

29 September 2023



Ministry issues Partnership Beneficial Ownership Regulations

- **Managing Partner to disclose BO information**
- **Partnership BO register to be maintained**
- **Circumstances for refusal of business name registration articulated**
- **Penalty for non-compliance stipulated**

On 22 September 2023, the Minister for Industry and Trade issued detailed procedures for submission of information of Beneficial Ownership (BO) vide the Business Names (Beneficial Ownership) Regulations, 2023, GN No. 714 of 2023 (the Regulations).

The Regulations impose a mandatory obligation to every managing partner in a partnership to prepare and keep records of BOs and submit the same to the Registrar of Companies (Registrar) through Form No. UM-1 as prescribed in the Regulations. It should be noted that the said BO information is required to be submitted to the Registrar within 60 days from the date of the coming into force of the Regulations for existing partnerships. However, for newly registered partnerships, the Regulations oblige such disclosure to be done within 30 days from the date of registration of a partnership.

Further, regulation 4(4) requires a registered partner who does not hold the beneficial interest in a partnership to file a declaration with the partnership through Form No. UM-2 disclosing the BO of the said partnership. On top of that, the Regulations oblige the BO who is not a registered partner to file a declaration to that effect to the partnership through Form No. UM-3. The Regulations also require registered partners, BO and managing partner(s) of the partnership to notify the Registrar of any change of BO in a partnership.

In tandem with the duty to disclose information, the Regulations impose restrictions to the managing partner and other partners in a partnership against disclosure and use of BO information. Regulation 7 restricts disclosure and use of BO information except when it is for communications with the respective BO, compliance with the requirement of the law or Court order, or adherence to the instructions given by the BO himself. Moreover, regulation 13 imposes an obligation on the Registrar or any other officer to treat BO information with strict confidentiality at all times, including when in employment relationship with BRELA and even after cessation of such relationship.

Moreover, the Registrar is entrusted by the Regulations with a duty to maintain a confidential register of BOs that can only be disclosed to an approved person/authority. The register will keep records of BOs of the business names that have been presented to the Registrar in accordance with the requirements of the Regulations.

In so far as default in complying with BO disclosure requirements is concerned, the Regulations provide a punishment of not less than TZS 1M and not exceeding TZS 5M.

To read the Business Names (Beneficial Ownership) Regulations, 2023 [click here](#)

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