



THE BUSINESS ENTITY REGISTRATION ACT, OF 2012

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ACT NO. 12 OF 2012

I ASSENT

Ali Shein

{ DR. ALI MOHAMED SHEIN }
PRESIDENT OF ZANZIBAR

AND

CHAIRMAN OF THE REVOLUTIONARY COUNCIL

7th December, 2012

**AN ACT TO PROVIDE FOR THE REGISTRATION OF
BUSINESS ENTITY AND OTHER MATTERS
RELATED THERETO**

ENACTED by the House of Representatives of Zanzibar.

**PART I
PRELIMINARY PROVISIONS**

- Short title and Commencement. 1. This Act may be cited as the Business Entity Registration Act, of 2012 and shall come into operation on such date as the Minister may by notice published in the Gazette, appoint.
- Application of Act. 2.(1) This Act shall apply and be read together with laws which provide for the registration and management of the following Entities:-
- (a) firm, whether sole proprietorships or partnerships;
 - (b) companies;
 - (c) societies;
 - (d) co-operatives;
 - (e) any other entity as listed in regulations made under this Act.



(2) Notwithstanding the provisions of subsection (1) of this section, this Act shall also apply to public corporations.

Interpretation.

3.(1) In this Act, unless the context otherwise requires.

“Business Entities” means a business venture or undertaking that includes every form of trade, commerce, industry, profession, organization and any other activity which is required to be registered;

“Firm” means an unincorporated board of two or more individuals, or one or more individuals and one or more corporations, or two or more corporations, who have entered into partnership with one another with a view to carry on business for profit and doing so by using a business name other than their own individual personal name;

“Journal” means the daily record of the activities of the Register;

“Minister” means the Minister responsible for matters relating to the registration of business entities;

“Officer” means a person employed as such to perform registration process or other duties under this Act;

“Partnership” means the relation which subsists between persons who have agreed to combine their properties, labour or skills in some business, and to share the profit and loss thereof as the case may be;

“Register” means the Register of business entities established and maintained under section 4(2) of this Act;

“Registrar” means the Executive Director appointed under the Zanzibar Business and Property Registration Agency Act;

“Registration” shall comprise incorporation when applicable under relevant laws as provided under section 2 of this Act and includes registration of amendments and any other relevant documents;

“Registry” means the registry of business entities established under section 4(1);



“Sole proprietorship” means a form of business in which one person owns all the assets of the business and is solely liable with all his assets for all the debts of the business.

PART II ESTABLISHMENT OF THE REGISTRY OF BUSINESS ENTITY

Establishment of Registry of Business Entity. 4.(1) There is hereby established the Registry to be known as the Registry of Business Entities in the Zanzibar Business and Property Registration Agency.

(2) There shall be a journal, register and index of entities to be prepared and maintained by the Registrar.

(3) The manner and contents of the journal, register and index shall be in the form as prescribed in the regulations made under this Act.

Functions of the Registry 5. The Registry shall have the following functions:-

- (a) registration of business entity:-
- (b) assignment of the entity unique identification code;
- (c) keeping daily records of activities in the format of a journal;
- (d) organization of the entity registration and facilitate information service in the most efficient and professional way under the provisions of this Act;
- (e) management of the register and index of entities;
- (f) authorization of the user manuals, standard letters, and other forms required for the operation of the Register;

PART III REGISTRATION PROCEDURES

Application for Registration. 6.(1) Every business entity required to be registered under this Act shall furnish application for registration to the Registrar who shall enter into the journal.



- (2) The application for registration shall consist of:-
- (a) the complete and signed registration form;
 - (b) attachments as prescribed under the laws governing the entities mentioned under section 2(1) of this Act;
 - (c) evidence of payment of fees as prescribed under regulations.
- (3) Application for registration may be submitted by hand, regular mail or online.
- (4) In the case of application by online, the Registrar may recognize:-
- (a) such form of signature as authorized by regulations made under this Act; and
 - (b) the certification of the applicant that signatures applied to attachments are true signatures.

Provided that the Registrar shall acknowledge the receipt of application and reply to the applicant.

- (5) The Registrar in consultation with Minister, may make guidelines for online registration from time to time;

Responsibilities
of Entity.

7.(1) The applicant shall be responsible to provide correct and complete information in the registration form and attachments submitted therewith and shall certify in the registration, the truthfulness of the information.

(2) The business entity shall be responsible for the timely registration of any amendments or changes of information of a business entity already registered.

