

**CAYMAN ISLANDS**



# **ACCOUNTANTS (AMENDMENT) BILL, 2022**

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**A BILL FOR AN ACT TO AMEND THE ACCOUNTANTS ACT (2020 REVISION) TO  
UPDATE LEGISLATIVE REFERENCES; TO ENHANCE THE ADMINISTRATION OF THE  
ACT; AND FOR INCIDENTAL AND CONNECTED PURPOSES**

## PUBLISHING DETAILS

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**Sponsoring Ministry/Portfolio:** Ministry of Financial Services and Commerce (FSC)



**Memorandum of  
OBJECTS AND REASONS**

The Accountants (Amendment) Bill, 2022 amends the Accountants Act (2020 Revision) (the “principal Act”) to update certain legislative references and enhance the administration of the legislation.

Clause 1 provides the short title and commencement of the legislation.

Clause 2 amends section 2 of the principal Act to change the definition of the term “firm of public accountants” and to insert the definitions of the terms “Cayman Islands Business Law Course” and “retired member”.

Clause 3 amends section 8 of the principal Act to extend the qualifications for registration as a member and update legislative references.

Clause 4 inserts in the principal Act a new section 8A which provides the qualifications and procedure for the registration of retired members.

Clause 5 amends section 10 of the principal Act by repealing and substituting subsection (3) to provide for additional persons to make an application for registration as a student.

Clause 6 amends section 11 of the principal Act by inserting a new subsection (3) which provides that a licence issued by the Council for a Caymanian or permanent resident to engage in public practice from or within the Islands may be subject to such conditions as the Council determines appropriate.

Clause 7 amends section 12 of the principal Act by inserting a new subsection (2A) which provides that a licence issued by the Council for a work permit holder to engage in public practice from or within the Islands may be subject to such conditions as the Council determines appropriate.

Clause 8 amends section 13 of the principal Act to increase the fine for an offence committed under that section.

Clause 9 amends section 38 of the principal Act by inserting a new subsection (5A) which enables a relevant sole practitioner or a relevant firm to apply to the Council to surrender its registration as a sole practitioner or firm which is subject to the Institute’s system of oversight, quality assurance, investigation and penalties. The Council may then, approve the surrender or cancel the registration.



## CAYMAN ISLANDS



# ACCOUNTANTS (AMENDMENT) BILL, 2022

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**A BILL FOR AN ACT TO AMEND THE ACCOUNTANTS ACT (2020 REVISION) TO UPDATE LEGISLATIVE REFERENCES; TO ENHANCE THE ADMINISTRATION OF THE ACT; AND FOR INCIDENTAL AND CONNECTED PURPOSES**

ENACTED by the Legislature of the Cayman Islands.

**Short title and commencement**

1. (1) This Act may be cited as the Accountants (Amendment) Act, 2022.
- (2) This Act comes into force on such date as may be appointed by Order made by the Cabinet.

**Amendment of section 2 of the Accountants Act (2020 Revision) - interpretation**

2. The *Accountants Act (2020 Revision)*, in this Act referred to as the “principal Act”, is amended as follows —
  - (a) by inserting after the definition of the word “**Authority**” the following definition —

“**Cayman Islands Business Law Course**” means the business law course approved by the Institute;
  - (b) by deleting the definition of the words “**firm of public accountants**” and substituting the following definition —

“**firm of public accountants**” means a firm, limited liability partnership or company of public accountants;”;

- (c) by inserting after the definition of the word “**Registrar**” the following definition —
- “**retired member**” means a person who is registered as a retired member pursuant to section 8A;”.

### **Amendment of section 8 - registration of members and renewal of membership**

3. The principal Act is amended in section 8 as follows —

- (a) by repealing subsection (3) and substituting the following subsection —
- “(3) A person is qualified to be registered as a member, if the person —
- (a) is a member in good standing of an approved institute;
  - (b) has passed the prescribed accounting examinations;
  - (c) has passed the final assessment for the Cayman Islands Business Law Course; and
  - (d) has satisfied any other prescribed requirements.”; and
- (b) in subsection (4), by repealing paragraphs (b) and (c) and substituting the following paragraphs —
- “(b) the person is a permanent resident and —
- (i) has a right to work under the *Immigration (Transition) Act (2022 Revision)* or any earlier law;
  - (ii) has acquired the right to reside and work in the Islands as a result of the issue of a Residency and Employment Rights Certificate under section 38 of the *Immigration (Transition) Act (2022 Revision)*;
  - (iii) falls within a class of persons prescribed under section 53(1)(e) of the *Immigration (Transition) Act (2022 Revision)*; or
  - (iv) is permitted to engage in gainful occupation in accordance with the policies, rules or regulations of an Immigration Board, pending grant or renewal of a work permit; or
- (c) the person is not Caymanian or a permanent resident but —
- (i) has a right to work under the *Immigration (Transition) Act (2022 Revision)* or any earlier law;
  - (ii) falls within a class of persons prescribed under section 53(1)(e) of the *Immigration (Transition) Act (2022 Revision)*; or
  - (iii) is permitted to engage in gainful occupation in accordance with the policies, rules or regulations of an Immigration Board, pending grant or renewal of a work permit.”.





