



tanzania investment window

User's manual

Starting a company in Tanzania



TANZANIA INVESTMENT CENTRE
PRIME MINISTER'S OFFICE



Starting a company in Tanzania

Starting a Company in Tanzania through the Tanzania Investment Window (TIW) system: what does it involve?

The following registrations are required to do business lawfully in Tanzania:

1. Incorporation

- a company exists legally in Tanzania once it has been issued with a Certificate of Incorporation delivered by the Business Registrations and Licensing Agency (BRELA).

2. Taxpayer registration

- Once its legal existence has been established through BRELA, the company must be issued with a Tax Identification Number (TIN) from the Tanzania Revenue Authority; if the company's annual turnover is expected to exceed TZH 40'000'000, it must register for Value Added Tax (VAT) (if expected turnover is less than the TZH 40 million threshold, the company can still request VAT registration).
- All directors within the company must also apply for individual TINs if they do not already have one. At least one of the directors must have a certified individual TIN - meaning that the director has undergone biometric registration - before being authorized to retrieve the Company's TIN. Applications for Company and Director TINs, as well as VAT registration, can be done through the Tanzania Investment Window (TIW) system. Biometric registration of the director can be done at the One Stop Centre (OSC) of the Tanzania Investment Centre (TIC) once company certificates are ready to be picked-up.

3. Employer registration with social security schemes

- A new company will automatically be registered as a potential employer with the six social security schemes in Tanzania (NSSF, LAPF, GEPI, PSPF, NHIF, PPF). This will facilitate hiring future employees who have a legal right to choose the social protection scheme of their liking.
- All certificates above are available for pick-up at the One Stop Centre (OSC) of the Tanzania Investment Centre (TIC) 3 working days after the application has been submitted online through the TIW system (72 hours).

NB!

Business licenses are coming soon: the Tanzania Investment Window (TIW) system does not yet allow for the issuance of business licenses delivered by the Ministry of Industry and Trade. Business licenses are mandatory to do business in Tanzania and their cost and conditions depend on the Company's business activity. A company can apply for business licenses once it has been issued with the Certificate of incorporation and a TIN number (1 and 2 above).

1. Create your file

Guide

The interactive guide is the **entry point to your application**.

Presentation

The initial questions help determine what your situation is. Depending on your answers, the system tells you which **registrations** are mandatory and which are optional. The system then indicates the **documents you will need to upload** and the **costs** associated with the registrations you select.

The guide is composed of three sections:

- Your business registrations
- Required documents
- Costs

The guide asks you:

- Whether you seek to incorporate the company as a Private Limited Company (minimum of 2 subscribers, maximum of 50) or a Public Company.
- Whether your company has share capital (as stated in the memorandum and articles of association). If yes, the guide will ask you for the amount of capital. If not, it will prompt you for the number of subscribers of the company. Both parameters determine Business Registrations and Licensing Agency (BRELA) registration fees. See the fee schedule by clicking [here](#).
- How much turnover the company is expected to make in its first year of operations. It is mandatory for a company to register for VAT if its turnover is expected to exceed TZH 40'000'000 a year. However, company management may choose to register the company for VAT even if its turnover is not expected to reach the threshold.
- How many original copies of the registered memorandum and articles of association you wish to obtain (2 is the minimum: one original copy is kept by BRELA, the other copy is given to the company owners. Company representatives may need originals for later administrative needs).
- Whether you lease or own the premises at which business is conducted.

These questions are important to determine the fees and the documents you will be required to submit. At any time, you can change your answers and save your new information. If you do so, you might be asked to change information in the form before being allowed to submit the application.

Your business registrations

To operate legally, your company must be registered with the Business Registrations and Licensing Agency (BRELA) to obtain a certificate of incorporation, with the Tanzania Revenue Authority (TRA)

to obtain a Tax Identification Number (TIN) and a VAT certificate if the company's turnover is expected to exceed TZH 40'000'000 a year.

Your lease must be registered with TRA if it isn't already. If you have employees, you will have to register the company and your employees with one of the six Social security providers in Tanzania.

NB! Business licenses, coming soon:
 the Tanzania Investment Window (TIW) system does not yet allow for the issuance of business licenses delivered by the Ministry of Industry and Trade. Business licenses are mandatory to do business in Tanzania and their cost and conditions depend on the Company's business activity. A company can apply for business licenses once it has been issued with the Certificate of incorporation and TIN numbers (1 and 2 above).

The system automatically selects all mandatory registrations depending on your answers. You have the option of unselecting one or more of these registrations. If you do, the system will prompt you for the proof of registration before allowing you to apply.

