

THE UNITED REPUBLIC OF TANZANIA

BILL SUPPLIMENT

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THE BUSINESS ACTIVITIES REGISTRATION ACT, 2006

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NOTICE

The following Bill was, on 13th January, 2006 first published for general information to the public together with a statement of its objects and reasons. The Bill is now republished for purposes of First, Second and Third Readings.

Dar es Salaam,
25th October, 2006

PHILLEMONT L. LUHANJO,
Chief Secretary

A BILL

for

An Act to provide for the establishment of a business activities registration system, Business Registration Centres and to provide for matters related thereto.

ENACTED by Parliament of the United Republic of Tanzania.

**PART I
PRELIMINARY PROVISIONS**

1. This Act may be cited as the Business Activities Registration Act, 2006 and shall come into operation on such a date as the Minister may, by notice published in the *Gazette*, appoint.

Short
Title
and
Commen-
cement

2. This Act shall apply in Mainland Tanzania.

Applica-
tion

3. In this Act unless the context otherwise requires-
“Act” means the Business Activities Registration Act, 2006;
“auxiliary business” means any business not specified in a business registration which may be lawfully carried on under such registration;
“BRELA” means a Business Registrations and Licensing Agency;
“business” means any form of trade, commerce, craftsmanship or

Interpre-
tation

specified profession carried on for profit, gain and to which the provisions of this Act apply;

“Business Registration Centre” means a centre established in local authority for the purpose of business activities registration;

“business registration” means the process of registering business undertaking, business entity, enterprise, with a Registrar in a designated Local Authority in accordance with the provisions of this Act;

“business registration system” means the business registration system established under section 8 of this Act;

"certificate of compliance" means a certificate issued by a relevant licensing authority body to a business owner proving that the business complies with the relevant law governing that business”

"certificate of registration" means a certificate issued under section 14 of this Act;

"Chief Registrar" means the officer designated to be Chief Registrar under section 5 of this Act;

Cap. 212 "core activity" means the main activity of that business;

"company" means a company incorporated under the Companies Act, or incorporated outside Tanzania Mainland and authorized by that Act to carry on business or to have a registered office in Tanzania;

"inspector" means an officer appointed by the Minister under section 26 of this Act;

"local authority" means local government authority established under the Local Government (District Authorities) Act, or the Local Government (Urban Authorities) Act;

"Main Registry" means the registry established under section 6:

"Minister" means the Minister responsible for trade;

Cap. 287 "public servant" has the meaning ascribed to it under the Public Service Act:

and
Cap. 288 "publish" means the publication of information relating to the Business Registers in either electronic form or through printed material to all ministries and to the general public;

"Registrar" means a public officer appointed under section 6 of the Act in each local authority jurisdiction;

Cap. 298 "Registry" means the registry established under section 10 of this Act; "regulated business" means a business regulated under any written law.

PART II
INSTITUTIONAL ARRANGEMENT

4. The Minister shall, in relation to the powers and functions of local authorities conferred under this Act-

Role of
Minister

- (a) formulate a national policy and regulatory framework for local authorities in relation to business registration system;
- (b) coordinate and monitor the performance of local authorities for compliance with national policies, guidelines and standards;
- (c) provide the necessary technical support or assistance to local authorities for the implementation of the respective functions;
- (d) facilitate the exercise of powers and the discharge of functions in a manner that gives due recognition to the autonomy of local authorities.

5.-(1) The Chief Executive Officer of BRELA is hereby designated to be the Chief Registrar of business.

Designa-
tion and
functions of
the Chief
Registrar

(2) The functions of the Chief Registrar shall be-

- (a) to receive quarterly updated registers of businesses from the Registrars of each local authority;
- (b) to establish and maintain one composite register of all businesses registered under this Act;
- (c) to publish quarterly the composite registers of all Business Registration Centers within three months after the end of the quarter; and
- (d) to ensure that each Registrar maintains minimum acceptable standards of the registry in his jurisdiction.

6.-(1) There is hereby established a Registry which shall consist of the registries under the Companies Act, the Business Names (Registration) Act and any other registry or data base which may be integrated under this Act.

Main
Registry
Caps. 212
and 213

(2) The Minister shall ensure that the Main Registry is kept and maintained in accordance with prevailing international best practices with the use of modern technology and skills.