- (a) whenever a change is made or occurs in any particulars registered in respect of any business entity, such entity shall within twenty eight days after such change or such longer period, furnish by sending or deliver to the registrar a statement in writing in the prescribed form specifying the nature and date of change signed, and where necessary verified, in like manner as the statement required on the registration;



(b) the Registrar may, on application being made in any particular case, whether before or after the expiration of such period, allow the extension of period to register such changes of the particulars.

(3) Any business entity which contravenes the provisions of this section commits an offence and shall be liable to a default fine.

Duty to furnish particulars.

8. The Registrar may require any person or business entity to furnish to him such particulars as appear necessary for the purpose of ascertaining whether or not the entity should be registered under this Act, or an alteration needed on the registered particulars.

Right to the Business Entity name.

9.(1) The business entity shall have right to use a proposed name when the application for registration is entered into the journal. Provided that, the Registrar has the right to reject a proposed name of a business entity even if the name has been entered into the journal of the register subject to section 11 of this Act.

(2) If the Registrar refuses to give approval, shall give reasons in writing.

Registration of Business Entity and Trade Names.

10. (1) An entity shall be registered and operate under registered business entity name.

(2) The name used by an entity as trade name shall additionally be registered under this Act.

Reservation of name and restriction on registration of Entity by certain names.

11.(1) The Registrar may, on written application, reserve a name pending registration of an entity or a change of name by an entity. Any such reservation shall remain in force for a period of thirty days or such longer period not exceeding sixty days, as the Registrar may, for special reasons, allow, and during such period no other company shall be entitled to be registered with that name.

(2) The Registrar shall not approve the registration of a business entity under a name which:-

(a) is identical to the name used by another business entity;

(b) the Registrar considers misleading or in any other way undesirable.

(3) The Registrar upon consultation with Minister, shall issue guidelines concerning the descriptions of names to be used by business entity.



Priority to use a name. 12.(1) Where more than one business entity apply for the same name, the rank of order between them to the name shall be determined by the date and time of journalization until a final decision on the right to use the name can be made by the Registrar.

(2) An applicant is legally responsible if its name violates any intellectual property rights and the registration procedure does not include any investigation whether such violation is the case.

Admission of Application. 13.(1) Upon receipt of the application for registration, the Registrar shall provide the applicant with evidence thereof, which shall contain the date when the application for registration was received, the name and address of the applicant as well as the proposed name of the business entity and the journal number of the application for registration.

(2) A business entity application for registration can only be accepted to be journalized and further processing provided:-

- (a) name and contact details of the applicant are completed;
- (b) registration form has been used;
- (c) business entity code has been stated when registering an amendment;
- (d) business entity name has been stated; and
- (e) prescribed fee has been paid.

Process of Registration. 14.(1) The processing of the registration shall comprise all steps and decisions required by other laws for the registration of business entities.

(2) The Registrar shall organize the process of application for registration in such ways that the information in the application are consistent with the information recorded with the register and in accordance with the legal requirements as provided under the other laws.

(3) If the application for registration does not comply with the provided requirements, the Registrar may serve on the applicant a notice indicating errors, omissions or unclear information therein, and grant the person up to ten working days for correction of the item stated and within this period, the registration is considered pending and the business entity name reserved.



(4) The scope of information which shall be recorded with the Register shall be the same as at any time as included in the registration form as prescribed in the regulations of this Act, and the complete application for registration shall be stored in the register by paper-based and electronic means.

(5) The information on business entity recorded in the Register shall be admissible in evidence in all legal proceedings as of validity equal with the original document and as evidence of any facts stated therein of which direct oral evidence would be admissible.

(6) If the Registrar reject the application for registration, the business entity on which the rejection was made, may appeal to the Minister within ten working days from the date of the rejection, following procedures set forth in regulations made under this Act.

Certificate of Registration. 15.(1) Where the Registrar is satisfied with compliance of all legal requirements, shall issue the certificate of registration on hard paper or by electronic means or in any other form approved by the Minister.

(2) Certificate of registration or certified copy thereof, shall be kept at the conspicuous place at registered office.

(3) Any person who contravenes the provisions of subsection (2) of this section, commits an offence and upon conviction shall be liable to a fine not exceeding shillings five hundred thousand, or imprisonment for a term not exceeding one month or both.

(4) The certificate of registration shall have the contents as prescribed in the regulations.

(5) Any person at any time upon a payment of fee, may request the issuance of a certified copy of certificate of registration.

Registration of Amendments. 16.(1) Subject to the provisions of other laws, any changes, alteration or amendments of registered particulars of business entity shall be registered under this Act.

(2) Where the amendments relate to change of name, the Registrar shall issue certificate of change of name as prescribed in regulations made by the Minister.

(3) Whenever a change is made or occurs in any of the particulars registered in a partnership or sole proprietorship, the Registrar may issue a certificate of change of particulars in either partnership or sole proprietorship as the case may be.



