misuse of appropriations of expenditures included in the budget of any authority.
8- Expenditure by deduction from debit accounts (custodies) by lack of appropriation in the budget of any authority of insufficiency of appropriations.
9- Non submission to Ministry of Finance and the Central Organization for Control and Accountancy of account statements and monthly trail balances and quarterly balances as well as final accounts in the defined times or submission thereof in delayed times or in an incomplete form.
10- Not enabling the employees of the Ministry of Finance and the Central Organization for Control and Accountancy to exercise their full powers in the process of periodical and sudden monitoring and inspection of storing, warehouses, books and registers to ascertain the integrity of all financial acts and the extent to which they comply with applicable laws, bylaws, decisions and regulations.
11- Not notifying the Ministry of Finance and the Central Organization for Control and Accountancy by the representatives of the Ministry of Finance of any financial violation in accordance to the content of Article (63) of this law.

ARTICLE (66):

Without prejudice to the competencies of the Central Organization for Control and Accountancy this organization undertakes monitoring of all public sector units, audit of their final accounts and balance sheets and approve them as well as preparing the tax declarationtherefor and it may ask the assistance of any chartered accountant which it works under its supervision.

CHAPTER SIX
Final Accounts

ARTICLE (67):

The Ministry of Finance prepares the final accounts of the public balance sheets of the ended financial year which contain the actual revenues and expenditures of public budgets distributed on chapters, sub-chapters, items, sub-items, groups and accounts as well as the adjustment accounts and the final accounts annexes in accordance to the executive bylaw and the final accounts of the public budgets are submitted to the Council of Ministers then to the Parliament no later than nine months from the end of the financial year for ratification by laws.

ARTICLE (68):

Before the end of the financial year the Minister of Finance issues the declaration regulating the principles and conditions of closing, preparing and submitting the final accounts of the public budgets and he defines therein tables and annexes of final accounts and deadlines for submission.

ARTICLE (69):

All units covered by the state public budget and the budget of the administrative units and local councils (governorates) should comply to submit to the Ministry of Finance and the Central Organization for Control and Accountancy statements and tables of their annual final accounts including all data and attachments in accordance to the principles in the resolution of the Ministry of Finance no later than three months of the end of the financial year.

ARTICLE (70):

All units of economic sector (public and mixed) and units of independent and annexed budgets should submit to the Ministry of Finance and the Central Organization for Control and Accountancy statements and tables of their final accounts and trial balances accompanied by the balance sheets and accounts of current operations after authentication by the chartered accountant and the competent body including all data and attachments specified by the decision of the Minister of Finance no later than three months from the end of the financial year.

ARTICLE (71):

All units covered by the public budgets subjected to the provisions of law comply to study the report of the Central Organization for Control and Accountancy and to observe its contents and to submit to the Ministry of Finance and the Central Organization for Control and Accountancy the results of their study and the necessary adjustments to be taken in a delay not to exceed seven months from the end of the financial year.

ARTICLE (72):

All units subject to this law shall comply with submission of all data, information and clarifications relating to monthly, periodical and final accounts to the Ministry of Finance and the Central Organization for Control and Accountancy in the periods specified by the executive bylaw.

CHAPTER SEVEN

General Provisions

ARTICLE (73):

The value of debts that could not be collected from debtors by reason of their poverty or the inexistence of their addresses shall remain in the accounts of due debts to the government or in the debt accounts as the case may be until they are collected. If collection becomes impossible or there is no hope in the solvency of the debtor or his ability of payment and certainty of insolvency by a final judicial ruling the debt is removed and the Ministry of Finance and competent authorities should implement that.

ARTICLE (74):

The establishment, amendment and canceling of public taxes could not be made only by law and no body is exempted from their total or partial payment except in cases stated by law. It may be impossible to charge anybody to pay any taxes, levies and public charges except by law.

ARTICLE (75):

Under no circumstances it is impermissible for anybody whoever to spend beyond the public budget of the state and the budgets of the public and mixed sectors and the annexed budgets. It is impermissible to put aside any revenue therefrom whatever the reasons may be.

ARTICLE (76):

The executive bylaw of this law regulates the methods and ways of financial vouchers and documents custody and the duration of maintenance.

ARTICLE (77):

In dividing the final accounts the same method followed in dividing the public budgets is followed and under no circumstances it may be possible to include expenditure or revenues else than in the chapters, sub-chapters, items and sub-items allocated therefor.

ARTICLE (78):

The government should submit to the parliament reports about the financial position of the state whenever that is required.

ARTICLE (79):

By no means it may be possible to conceal any information or data from the parliament or its committees or to submit incorrect data to the parliament in relation of the state finance or its financial and monetary policy.

ARTICLE (80):

The Minister of Finance issues the executive bylaw for this law.

ARTICLE (81):

All laws, resolutions, provisions and instructions or any other law contradicting this law are cancelled.

ARTICLE (82):

This law is effective from date of issue and published in the official gazette.

Issued at the Presidency of the Republic – Sana'a
On the 27th of Shaban 1420 A.H
Corresponding to 05 December 1999.

Marshal/ Ali Abdulla Saleh
President of the Republic