**PART III
BUSINESS REGISTRATION CENTRES**

Establishment of Business Registration System

7-(1) There shall be established in each local authority a Business Registration Centre.

(2) Each Business Registration Centre shall be a section of the local authority.

Functions of Business Registration Centres

8. The functions of the Business Registration Centre shall be-

- (a) to register all businesses undertakings, business entities and enterprises in the area of its jurisdiction;
- (b) to collect business information in the area of its jurisdiction for the purpose of public consumption;
- (c) to ensure all business information collected is available for the purpose of public record;
- (d) to provide information and guidance to the public on the manner in, and extent to which businesses are to comply with legislation and regulations applicable to them;
- (e) to provide information regarding services provided by the Government and donor agencies to businesses including but not limited to training programmes, skills access in the form of technical advice and business development services, and the provisions of trading and operational facilities such as hawker stalls and industrial parks;
- (f) to provide a facility which will, as far as possible, be in a form similar to a website where any registered business may be entitled to place advertisements at a fee determined by the local authority with the approval of the Minister;

Business Activities Registration

- (g) to provide a registry of information on all businesses operating within the area of its jurisdiction and ensure accessibility of such information to all branches and agencies of the government and to all businesses.
- (h) to submit quarterly reports within three months after the end of the quarter to the Chief Registrar;
- (i) to deregister businesses as and when necessary as provided for in this Act.
- (j) to publish the current register of all businesses registered in the area of his jurisdiction;
- (k) to deregister businesses as provided this Act.

9.-(1) There shall be in each Business Registration Centre a Registrar who shall be appointed by the Minister responsible for local government.

Appoint-
ment and
functions
of the
Registrar

(2) The Registrar shall be the head of the Business Registration Centre.

(3) The Registrar shall be answerable to the Chief Registrar on all matters concerning administration of this Act.

10. The Minister in collaboration with the Minister responsible for local government shall ensure that each Registry is maintained in accordance with prevailing international best practices with the use of modern technology and skills.

Registry

PART IV REGISTRATION OF BUSINESS

11.-(1) It shall be necessary to obtain a certificate of registration from the Business Registration Centre in respect of every business.

Compli-
ance by
regulated
and
unregulat
ed
business

(2) Each Registrar shall notify the Chief Registrar on each regulated business that has been licensed to undertake any specified business by the respective Regulatory body.

Business Activities Registration

(3) The owner, manager or person in-charge holding a valid certificate of compliance with the regulated business has no obligation to obtain a certificate of registration.

(4) Any business which is not regulated under any written law shall upon application be issued with certificate of registration.

(5) A person shall not carry on business at two or more premises unless particulars of both premises are registered.

Applica-
tion for
registrat
ion

12.-(1) Any person who wishes to register a business of any local authority within the area of jurisdiction shall make an application for registration to the Business Registration Centre in such form as may be prescribed.

(2) Every application under this section shall be signed in the manner and by such person or persons as required under this Act.

Particu-
lars
of
applicati-
on

13. Every application for business registration under this Act shall contain the following information -

- (a) the name of the business;
- (b) the date of commencement of the business;
- (c) the name of the owner or owners of the business;
- (d) whether the owner is a firm, a corporate entity or a natural person;
- (e) if the owner is a firm, the partners, thereof;
- (f) nationality of owner;
- (g) if the owner is a corporate entity, the registration number and date of registration of the company;
- (h) whether the owner of the business has been registered in terms of section 4 of the Business Names (Registration) Act the name under which it was registered;

Cap. 213

Business Activities Registration

- (i) in the case of a subsidiary business, the name and location of the head office;
- (j) the nature of the core activity of the business;
- (k) the nature of any auxiliary activity;
- (l) the number of employees in the business and if the business has more than one branch, in each such branch;
- (m) the physical street, postal address and telephone numbers of the business;
- (n) the telefax number, e-mail and website address of the business, if any;
- (o) the chief executive officer or other person in charge of the management of the business;
- (p) the extent to which, if any, that business has been granted an applicable certificate of compliance or authorization to trade or operate; and
- (q) the Tax Identification Number (TIN) of business.