Requirements

Depending on your answers, the system will provide you with the list of documents to scan (in pdf or JPG format) and to upload onto the system.

Costs

- Depending on your answers, you will be asked to pay the following four fees:
1. Between TZH 50'000 and TZH 300'000 (depending on either size of capital or number of owners) for BRELA registration fees for company registration. See the fee schedule by clicking [here](#).
 2. TZH 5'000 stamp duty fee per original copy of the memorandum and articles of association. A minimum of 2 original copies is required (TZH 10'000 minimum charge).
 3. TZH 45'000 filing fees for the single form and the memorandum and articles of association.
 4. 10% facilitation fee (of the total charged – fees 1+2+3 above)

Form

The form enables you to provide all information required by institutions involved in the registration of your company *in one go*.

Proposed company name

The chose company name name should be the same as the one listed in the Memorandum and Articles of Association. The name must be different from any business and company names registered in Tanzania. Please check existing names by searching Business Registration and Licensing Agency's (BRELA) two databases of enterprise names (business names and company

names). In addition, the chosen name should not be any well-known international trademark. For more information on how to choose a company name, please refer to the guidelines from BRELA.

Business premises (company headquarters)

Address of headquarters: it is important in this part of the form to provide good indications on the address of the company's headquarters. Contact information and address should be similar to the information that appears on the Memorandum and Articles of Association and on the lease contract or title deed of the company headquarters.

At least one telephone number and email should be provided. These may be a directors' mobile phone numbers and email. Please note that these numbers will be registered as the main contact numbers and email to communicate with the company.

Plot and Block: these fields are only mandatory if the plot of land has been surveyed. Leave blank if in doubt.

Street or location: provide street name and number, floor, apartment number if available, and, if necessary, any other information required to locate the premises if street name and number are unavailable (for instance, description could read "small red painted villa right behind the Saint Anna Church in Ilala district").

P.O. Box: A P.O. Box number is mandatory. Important: it is possible to use the same one P.O. Box number for all the directors, subscribers of the company and company secretary. If the P.O. Box address is different than the city, district or town of the company promises, the name of the city, district or town affiliated with the P.O. Box should be provided.

Business activity

Category of business activity: select the activity from the list that you think is the best match to your businesses' main activity as described in the Company's memorandum and articles of association and in activity 1 below.

Activity 1-3: It is important to describe precisely and extensively the activities the company plan to carry out. Start with the principal business activity. Activity 1 should bear relation to the selection in "Category of business activity". If the company plans to carry out more than one type of business activity, you may describe them in fields 2 and 3.

Activity start date: by default, the system will define the start date as the date of submitting incorporation documents. You may however choose another start date prior or after the date of application.

End of fiscal year (date): By default, the end of the fiscal year is set for December 31st to be aligned with Tanzania Revenue Authority's fiscal year. Please be aware that choosing another date than December 31st as the end of the company's fiscal year may delay processing of the application.

Company secretary

The form asks you to designate the Company secretary and provide his/her contact details. The Company secretary may be a company's director and/or shareholders.

At least one telephone number should be provided.

Plot and Block: these fields are only mandatory if the plot of land has been surveyed. Leave blank if in doubt.

Street or location: provide street name and number, floor, apartment number if available, and, if necessary, any other information required to locate the premises if address is not sufficient (for instance, description could read "small red painted villa right behind the Saint Anna Church in Ilala district").

P.O. Box: providing a P.O. Box number is mandatory. However, it is possible to use the same one P.O. Box number for all the directors, subscribers of the company and company secretary. If the P.O. Box address is different than the city, district or town of the company promises, the name of the city, district or town affiliated with the P.O. Box should be provided. Information on the costs of a P.O. Box is to be found on [Tanzania's Postal Service website](#).

Directors & non-directors owner / partners

In this section, all directors and subscribers of the company must be listed. Subscribers are shareholders or members (sometimes called partners) whose names appear on the Memorandum and Articles of Association. A private limited company must have at least 2 directors and 2 subscribers in Tanzania. A director may be a subscriber as well. The minimum configuration of a company is therefore one that is owned by 2 subscribers who are both designated as directors.

The following information is required for directors (be they subscribers or not): full names, date of birth, nationality and residence status in Tanzania, residential addresses, other occupation (if any), other directorships (explain what other directorships the new director has, if applicable). If the Director owns shares in the company, the form will ask for the percentage of shares owned.

