

## CHAPTER 140

# THE JOINT FINANCE COMMISSION ACT

[PRINCIPAL LEGISLATION]

ARRANGEMENT OF SECTIONS

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## CHAPTER 140

### THE JOINT FINANCE COMMISSION ACT

An Act to provide for the composition of, functions and procedure of the Joint Finance Commission and for connected matters.

[3<sup>rd</sup> March, 2003]

[GN. No. 143 of 2003]

Acts Nos.  
14 of 1996  
19 of 2004  
11 of 2005

#### PART I PRELIMINARY PROVISIONS

- Short title      **1.** This Act may be cited as the Joint Finance Commission Act.
- Application      **2.** This Act shall apply to Mainland Tanzania as well as to Tanzania Zanzibar.
- Interpretation  
Cap. 2      **3.** In this Act, unless the context requires otherwise-  
“Account” means the Joint Finance Account provided for by Article 133 of the Constitution;  
“Chairman” means the Chairman of the Commission and includes the Vice-Chairman when discharging the functions of the Chairman;  
“Commission” means the Joint Finance Commission established by Article 134 of the Constitution;  
“Constitution” means the Constitution of the United Republic of Tanzania, 1977;  
“Governments” means the Government of the United Republic and the Revolutionary Government of Zanzibar;  
“member” in relation to the Commission, means a member of the Commission and includes the Chairman;  
“Minister” means the Minister responsible for finance in the Government of the United Republic.

## PART II

### THE COMMISSION

- Composition**      **4.**-(1) The Commission shall consist of-
- (a) Chairman and Vice-chairman, both of whom shall be appointed by the President; and
  - (b) five other members who shall be appointed by the President.
- (2) Where the Chairman is a person who hails from one part of the United Republic, the Vice-Chairman shall be a person who hails from the other part of the Union.
- Qualifications**      **5.** In appointing members under section 4, the President shall take into account a person's knowledge and experience in financial, economic, law, commerce, administration and public affairs generally.
- Tenure of office**      **6.**-(1) A member of the Commission shall hold office for a term of five years, and shall be eligible for re-appointment.
- (2) A person who becomes a member by virtue of the office he holds shall continue to be such member for as long as he holds that office, and his successor in that office shall also succeed him as a member.
- (3) The President may terminate the appointment of any member for-
- (a) failure to discharge the functions of the office of the Commission;
  - (b) misconduct; or
  - (c) any other sufficient cause.
- Functions of Commission**      **7.** The Commission shall be the principal advisory organ to the Governments on the fiscal system of the United Republic in respect of revenues, expenditure and other moneys payable to the account by each Government.

- Commission to act independently **8.** Subject to the provisions of this Act, the Commission shall, in the performance of its functions, act independently.
- Commission to regulate its procedure **9.** Notwithstanding provisions of section 8, the Commission shall, subject to the approval of the Minister, regulate its own procedure for the performance of its functions.
- Role of Minister **10.** It shall be the duty of the Minister to ensure proper discharge of the functions of the Commission, and the Minister shall be responsible for the management of affairs of the Commission.
- Secretariat **11.**—(1) There is hereby established a Secretariat of the Commission which shall, subject to this Act, be the executive organ of the Commission.  
(2) The Secretariat shall consist of the following members:  
(a) Secretary to the Commission appointed by the President;  
(b) the Governor of the Bank of Tanzania or his representative;  
(c) the Commissioner-General of the Tanzania Revenue Authority or his representative;  
(d) the Commissioner-General of the Internal Revenue, Zanzibar, or his representative; and  
(e) such other members as the Commission may deem fit.
- Staff of Commission **12.** The Commission may, appoint such number of persons to serve as officers of the Commission as may be necessary for the effective performance of its functions.
- Consultations **13.** For the purposes of securing the effective, efficient and timely discharge by the Commission of its functions, there shall be held regular consultations between the Ministers of finance of the Governments.