14.-(1) Upon receipt of the application, the Registrar shall cause the business activity to be registered in the prescribed form and shall issue to the applicant a certificate of registration in the form set out in the Schedule to this Act.

Registra-
tion

(2) Where the Chief Registrar or Registrar is not satisfied with compliance of the requirements set out under section 13, he may refuse to grant application for registration business and give reasons for refusal.

15. Every business registration shall be valid for the entire life of the business.

Validity

16. Nothing in this Act shall entitle any person to carry on business or business to be conducted in contravention of any law or regulation governing activities of that business, including but not limited to-

Extent of
authority
of
certificate
of
registra-
tion

- (a) town planning regulations;
- (b) health regulations;
- (c) safety regulations;
- (d) environmental regulations;
- (e) in relation to foreigners, the immigration requirements; or
- (f) any regulation governing the conduct of any specific type of business or profession.

Exhibition of certificate of registration

17. Every person who is issued with a certificate of registration shall exhibit the same in a conspicuous place in the premises where the business is carried on.

Local Authority Not to Issue licences

18. No local authority, its agent, of any other person shall, save as provided for under any written law, have the power to issue a licence, permit or authorization required as a precondition for the right to conduct a business.

PART V
SUSPENSION, REVOCATION, DEREGISTRATION AND CANCELLATION
OF CERTIFICATES OF REGISTRATION

Suspension, revocation, or cancellation of certificate of registration

19.-(1) The Registrar may suspend, revoke or cancel a certificate of registration issued under this Act if he is satisfied that-

- (a) the premises has ceased to be used for the purpose for which the certificate of registration was issued;
- (b) the business owner, manager or person in-charge has, since the certificate of registration was issued, been convicted of any offence against the provisions of this Act or any regulations made there under;
- (c) the business owner has become bankrupt or if a company, has gone into liquidation; or
- (d) the business has failed to comply with any condition of the

certificate of registration.

(2) A person whose certificate of registration has been suspended, revoked or cancelled under this Act shall be required to surrender that certificate to the Registrar.

20. The Registrar shall, where he is satisfied that the business owner, manager or a person in-charge of business

Notifica-
tion
of
intention
to
deregister

(a) does not comply with any law specifically governing activities of that type of business or the business has been liquidated or is no longer trading; or

(b) furnished false information in the application for registration,

serve a notice of the intention to de-register to such owner, manager or as the case may be, the person in-charge of the business.

21.-(1) Any person who is served with a notification under section 20 shall be given an opportunity of appearing and making be representation relevant to the proposed de-registration to the Registrar, and the Registrar shall consider such representations and decide accordingly.

Right to
be heard

(2) Where the Registrar deregister any business he shall, within thirty days from the date of deregistration notify in writing the owner, manager or any other person in-charge of the business.

22.-(1) Any person who is aggrieved by-

Appeal

(a) suspension, revocation or cancellation pf a registration certificate;

(b) refusal of the Registrar to issue certificate of registration;

(c) de-registration,

may, within sixty days from the date ,of the decision, appeal to the Minister.

(2) Every appeal made under this section shall be in writing.

(3) Where the Registrar suspend, revoke or cancel the registration certificate that suspension, revocation or cancellation shall not take effect until the period within which an appeal against suspension, revocation or cancellation may be made to the Minister has elapsed or, if the appeal has been made, until that appeal has been heard and determined.

Appeals
Commit-
tee

23. (1) The Minister shall, by Order published in *Gazette*, appoint such number of public officers to be members of the Appeals Committee.

(2) The Appeals Committee shall advise the Minister on any complaint made by any person in relation to decision made by the Chief Registrar or Registrar pursuant to the provision of this Act.

(3) A person aggrieved by the decision of the Minister may within thirty days from the date of the decision appeal to the High Court.

PART VI OBLIGATIONS OF OWNERS OF BUSINESS

Notifica-
tion to
Registrar

24. The owner, manager or any other person who is in-charge of a business shall be required to notify the Registrar of a local authority in which his business is registered if-

- (a) he ceases to operate business;
- (b) his business is placed in liquidation;
- (c) business premises. are changed;
- (d) his line of core activities has changed; or
- (e) his business activities registration certificate is misplaced, destroyed or lost.