P.O. Box: providing a P.O. Box number is mandatory. However, it is possible to use the same one P.O. Box number for all the directors, subscribers of the company and company secretary. If the P.O. Box address is different than the city, district or town of the company promises, the name of the city, district or town affiliated with the P.O. Box should be provided. Information on the costs of a P.O. Box is to be found on [Tanzania's Postal Service website](#).

Tax Identification Number (TIN) of the Director: all Directors in Tanzania need to have a TIN number. Therefore, if a Director does not have a TIN, the system will ensure that the Director is registered with Tanzania Revenue Authority (TRA). Completing director TIN registration requires that the director undergoes biometric registration (see below).

Obtaining the Company TIN registration certificate requires that at least one of the company directors have an individual TIN registration certificate. It is easy to obtain the latter when picking up the company creation certificates at the Tanzania Investment Centre's (TIC) One Stop Centre (OSC) where a biometric registration facility has been installed.

If the Director has been convicted of a criminal offence over the past 12 months, an explanation is required.

The form requires answering whether the director has or will have access to the bank account of the company.

If a Director is married and if the spouse is the owner of the business, information on the spouse (personal names, business name and TIN, if available) should be provided.

Subscribers who are legal entities (companies) must provide the name of the entity, the country of registration as well as the full name of the authorized representative.

For individual subscribers (shareholders or members) who do not hold director positions providing the following information is required: full names, date of birth, nationality, a P.O. Box number, other occupation (if any), other directorships (explain what other directorships the new director has, if applicable). If the Director owns shares in the company, the form will ask for the percentage of shares owned.

Estimate of income tax

In this section, the petitioner is asked to indicate what the profit might be in the current year of operations. If the company is registered in November 2014, then the profit for 2014 should be provided. If the company is not expected to make any profit, a "0" must be inserted in the field.

If the company is expected to derive income from investment then expected investment income must be filled. If the company is not expected to make any investment income, a "0" must be inserted in the field.

The **corporate tax rate** in Tanzania is 30%.

Instalment payable: corporate income tax is paid in four instalments: March 30, June 30, September 30 and December 31. The date of application determines how many instalments are left in the year. If the application is made somewhere between March 30 and June 29, three instalments are left in

the year. The system will automatically divide estimated taxes to be paid by the number of instalments left in the year. The user is free to pay more than the equal divide in the first instalment if he/she so wishes; the system will automatically adjust the amounts to be paid at later instalments accordingly. It is not possible to pay less than the equal divide in any of the instalments.

Employer information

The form asks how many employees the company plans to have. This information is for statistical purposes only; an indicative number is sufficient and does not oblige the company in any way.

A person in charge of Human Resources (HR) must be designated within the company. Do not worry if you do not have a specific human resource officer, any director or employee can be named. It does not oblige the company in any way.

The following information is required for the HR representative: full names and contact information.

Information on the petitioner

At the end of the form, the petitioner is required to inform who is applying on behalf of the company. The form lets you select any of the Directors or Company Secretary entered. If you are not a director or company secretary, the form will prompt you for information on your status as an authorized representative of the company being created. Entering a working mobile phone number is important in order to facilitate contact and to obtain payment receipts.

Documents

Scan and upload all required documents. The format authorized is pdf, jpg, jpeg and png. **Maximum size of each file is 10 Mo.**

A document can be comprised of one or several files (one file per page for example). To enter more files under one document header; simply click on "select file" again.

The filled single form is automatically generated by the system. Click the button to generate the form and print it.

The signed form represents the official company registration request. All Directors, the Company Secretary and all Subscribers of the company or their authorised representatives must sign it. Once signed, please upload it onto the system using the button below.

Please keep all originals of documents, including the original of the signed form. You will be asked to hand them over to the Front desk Officer at the Tanzania Investment Centre (TIC) in order to retrieve the original certificates of company registration.

2. Payment

How to pay registration fees?

Tanzania Investment Centre (TIC) has partnered with MaxCom Africa to provide you with a range of payment options. You can pay using international payment cards (Visa, MasterCard and China Union Pay) and Mobile Money (M-Pesa, TigoPesa, Airtel Money or EzyPesa). More payment options will be added in the near future.

If you don't have any of the above, you may go to one of the MaxMalipo points of sale located across Tanzania. Just remember to bring the transaction ID and account number that are provided on the payment page once you have clicked on "Pay using Mobile Money" below.

Online payment with credit card

You can pay registration fees using your credit card, by clicking on the button on your right. Visa and MasterCard are accepted. A 5% transaction fee is added for this payment option.