### PART III

## PROCEDURE OF THE COMMISSION

Meetings of  
Commission

**14.**-(1) The Commission shall meet as often as necessary for the efficient performance of its functions at the time and place decided upon by the Commission, but it shall meet at least once in every three months.

(2) The Chairman shall preside at every meeting of the Commission and in his absence, the Vice-Chairman shall preside at the meeting.

(3) In the absence of both the Chairman and Vice-Chairman the members present shall elect one of their number to preside at that meeting.

(4) Except in the case of an urgent meeting, a fourteen days' notice in writing, specifying the business to be transacted at that meeting, shall be given of each meeting to every member of the Commission.

(5) Subject to the provisions of this Act, the Commission may regulate and conduct its own procedure at its meetings.

Quorum  
Act No.  
19 of 2004 Sch.

**15.**-(1) Subject to the provisions of subsection (2), a majority of members of the Commission, one of them being the Chairman or the Vice-Chairman, shall constitute the quorum at any meeting of the Commission.

(2) Where both the Chairman and the Vice-Chairman are absent, the quorum at the meeting of the Commission shall be constituted by the majority of the members present, on condition that two of such members shall come from Mainland Tanzania, the other two from Tanzania Zanzibar.

Decision of  
Commission

**16.**-(1) A decision of the Commission shall be by consensus.

(2) In the absence of a decision by consensus, a decision of the majority of members present and voting at a meeting of the Commission shall be deemed to be the decision of the Commission.

(3) In the event of an equality of votes, the Chairman shall have a casting vote in addition to his deliberative vote.

Vacancy **17.** Subject to the provisions of section 15, the Commission may act notwithstanding any vacancy in the membership.

Minutes of proceedings **18.**—(1) The Secretary shall record and keep the minutes of all proceedings of the meetings, and the minutes of each meeting shall be confirmed by the Commission at the next meeting and signed by the Chairman of the meeting and the Secretary.

(2) The Chairman shall submit to the Ministers of Finance of the Governments a copy of the minutes of each meeting of the Commission as soon as the minutes have been confirmed.

(3) The Commission shall communicate its recommendations or advice in relation to its functions to the Governments through the Ministers of Finance.

#### PART IV FINANCIAL PROVISIONS

Funds **19.** The funds of the Commission shall consist of-  
 (a) such sums as may be provided for the Commission by Parliament; and  
 (b) such sums which may in any other way be or become payable to the Commission.

Financial year **20.** The financial year of the Commission shall be the period of twelve calendar months beginning on the first day of July of every year.

Accounts and audit **21.**—(1) The Commission shall keep accounts and records of its transactions and affairs and shall ensure that all moneys received are properly brought to account and all payments out of its moneys are correctly made and properly authorised and adequate control is maintained over its property.

(2) The Chairman shall, as soon as practicable after the thirtieth day of June in each year, cause to be submitted to the Controller and Auditor-General the accounts and financial records of the Commission, who shall audit them and prepare a report on those accounts.

Allowances and remuneration

**22.** There shall be paid to the members of the Commission and the Secretariat such allowance or remuneration and other payments as shall be determined by the Minister upon advice of the Commission.

Power to make regulations  
Act. No.  
11 of 2005 s. 3

**23.**—(1) The Minister may, upon the advice of the Commission and in consultation with the Minister responsible for finance in the Revolutionary Government of Zanzibar, make regulations for the better carrying out of the provisions of this Act.

(2) Without prejudice to the generality of subsection (1), the Minister may make regulations—

- (a) prescribing staff regulations;
- (b) providing for the procedure by which each Government shall contribute to the Joint Finance Account;
- (c) prescribing the establishment functions and procedure of the committees of the Commission; and
- (d) providing for any matter which in the opinion of the Commission is necessary to provide for the efficient performance of the functions and the exercise of powers of the Commission.

(3) The regulations made under this Act shall be published in the *Gazette*.

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