Replace-
ment of
lost or
destroyed
certificate

25. Any person whose certificate of registration has been defaced, lost or destroyed may upon application to the Registrar be issued with a duplicate certificate.

PART VII
APPOINTMENT AND POWERS OF INSPECTORS

26.-(1) The Minister responsible for local government shall, appoint such number of officers of the local authority to be inspectors for the purposes of this Act.

Appoint-
ment and
functions
of
Inspectors

(2) Notice of appointment of every inspector shall be published in the *Gazette*.

(3) The officers appointed under subsection (1) shall have the following qualifications:-

- (a) law;
- (b) economics; or
- (c) rural town or urban planning.

(4) The inspectors appointed under this section shall, for purposes of implementation of this Act, be answerable to the Registrar and in that respect perform the following functions:-

- (a) inspect and examine premises or place where business is carried on; and
- (b) any other functions as may be directed by the Registrar.

27. An inspector shall for the purposes of the execution of this Act, have powers to-

- (a) require the production of the certificate of registration or any document kept in pursuance of this Act and to inspect, examine and make copy of any of them;
- (b) to demand the owner, occupier, or other person having control of premises to give any information that is in that person's powers;
- (c) to exercise any powers which may be necessary for carrying out the provisions of this Act.

Powers
of
Inspectors

PART VII
OFFENCES AND PENALTIES

Offences
and
penalty

28. Any person who-

- (a) carries on business without being registered under this Act;
- (b) provides false information at the time of registration;
- (c) conducts business without observing other legislation or regulations governing such activity;
- (d) carries on business at any place not specified in the certificate of registration;
- (e) fails to surrender certificate of registration which has been suspended, revoked or cancelled to Registrar,

commits an offence and upon conviction shall be liable-

- (i) in case of a business with a turnover of not exceeding twenty million shillings per annum, to a fine of not less than fifty thousand shillings but not exceeding one hundred thousand shillings; and
- (ii) in case of a business with a turnover exceeding twenty million shillings per annum, to a fine of not less than two hundred thousand shillings but not exceeding five hundred thousand shillings.

Suspension,
revocation etc to
be
published

29. Where the Registrar suspends, revokes or cancels a certificate of registration, the Chief Registrar shall publish in the *Gazette* such suspension, revocation or cancellation and shall inform the owner accordingly.

PART XI
FINAL PROVISIONS

30.-(1) The Minister may make regulations for the better carrying out the provisions and purposes of this Act.

Regulation

(2) Without prejudice to the generality of subsection (1), the Minister may make regulations:

- (a) prescribing forms to be used for purposes of this Act;
- (b) prescribing for the classification of businesses;
- (c) requiring the Registrar to submit returns to the Chief Registrar;
- (d) providing for the issuance of a duplicate certificate of registration where the original is defaced, destroyed or lost;
- (e) providing for the timeframe within which specific obligations shall be carried out;
- (f) prescribing the fine to be imposed on any person or business found to be carrying on a business without a valid certificate of registration; or
- (g) prescribing anything which, under the provisions of this Act, may be prescribed.

31. The Business Licensing Act, 1972 is hereby repealed.

Repeal
Cap. 208

32. Notwithstanding the repeal of the Business Licensing Act, licences issued and all exemptions granted thereunder, shall remain in force and effective until a date to be determined by the Minister whereupon such licences shall lapse and owners of businesses shall be required to register such business in accordance with this Act.

Transitional
provisions
Cap
208

SCHEDULE

(Section 14)

UNITED REPUBLIC OF TANZANIA
BUSINESS ACTIVITIES REGISTRATION ACT, 2006
CERTIFICATE OF BUSINESS REGISTRATION

This is to certify that

.....

is the holder of a Certificate of Business Registration issued under

The Business Registration Act, 2006

For and on behalf of:

The Chief Registrar

.....
Registrar,

.....Business Registration centre

Dated this..... day of.....200.....

OBJECTS AND REASONS

This Bill intends to propose the enactment of legislation which introduces a "Business Activities Registration system" to replace the business licensing system that is currently in force.

The new legislation provides for procedures and regulations for registration of business responding to the demands of a market economy, focusing on the reduction of the high transaction costs for business compliance with unnecessary regulations. The Bill also introduces procedures for the collection of data and dissemination of information on trends in the business sector for use by various stakeholders.

