

Law No. (61) of 1972
on amending some provisions of the law of the financial system of the state

In the name of the people
The Revolutionary Command Council

Upon review of:

- The Constitutional Declaration issued on 2 Shawwal 1389 AH corresponding to 11 December 1969 AD;
- The law of the financial system of the state issued on 21 Rajab 1387 AH corresponding to 24 October 1967 AD and the amending laws thereof;
- The budget, accounts, and inventory regulation issued by cabinet decree on 13 Ramadan 1388 corresponding to 3 December 1968;
- And based on what was presented by the Minister of the Treasury and the approval of the Cabinet;

issued the following law:

Article (1)

The texts of Articles (5), (9), (10), and (14) of the law of the financial system of the state shall be replaced with the following texts:

Article (5)

The Minister of the Treasury shall issue an annual publication with the rules and directives necessary for the preparation of the draft budget.

All ministries and agencies shall submit their estimates for expenses and revenues to the Ministry of the Treasury no later than 30 November of each year after they are approved by the concerned minister. These estimates must be detailed and demonstrate the bases for them, including explanations of decreases or increases to them compared to the credits of the current year and clarification of the reasons for such. The Financial Committee shall undertake to prepare the draft budget after discussing the estimates of each ministry or agency with the participation of the concerned financial comptroller and the presence of a representative of the entity whose budget is being discussed, and each shall be heard from to explain their budget. The committee shall present the draft budget to the Minister of the Treasury no later than 31 December of each year.

The draft budget shall be submitted to the Revolutionary Command Council at least two months before the beginning of the fiscal year for examination and approval.

Article (9)

Immediately following the issuance of the budget law or any additional credits, the Minister of the Treasury shall notify the ministries, agencies, and concerned governmental entities of the credits prescribed for expenditures during the fiscal year. Such notification shall be regarded as a general mandate to disburse to these entities in order to deal with expenses approved in the budget.

The minister shall issue permission to release the amounts collected from public debt to be spent for the purposes for which the debt was incurred, and a copy of this permission shall be sent to the president of the Audit Office.

Article (10)

The ministries and agencies shall be obligated to execute the budget in all the divisions present therein. They shall be restricted to spending within the limits of the credits listed in each item of the budget.

However, when necessary and within the limits of Part (1), it is permissible to allow exceeding the limits listed in the items in exchange for equal savings in one or more items within the the credits of the same part. The following parties shall be competent to grant permission to exceed the limits:

- A. The relevant minister, within fifty thousand LYD at once, and no more than one-hundred and fifty thousand LYD during the fiscal year.
- B. The minister of the treasury, more than fifty thousand LYD and not exceeding five-hundred thousand LYD during the fiscal year for the ministry or any one entity.
- C. The Cabinet, in excess of the former limits.

Article (14)

1. The government shall hold its funds in the Central Bank of Libya, while public bodies and institutions may deposit some or all of their funds in one of the banks that are fully owned by the state.
2. Opening new government accounts in the Central Bank of Libya shall be effected by written permission from the Minister of the Treasury and a statement from the banks where all or some of the funds shall be deposited.
3. No bank may allow overdrafts from any governmental account except by Cabinet approval and within the limits stipulated in Article (20) of Banking Law No. (4) of 1963.

Article (2)

This law shall be published in the Official Gazette and shall enter into force from its date of publication.

Revolutionary Command Council
Colonel Muammar Gaddafi
Prime Minister – Libya

Issued on 1 Rabi' al-Thani 1392 AH
Corresponding to 15 May 1972 AD