



## FILING BENEFICIAL OWNERSHIP INFORMATINON

### 28 April 2025

The Business Registrations and Licensing Agency (BRELA) has intensified enforcement of the requirement for registered companies in Tanzania to file Beneficial Ownership (BO) information. This obligation arises under the Companies (Beneficial Ownership) Regulations, 2021, made under the Companies Act, Cap. 212 (as amended by the Finance Act, 2020).

#### • What is Beneficial Ownership?

A Beneficial Owner is defined under Section 2 of the Companies Act, Cap. 212 as a natural person who ultimately owns or controls a company through direct or indirect ownership of a certain percentage of shares or voting rights, or through other means of effective control. (Key threshold is 5% ownership or voting rights,)

#### • Why This Matters

The disclosure of beneficial ownership is part of Tanzania's commitment to promote corporate transparency, combat money laundering, and align with international standards such as those set by the **Financial Action Task Force** (FATF).

#### Deadlines and Compliance

- Existing companies were required to submit their BO information by **31st December 2021**.
- New companies must file within 30 days of incorporation.
- Companies must also file updates within 30 days of any changes in beneficial ownership.

#### • Consequences for Non-Compliance

Under Section 451D of the Companies Act (Cap. 212), as amended, the financial penalties for failure to file Beneficial Ownership (BO) information with BRELA are as follows:

#### **4** Penalties for Companies

- A company that fails to file BO information commits an offence.
- Upon conviction, the company is liable to a fine not exceeding TZS 5 million.

#### **Penalties for Officers (e.g., Directors, Company Secretary)**

- Every officer who knowingly and wilfully authorizes or permits the failure also commits an offence individually.
- Upon conviction, each officer is liable to a fine not exceeding TZS 5 million, or imprisonment for up to 6 months, or both.

#### **4** Administrative Penalties (Without Court Proceedings)

In practice, BRELA also imposes administrative fines directly through their ORS (Online Registration System) if a company delays filing:

• Late filing penalties usually start from TZS 100,000 and can increase depending on the period of delay.



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At Tarishi & Co. Attorneys, we advise all companies—local and foreign—to review their shareholding structures carefully, identify their ultimate beneficial owners, and ensure timely compliance to avoid penalties and reputational risks.

#### 4 Need Assistance?

- Our Corporate Compliance Team is ready to assist your company in:
- Identifying beneficial owners
- Filing BO returns on BRELA's ORS system
- Updating changes to beneficial ownership
- Full corporate secretarial support

\* Contact Tarishi & Co. Attorneys today for tailored guidance.

# TARISH & Co. Attorneys Weza nasi



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