The Bill is divided into Nine parts presenting various proposals on the Business activities registration.

Part One deals with the preliminary provisions, which includes the name of the Bill, its application and definition of words and terms used in the proposed Act.

Part Two defines the role of the Minister, the appointment of the Chief Registrar and establishment of the Main Registry.

The establishment of Registries in the City, Municipal, Town and District Councils, the functions of these Registries, the appointment of Registrars and their functions are dealt within Part Three of the Bill.

Part Four provides for the procedures for registration of business, duration of validity of registration and obligations of business owners issued with the certificate or registration.

Part Five provides for the procedures of suspension, revocation and cancellation of business registration certificates consequent to contravention of the provisions of the Business Activities Registration Act, right to be heard, appeal and procedures thereof.

Part Six explains the obligations of registered business owners whose businesses have been de-registered or who have lost their certificates of registration.

Part Seven deals with the appointment and functions of inspectors, it also provides for their powers.

Part Eight provides for the offences and penalties under the proposed Act

Part Nine gives the Minister powers to make regulations for the implementation of the Act. This Part also repeals the Business Licensing Act and provides for the transitional provisions for licenses issued under the Business Licensing Act, 1972.

MADHUMUNI NA SABABU

Muswada huu unakusudiwa kupendekeza kutungwa kwa Sheria mpya itakayoweka utaratibu wa uandikishaji wa biashara badala ya utoaji wa leseni za biashara. Sheria mpya inalenga kuweka utaratibu wa usajili wa biashara zinazowiana na mazingira ya uchumi wa soko huria na kuondoa kero na gharama za kuanzisha biashara zinazotokana na udhibiti usiokuwa na lazima. Aidha, sheria inaweka utaratibu wa ukusanyaji na usambazaji wa takwimu kuhusu mwenendo wa sekta ya biashara kwa matumizi ya wadau mbalimbali.

Muswada umegawanyika katika sehemu tisa zinazopendekeza mambo mbalimbali kuhusu utaratibu wa uandikishaji wa biashara kama ifuatavyo:-

Sehemu ya Kwanza inahusu jina la Sheria, matumizi ya sheria na tafsiri

ya maneno yanayotumika katika Sheria.

Sehemu ya Pili inaelezea majukumu ya Waziri, uteuzi wa Msajili Mkuu na uanzishaji wa Masijala Kuu (Main Registry).

Sehemu ya Tatu inaelezea uanzishaji wa Ofisi ya Uandikishaji wa Biashara katika Halmashauri ya Jiji, Manispaa, Miji na Wilaya, majukumu ya ofisi hizo, uteuzi wa Wasajili na majukuu yao.

Sehemu ya Nne inahusu masharti kuhusu uandikishaji wa biashara, muda wa Hati za Uandikishaji wa Biashara, na wajibu wa wafanya biashara.

Sehemu ya Tano inahusu taratibu za kufuta hati za uandikishaji wa biashara kutokana na kukiukwa masharti yanayopaswa kuzingatiwa na wafanyabiashara, haki ya kusikilizwa au kukata rufaa kwa wale wanaofutiwa hati za uandikishaji pamoja na taratibu za rufaa.

Sehemu ya Sita inaelezea majukumu na wajibu wa wafanyabiashara iliyoandikishwa na kutoa taarifa endapo biashara zao zitafungwa au wamepoteza Hati za Uandikishaji.

Sehemu ya Saba inahusu uteuzi na kazi za Wakaguzi pamoja na taratibu na mamlaka yao ya kuhakiki utekelezaji.

Sehemu ya Nane inaainisha aina ya makosa na adhabu zinazoweza kutolewa chini ya Sheria inayopendekezwa.

Sehemu ya Tisa inatoa mamlaka kwa Waziri mhusika kutengeneza kanuni na taratibu mbalimbali za utekelezaji wa Sheria hii. Sehemu hii pia inaifuta Sheria ya Leseni za Biashara namba 25 ya mwaka 1972 pamoja na kuweka masharti ya mpito kwa leseni zilizotolewa chini ya Sheria inayofutwa. .

Dar es Salaam,
18 Oktoba, 2006

BASIL P. MRAMBA,
Waziri wa Viwanda, Biashara na Masoko