**Insertion of section 8A - registration of retired members**

4. The principal Act is amended by inserting after section 8 the following section —

**“Registration of retired members**

**8A.** (1) A person who —

- (a) has attained the age of sixty-five years;
- (b) is qualified under subsection (3) to be registered as a retired member;
- (c) satisfies the Council that the person is of good character; and
- (d) pays the prescribed fee,

may apply in the prescribed form to be registered by the Council as a retired member of the Institute.

- (2) The Council, if satisfied that a person meets the requirements for registration under subsection (1), shall issue a certificate of membership to the person.
- (3) A person is qualified to be registered as a retired member or equivalent if the person is a retired member in good standing of an approved institute and has satisfied the prescribed requirements.
- (4) A person is qualified to be registered as a retired member if —
  - (a) the person is Caymanian;
  - (b) the person is a permanent resident and —
    - (i) has a right to work under the *Immigration (Transition) Act (2022 Revision)* or any earlier law;
    - (ii) has acquired the right to reside and work in the Islands as a result of the issue of a Residency and Employment Rights Certificate under section 38 of the *Immigration (Transition) Act (2022 Revision)*;
    - (iii) falls within a class of persons prescribed under section 53(1)(e) of the *Immigration (Transition) Act (2022 Revision)*; or
    - (iv) is permitted to engage in gainful occupation in accordance with the policies, rules or regulations of an Immigration Board, pending grant or renewal of a work permit; or
  - (c) the person is not Caymanian or a permanent resident but —
    - (i) has a right to work under the *Immigration (Transition) Act (2022 Revision)* or any earlier law;

- (ii) falls within a class of persons prescribed under section 53(1)(e) of the *Immigration (Transition) Act (2022 Revision)*; or
  - (iii) is permitted to engage in gainful occupation in accordance with the policies, rules or regulations of an Immigration Board, pending grant or renewal of a work permit.”.
- (5) A retired member shall be subject to the following continuing obligations —
- (a) to maintain good standing in the retired member’s overseas professional accounting institute;
  - (b) to comply with the prescribed continuing or professional development of education requirements; and
  - (c) to satisfy any other prescribed requirements.
- (6) Membership of the Institute is valid for one year and may be renewed in accordance with subsection (7).
- (7) A retired member who wishes to renew membership with the Institute shall submit an application for renewal of membership in the prescribed manner and pay the prescribed fee by the date specified by the Council.”.

### **Amendment of section 10 - registration of students and renewal of membership**

5. The principal Act is amended in section 10 by repealing subsection (3) and substituting the following subsection —
- “(3) A person referred to in subsection (1) may make an application pursuant to that subsection if —
- (a) the person is Caymanian; or
  - (b) the person —
    - (i) has a right to work under the *Immigration (Transition) Act (2022 Revision)* or any earlier law;
    - (ii) has acquired the right to reside and work in the Islands as a result of the issue of a Residency and Employment Rights Certificate under section 38 of the *Immigration (Transition) Act (2022 Revision)*;
    - (iii) falls within a class of persons prescribed under section 53(1)(e) of the *Immigration (Transition) Act (2022 Revision)*; or



- (iv) is permitted to engage in gainful occupation in accordance with the policies, rules or regulations of an Immigration Board, pending grant or renewal of a work permit.”.

**Amendment of section 11 - licensing of Caymanians and permanent residents**

6. The principal Act is amended in section 11 by inserting after subsection (2) the following subsection —

“(3) A licence issued by the Council under subsection (2) may be subject to such conditions as the Council determines appropriate.”.

**Amendment of section 12 - licensing of work permit holders**

7. The principal Act is amended in section 12 by inserting after subsection (2) the following subsection —

“(2A) A licence issued by the Council under subsection (2) may be subject to such conditions as the Council determines appropriate.”.

**Amendment of section 13 - practising without a licence to be an offence**

8. The principal Act is amended in section 13 by repealing subsection (3) and substituting the following subsection —

“(3) A person who contravenes subsection (1) or (2) commits an offence and is liable on summary conviction to a fine of one hundred thousand dollars or to imprisonment for a term of one year, or to both.”.

**Amendment of section 38 - oversight procedures**

9. The principal Act is amended in section 38 by inserting after subsection (5) the following subsection —

“(5A) A relevant sole practitioner or a relevant firm may apply to the Council to surrender registration if it —

- (a) no longer meets the definition of being a relevant sole practitioner or a relevant firm;
- (b) has ceased to engage in public practice; or
- (c) is being wound up voluntarily and produces evidence that it is solvent and immediately able to repay all its creditors,

and where the application is made, the Council may require the applicant to submit evidence to verify information in the application and may approve the surrender and cancel the registration.”.

**Passed by the Parliament the      day of      , 2022.**

*Speaker*

*Clerk of the Parliament*