Removal
of name
from
Register.

17. (1) Without prejudice to the laws applicable under section 2 of this Act, if any business entity registered under this Act ceases to carry on business, it shall be the duty of the one who manage the business entity at the time when it ceased to carry on business, within three months after the business has ceased to be carried on, to send to the Registrar notice of cessation.

(2) Any person who contravenes the provisions of subsection (1) of this section commits an offence and shall be liable upon conviction to a fine not exceeding two hundred thousand shillings, or imprisonment for a term not exceeding two month or both.

PART IV GENERAL PROVISIONS

Public
Information.

18.(1) The information recorded within the Register shall be public.

(2) Any person may inspect the documents filed by the Registrar upon such terms and conditions as prescribed in the regulations.

Disclosure
of
information.

19.(1) The Registrar may provide information from the Register by any one or more of the following means:-

- (a) to a person at the Register premises;
- (b) telephone;
- (c) post;
- (d) email.

(2) The Registrar upon request, may issue certified written extracts of information.

(3) Disclosure of information and issuance of extracts may be subject to payment of such fees as prescribed by regulations made thereof.

Compound
of an
offence.

20.(1) The Registrar may compound an offence committed by a person under this Act or Regulations made under this Act by requiring such a person to pay the fine prescribed to such an offence provided that the person:-



- (a) admits in writing that he has committed an offence and shall take due care not to repeat the same; and
- (b) pay such fine payable under this Act or regulations.

(2) If the fine required to be paid under subsection (1) of this section is not paid on demand, the Registrar subject to relevant laws may institute court proceedings or may take step for the recovery of the fine in any manner as may be permitted by law.

No proceedings under this Act shall be instituted against any person without prior consent of the Director of Public Prosecutions.

(3) The imposition of fine under subsection (1) of this section shall not be regarded as conviction of the alleged offence; provided that if the sum is paid in full no prosecution for the alleged offence shall be instituted or maintained.

General penalty. 21. Any person who contravenes the provisions of this Act or regulations made under this Act, where there is no specific penalty provided thereof, shall be liable upon conviction, to a fine not less than fifty thousand shillings and not exceeding one million shilling or imprisonment for a period of not less than one month and not exceeding three months or both to such fine and imprisonment.

Offences relating to Officers. 22. Any person who:-
(a) being a registrar refuses or without reasonable cause omits to register any entity or particulars concerning information which has been tendered to him by an applicant and which the registrar is required by or under this Act to register; or
(b) being a person having the custody of any register of business entity carelessly loses or damages the register or allow the registers to be damaged;

Shall be guilty of an offence and shall be liable upon conviction, to a fine not exceeding shillings one million or imprisonment for a term not exceeding one year or both such fine and imprisonment.

Regulations. 23.(1) The Minister may make regulations for the purpose of better implementation of this Act.



(2) Without prejudice to the generality of the provisions of subsection (1) of this section, the Minister may in particular make the regulations relating to any of the following matters:-

- (a) the forms to be used under this Act;
- (b) contents of journal, register and index;
- (c) contents of certificates;
- (d) contents of partnership deed;
- (e) the procedures for registration of sole proprietorship and partnership;
- (f) the procedures for inspections;
- (g) disclosure of information;
- (h) online registration;
- (i) procedures of appeal;
- (j) processing of application for registration;
- (k) any other matter relating to this Act and which the Minister may think appropriate.

Update of
Information.

24.(1) Every business entity registered prior to the commencement of this Act, shall be deemed to be registered under this Act, and within a period of one year after this Act has come into operation, be required to be registered in accordance with the provisions of this Act.

(2) Such business entity shall be given a new registration number after that entity has been registered under the provisions of this Act.

(3) Any person who fails to comply with the provisions of subsection (1) of this section, commits an offence and upon conviction shall be liable to a penalty as prescribed under section 21 of this Act and in addition to that, the Registrar after six month shall cause the business entity to be strike off in the respective register in accordance with the provisions of the other laws.



(4) Where it appears two or more entities have identical names, the Registrar shall apply the provisions of section 12 of this Act, provided that the Registrar shall direct the other business entity to propose new name within two weeks; failure of which the Registrar shall strike off the proposed name from the register.

Consequential
Amendments.

25. The laws which provide for the registration under the provisions of section 2(1) of this Act shall have effect with such modifications as may be necessary to give effect to this Act.

PASSED in the House of Representatives of Zanzibar on 12th day of October, 2012.

{ YAHYA KHAMIS HAMAD }
CLERK OF THE HOUSE OF REPRESENTATIVES
ZANZIBAR