

Tanzania Companies Registry sets deadline for online registration of all companies in Tanzania

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Executive summary

Tanzania's Business Registration and Licensing Agency (BRELA), which is the government agency mandated with registration of companies in Tanzania, has set a 90-day deadline period from 24 September 2019 for all companies in Tanzania to be registered under the Online Registration System (ORS).

Detailed discussion

Brief background

On 1 February 2018, BRELA introduced the ORS which is an online platform to enable electronic registration of companies in Tanzania.

Online registration system

The ORS was introduced to replace the paper-based registry with the aim of simplifying registration of companies and businesses in Tanzania.

The ORS comprises registration of companies, business names, trade and service marks and their respective post registrations, issuance of patents and industrial licenses. The system enables customers to access all BRELA services without physically visiting BRELA offices.

Pre-requisites for registering under the ORS

To be able to access the ORS, Tanzanian citizens must have a National Identification Number (NIN) issued by the National Identification Authority (NIDA) and a Taxpayer's Identification Number (TIN) issued by the Tanzania Revenue Authority. Foreign nationals are required to use either their passport details or a NIN issued by NIDA.

The 90-day notice period

On 24 September 2019, BRELA issued a public notice requiring all companies to register in the ORS within 90 days from the date of publication of the notice.

The information uploaded on the ORS must be accurate and complete and relevant documents relating to changes in the company must be submitted.

The notice does not indicate any penalty for failure to comply within the set deadline. However, companies that are not registered with the ORS will not be able to comply with various legal obligations including:

- a) Making annual filings with BRELA such as annual returns and financial statements
- b) Notifying BRELA in relation to various changes occurring in the company such as change of directors, change of secretaries, change of authorized share capital, and change of shareholders

Failure to update company records at BRELA attracts penalties under the *Companies Act, Act No.12 of 2002*. Late filing penalties range from US\$1 to US\$25, depending on whether it is a subsidiary or a branch of a foreign company. In the past, BRELA issued a public notice that companies failing to file annual returns or update their records would be struck out from the company registry.

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