

CHAPTER 64

PUBLIC REVENUE

ARRANGEMENT OF SECTIONS

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Acts Nos. 21 of 1983 and 4 of 1988

AN ACT REGULATING THE FINANCES OF THE GOVERNMENT OF TONGA AND MATTERS RELATED OR INCIDENTAL THERETO.

[22nd December 1983] Commencement.

1. This Act may be cited as the Public Revenue Act. Short title.
2. In this Act Interpretation.
 - “Annual Estimates” means the statement of the public revenues and expenditure during any financial year, as approved by the Legislative Assembly;
 - “Development Account” means a statement recording the receipt and disbursement of public funds which will lead to improvements in economic and social activities of the Kingdom of Tonga;
 - “Financial Year” means a period of 12 months extending from the first day of July in any year to the thirtieth day of June in the year next following;
 - “Minister” means the Minister for the time being charged with the responsibility for finance;
 - “Public Accounts” means all statements recording transactions in the public funds for a financial year together with statements of the assets and liabilities of the Kingdom;

“Recurrent Account” means a statement recording the receipt and disbursement of public funds which are necessary to carry out the normal services of the Department.

Responsibility for the preparation of Estimates and Accounts.

3. (1) The Minister shall prepare Annual Estimates of the Kingdom for each Financial Year. The Annual Estimates shall be submitted to the Privy Council in sufficient time to allow their consideration by the Legislative Assembly before the beginning of the year to which the Annual Estimates relate.

(2) Two separate and distinct Annual Estimates shall be prepared. One Annual Estimate shall be prepared making provision for revenue and expenditure on Recurrent Account and in addition an Annual Estimate of expenditure shall be prepared making provision for Development funds and expenditure on Development Account.

Special Warrants.

4. (1) His Majesty in Privy Council may approve a Special Warrant during a financial year to pay for debts incurred during a previous financial year and expenditures in excess of the Recurrent or Development Estimates.

(2) The total Special Warrants approved during a financial year shall not exceed 5% of the total approved by the Appropriation Acts for the current financial year PROVIDED that the Special Warrant in respect of each vote shall not exceed 5% of the approved total of that vote.

(3) Where no provision is made in the Estimates or where the above limits have been reached, no money shall be incurred or paid out from public revenue without the prior approval of the Legislative Assembly.

(4) Special Warrants in respect of aid or loan funds received are excluded from the limits set in this section.

(Substituted by Act 4 of 1988.)

Authority for disbursement of public money.

5. The Minister may make payments and accept any charge against public revenue if authorised so to do by any of the following:

- (a) General Warrant signed by the Prime Minister after approval by the Legislative Assembly;
- (b) Special Warrant signed by the Prime Minister after approval by Privy Council;
- (c) Requisition to incur expenditure approved in the Estimates by the Prime Minister;
- (d) Virement approved by the Prime Minister for transfer of funds within each vote.

(Substituted by Act 4 of 1988.)

Ministers' duties.

6. (1) Each member of Cabinet shall be responsible for the proper management of all money allocated to each department under his control and shown in each vote in the Estimates.

(2) Every application for a Special Warrant shall be signed by the member of Cabinet who is in control of the department making the application.

(3) Each member of Cabinet shall be responsible for the authorization and proper spending of all money allocated by Special Warrant to all departments under his control.

(Substituted by Act 4 of 1988.)

7. (1) The Minister may with the consent of Privy Council if it appears necessary or expedient in the public interest give in respect of any advance or agreement made by any bank, person or body corporate resident in Tonga or elsewhere, a guarantee, indemnity or security subject to such terms and conditions as he thinks fit. Guarantee.

(2) The total monetary value of such guarantee, indemnity or security shall not exceed \$10,000,000 in any financial year without the prior approval of the Legislative Assembly.

(3) Any amount required to be paid out under any guarantee, indemnity or security given under this section may be paid out of any account within the public funds as the Minister with the consent of Privy Council may direct.

(4) Every guarantee, indemnity or security and all payments made under this section shall be placed before and made known to the Legislative Assembly at the first available opportunity.

(Inserted by Act 4 of 1988.)

8. In respect of each Financial Year and as soon as possible after the close of each Financial Year there shall be prepared, and the Auditor General shall express an opinion on, detailed statements of revenue and expenditure on the Development Account and the Recurrent Account arranged according to vote showing the excess or saving on each vote. The account and the report of the Auditor General shall be published in the Gazette as part of the Public Accounts. Preparation and publication of accounts.

9. The Minister may, with the Consent of His Majesty in Council, make regulations:— Regulations.

- (a) prescribing the content and format of the Annual Estimates and Public Accounts;
- (b) generally for the better carrying into effect of the provisions of this Act.

10. The following enactments are hereby repealed and shall cease to form part of the law of the Kingdom: Repeals.

- (a) The Development Fund Act;
- (b) Civil Service Regulations Numbers 61 to 81 inclusive.

CHAPTER 64

PUBLIC REVENUE

SECTION 8—Public Revenue Regulations

ARRANGEMENT OF REGULATIONS

REGULATION

1. Short title.
2. Format of estimates of Recurrent Account.
3. Personal emoluments.
4. Other expenditure.

*Made by the Minister of Finance
G.S. 1184*

1. These Regulations shall be cited as the Public Revenue Regulations. Short title.

2. (1) The Annual Estimates shall show against each item of revenue the amount estimated for the coming year as well as the amount of the revised estimate for the current year. Format of estimates of Recurrent Accounts.

(2) The Annual Estimates of revenue shall include the gross receipts in each case and shall be so arranged that revenue derived from each source of taxation or other receipts is easily distinguishable.

(3) The Annual Estimates shall show against each item of expenditure the amount estimated for the coming year as well as the amount estimated for the current year.

(4) Every head of department is responsible to ensure that all services that can be reasonably foreseen are included in the estimate for his department and the estimates shall be as nearly as possible the amounts which it is expected will actually be expended during the financial year.

3. (1) The appropriation of established salaries under any vote shall show the public officer in that sub-vote and the personal emoluments estimated to be paid in respect of them. Personal emoluments.

(2) The appropriation of established salaries under any vote shall not be altered in relation to the number of appointments or the rates of personal emoluments unless the prior approval of Cabinet has been obtained.

4. (1) The appropriation under any sub-vote for expenditure other than established salaries shall be described in a separate line by class of expenditure together with the amount which it is expected will be actually expended during the financial year. Other expenditure.

(2) No provision is to be made for "unforeseen expenditure".