



LYSON LAW GROUP

Advocates & Legal Consultants

*A Summary Appraisal of the Principal Legislation
Short Titled*

**THE ACCOUNTANTS AND
AUDITORS (REGISTRATION)
ACT, CAP 286 R.E, 2023**



A Knowledge Hub Publication

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1.0.Introduction

The Accountants and Auditors (Registration) Act, originally enacted as Act No. 33 of 1972, provides for the establishment of the National Board of Accountants and Auditors (hereinafter NBAA).

It is long titled as , “An Act to provide for the registration of accountants and auditors and the establishment of the National Board of Accountants and Auditors and to provide for matters connected therewith and incidental thereto.”

The Accountants and Auditors (Registration) Act, Cap. 286 R.E, 2023 of the laws of Tanzania was enacted with a view to regulate and professionalize Accounting and Auditing fields of practice.

1.1.Motive behind the Enactment

The motive of enacting this law was to establish a single regulator of the profession that is NBAA and to professionalize accountancy & audit, set exams, qualifications, register practitioners, audit firms, set and enforce standards, and protect the public interest through oversight and discipline.

1.2. Schema of how the Act is Arranged

Parts I–VIII: Preliminary; NBAA establishment & functions; staff (now Executive Director); registration of members, firms, titles; practicing certificates; discipline; finance and reporting; general provisions.

The schedules provide for the composition of the board and procedures.



1.3. Salient Features of the Act

NBAA establishment and functions: exams, Continuing Professional Development (CPD), standards, accreditation of tuition providers, quality reviews, collaboration with other bodies.

Executive Director was created to replace the older drafting including appointment criteria; the executive director manages the day-to-day affairs of the board.

Who may register with the board and their titles: categories include CPA (T), CPA-PP (public practice), CPA in academics, GA (Graduate Accountant), AT (Accounting Technician), retired/honorary; Board keeps the Register of members & firms and issues certificates.

Practice oversight: audit-firm practice reviews; NBAA may inspect documents and require remedial action in the practice of audit.

2.0. Financial Reporting and Gatekeeping Role of NBAA

Financial statements must be audited by a CPA-PP; auditors must file the audited financials and annual report with NBAA within 30 days; NBAA may review those filings for compliance.

Appeals: independent Accountants and Auditors Appeals Board; court review no longer ousted under the new law.

Offences & penalties: unauthorized practice/use of titles; failures to cooperate with reviews, filings; fines scaled for individuals and firms; compounding of offences by the Executive Director permitted.

2.1. Major Amendments to the Act Since Enactment

1. Act No. 2 of 1995 (Amendment Act) was geared towards modernizing the regime and among other things achieved the following:

1. Expanded NBAA functions to set standards, maintain multiple registers, regulate conduct, evaluate qualifications.
2. It also clarified registration processes, allowed title prescriptions for unqualified personnel, required firm registration and annual published lists.

2. Act No. 7 of 2021 (Amendments) major overhaul:

- The amendment mainly updated definitions e.g., “registered member”, “audit firm”, “public interest entity”.
- Added tuition provider oversight and audit quality review mandate.
- Replaced “Registrar” framework with Executive Director and introduced confidentiality rules.
- Recast registration categories to include CPA-PP, CPA(T), CPA in academics, GA, AT, retired/honorary, temporary, etc.
- Introduced practice reviews of audit firms per s.27A; strengthened offences/penalties; compounding of offences s.42A.
- Mandatory filing of audited financials with NBAA s.30A and NBAA review powers s.30B; monitoring of members s.30C.
- Re-established an Appeals Board with clearer independence; revised NBAA reporting duties and set the financial year.

3.0. Repeals

The Act itself has not been repealed. It repealed the colonial-era Accountants (Designation) Ordinance, R.L. Cap. 314. Internally, the 2021 Act repealed sections 10–14 of the principal Act and replaced several others e.g., ss.6, 7, 24, 26, 36, 40.

3.1. Citations to the law text

Consolidated principal Act (Cap. 286, R.E. 2002/2019) with contents & s.47 repeal note. IFAC/NBAA background confirming establishment and mandate.

4.0. Offences and Penalties under the Act

A deliberate framework of offences and penalties under the Accountants and Auditors (Registration) Act, Cap. 286 as amended, especially by Act No. 7 of 2021 is now in place. The Act outlines practices constituting offences under it and prescribes penalties for such violations as follows:

Unauthorized Practice / use of professional titles

Practicing as an accountant or auditor without being registered. Using protected titles (CPA, CPA-PP, CPA(T), GA, AT, without registration. The penalty is a fine ranging between TZS 1,000,000 and 10,000,000, or imprisonment (up to 2 years), or both. Firms acting without registration also face higher fines.

Failure to register audit firms

Offence: Operating an audit/accountancy firm without registering with the NBAA. The law imposes a penalty on the firm of a fine between TZS 5,000,000 and 20,000,000. Partners/directors may also be personally liable.

Failure to file audited financial statements

Offence: Auditors who do not file audited financial statements and annual reports with NBAA within 30 days after issuing them. A penalty of a fine of not less than TZS 5,000,000 may be imposed. NBAA may also take disciplinary action, including suspension.

Obstructing NBAA inspections / Practice Reviews

Offence: Refusing or failing to produce documents, information, or explanations requested by NBAA during a practice review or investigation. Penalty for this violation is a fine of not less than TZS 3,000,000, or imprisonment up to 1 year, or both.

False Statements or Misrepresentation

Offence: Making false or misleading statements in applications, reports, or during inspections. The penalty for this violation is a fine of between TZS 2,000,000 and 10,000,000, or imprisonment up to 2 years, or both.

Failure to comply with Conditions of Practice

Moreover, for the offence of Practicing without a valid practicing certificate, or contrary to NBAA's conditions. The penalty under the law is a fine of not less than TZS 2,000,000; repeat offences may attract suspension or removal from the Register.

Compounding of Offences

Under section 42A inserted in 2021 through an amendment to the principal legislation. The Executive Director may compound offences by imposing a fine not exceeding half of the maximum penalty prescribed. This avoids full criminal prosecution if the offender accepts liability and pays the fine.

General Penalty

For offences not specifically provided fine not less than TZS 1,000,000 or imprisonment up to 6 months, or both.

5.0.Conclusion

The 2021 amendments made penalties stiffer and more financial, reflecting an effort to curb unqualified practice, non-compliance with reporting, and to protect the integrity of the accounting profession.

REFERENCES

The Accountants and Auditors (Registration) Act, Cap 286, RE,2023

Law of Tanzania Index [Principal Legislation], R.E, 2023, Vol. XXI

Auditors and Accountants (Registration) Act No. 33 of 1972

The Accountants and Auditors (Amendments) Act No. 2 of 1995

The Accountants and Auditors (amendments) Act No. 7 of 2021