

Legal Update

Key Amendments to the Business Names Act and Companies Act under the Bill Supplement Written Laws

(Miscellaneous Amendments) Act, 2026

Introduction

The Written Laws (Miscellaneous Amendments) Act, 2026 proposes significant reforms to Tanzania's corporate legal framework, particularly affecting the **Business Names Act (Cap. 213)** and the **Companies Act (Cap. 212)**.

The proposed amendments indicate a clear policy direction aimed at:

- enhancing transparency in business ownership,
- strengthening regulatory oversight, and
- aligning with international Anti-Money Laundering (AML) standards.

This update provides an analysis of the **key proposed changes** and their potential implications for businesses, professionals, and corporate stakeholders

1. Amendments to the Business Names Act (Cap. 213)

1.1. Introduction of Designated Non-Financial Business Professionals

The Bill proposes to introduce a new category of regulated persons referred to as **"designated non-financial business professionals"**, including:

- Advocates, notaries, and other legal professionals
- Accountants
- Real estate agents
- Dealers in precious metals and stones
- Company service providers
- Casino operators

Implication

If enacted, this amendment would significantly broaden the regulatory scope of the Act by bringing previously less-regulated professions within the compliance framework, particularly for AML purposes.

1.2. Expansion of Registration and Disclosure Requirements

The Bill proposes to amend Section 6(1)(d) to require disclosure not only of beneficial owners but also of designated non-financial business professionals involved in the business.

Implication

If the Bill is passed, businesses would be required to:

- disclose additional categories of associated persons; and
- ensure internal records reflect these expanded disclosure obligations.

1.3. Integration with Anti-Money Laundering Framework

The proposed amendment to **Section 21** seeks to introduce a new subsection incorporating “reporting persons” as defined under the Anti-Money Laundering Act. If enacted, this means that reporting persons will be able to access information held by the Registrar about beneficial owners of a business.

Implication

This will create a direct legal link between business name registration requirements and AML reporting obligations.

2. Amendments to the Companies Act (Cap. 212)

The proposed amendments under the Bill are extensive and, if enacted, would introduce significant structural reforms to the Companies Act, particularly in relation to corporate governance, compliance requirements, and regulatory oversight.

2.1. Regulation of Nominee Arrangements

The Bill proposed to introduce the definitions for:

- **Nominee** - means a person instructed by the nominator to act on his behalf in a certain capacity regarding a company;
- **Nominator** - means a person who issues instruction directly or indirectly to a nominee to act on his behalf in the capacity of a director or a shareholder;
- **Nominee Director** - means a person who routinely exercises a function of the director in the company on behalf of, and subject to the direct or indirect instructions of the nominator;
- **Nominee Shareholder** - means a person who exercises voting rights and other rights ancillary to it according to the instructions of the nominator or receives dividend on behalf of the nominator

Implication

If enacted, this would formally recognise and regulate nominee arrangements, which have historically been used to obscure beneficial ownership. Companies would likely be required to:

- identify nominee relationships; and
- maintain records of underlying controllers.

2.2 Mandatory Record-Keeping of Nominee Structures

It is proposed that Section 15(2) be amended by adding paragraph (b) to require Companies to:

- maintain accurate and up-to-date records of nominee directors and shareholders;
- include nominee details in statutory registers; and
- comply with prescribed regulatory requirements.

Additionally, the Registrar will maintain a central register of nominee directors and shareholders.

Implication

This would enhance transparency in ownership structures and reduce anonymity in corporate control.

2.3 Reintroduction of Specific Objects Requirement

The Bill proposes to repeal and replace **Section 8** to require companies to state specific objects in their memorandum.

- maintain accurate and up-to-date records of nominee directors and shareholders;
- include nominee details in statutory registers; and
- comply with prescribed regulatory requirements.

Implication

If enacted, this would reverse the current flexibility allowing companies to operate with broad or unrestricted objects and would instead limit companies to defined business activities.

2.4. Stricter Enforcement on Company Names

The Bill proposed to introduce a new enforcement mechanism under Section 33(2) that if a company is mistakenly registered with a name that is too similar to another existing company, the Registrar can require a name change (usually within 6 weeks or an additional extended time as the Registrar allows or sees fit).

With this new proposed clause which is added as subsection (5) :

- If the company fails to change its name within the required period, it will:
 - Lose its registration status, and
 - Be struck off the register (i.e., effectively cease to exist as a legal entity).

Implication

This would significantly strengthen enforcement, making non-compliance with name change directives potentially fatal to a company's legal existence.

2.5. Contents of annual returns

The Bill proposed to amend section 133 (5) to include paragraph (b) to require additional disclosure of the number of paid up and unpaid shares in the annual returns.

Implication

This would transform annual returns into a more detailed disclosure tool, enhancing transparency and regulatory oversight.

2.6. Enhanced Beneficial Ownership Disclosure

The Bill proposes to expand beneficial ownership disclosure requirements to include:

- identification details
- contact information
- nature of ownership interest
- politically exposed person (PEP) status

Implication

If enacted, companies would be required to collect, verify, and continuously update detailed beneficial ownership information.

2.7. Expanded Powers of the Registrar

The Bill proposes to grant the Registrar authority to:

- inspect company records at any time;
- conduct inspections with or without notice; and
- require full cooperation from companies.

Implication

This would shift the compliance framework from a passive filing system to a more active enforcement regime.

2.8. New Requirements for Foreign Companies

The Bill proposes that foreign companies comply with enhanced disclosure requirements within a specified period (e.g., six months from commencement).

Implication

This would increase regulatory scrutiny of foreign entities operating in Tanzania.

Conclusion

The proposed amendments under the Written Laws (Miscellaneous Amendments) Bill, 2026 signal a significant shift towards a more transparent, compliance-driven, and enforcement-oriented corporate regulatory framework.

If enacted, these reforms would impose more stringent disclosure and compliance obligations on businesses, while enhancing the powers of the Registrar and strengthening oversight mechanisms.

Businesses and stakeholders are therefore advised to monitor the progress of the Bill closely and begin assessing the potential impact of these proposed changes to ensure timely compliance should the amendments come into force.



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