Payment with Mobile Money

You can pay registration fees using Mobile Money: Vodacom M-Pesa, TigoPesa, Airtel Money or EzyPesa). If you don't have a Mobile Money account, you can go to any of the many MaxMalipo Points of Sale in Tanzania. Just remember to bring the transaction ID and account numbers that are provided on MaxCom's payment page once you have clicked on "Pay using Mobile Money". Once you have effected the payment a confirmation sms is sent to the number you have used for payment. A 2% transaction fee is added for this payment option.

At all times, you may print a total cost overview.

Once you have selected "mobile payment", the following payment guideline will be visible in the system and will include the reference number needed to complete the transactions. See examples below:

How to pay with M-PESA

- I. Dial *150*00# to access the M-PESA Menu.
- II. Select option # 4: PAY VIA M-PESA
- III. Select option # 4: Enter the Business Number, which is 173399
- IV. Enter your reference number: 1000000615
- V. Enter Amount:
- VI. Enter your PIN

How to pay with TIGO PESA

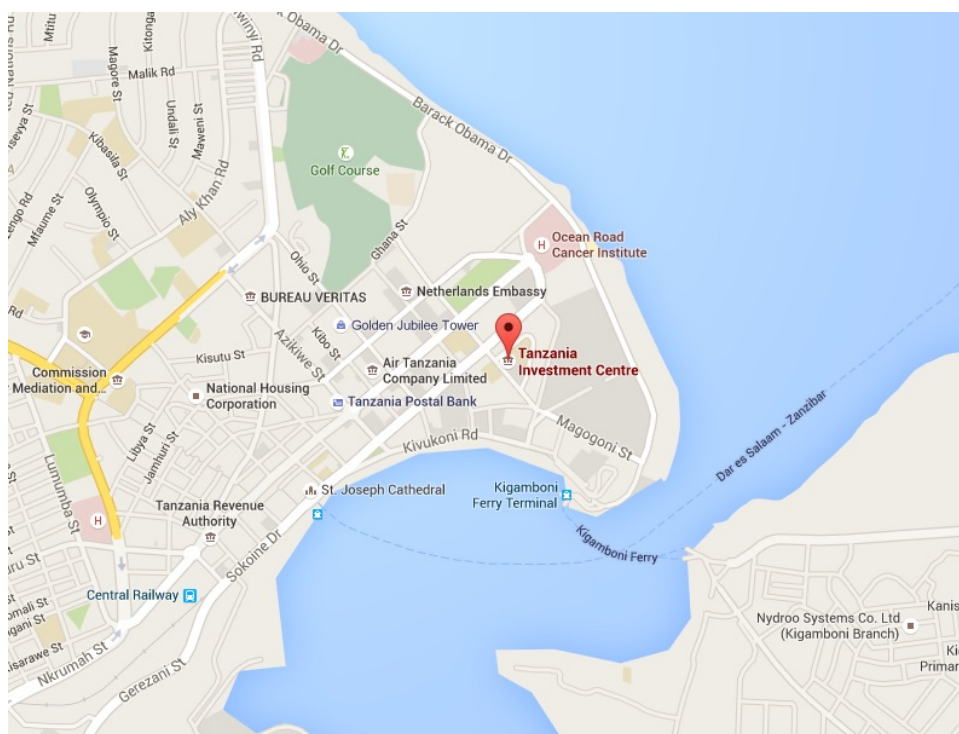
1. Dial *150*01# to access the TigoPesa Menu.
 2. Select option # 4: Payments
 3. Select option # 2: Enter the Business Number, which is 173399
 4. Enter your reference number: Which is the 10 digit Number: 1000000615
 5. Enter Amount:
 6. Enter your PIN
 7. Press 1 to confirm the txn or 2 to cancel the transaction.
- A receipt will be available for download once the payment has gone through.

Once the payment has been processed, you will be authorized to submit the application.

3. Retrieve your certificates

How to retrieve registration certificates?

After payment has been completed, and before submitting the application, the user must agree to pick up the certificates at the Tanzania Investment Centre located in the City Centre of Dar es Salaam at Shaban Roberts Street, next to the Bank of Tanzania and the National Museum. More pick-up spots throughout Tanzania will be added progressively.



Tanzania Investment Centre

Shaban Robert Street
Dar es Salaam, Tanzania
P.O. Box 938

Tel: +255(22)2116328-32

Email: information@tic.co.tz

NB! You will receive an email from TIC, once the documents are ready to be picked up. The documents should be ready after 3 working days after application (min 72 hours).

All originals of the documents that were scanned and uploaded onto the system online, including the original of the signed form, must be submitted to the Front desk Officer at the Tanzania Investment Centre (TIC) in exchange of the company's certificates of company registration:

1. Certificate of incorporation (BRELA)
2. Registered Memorandum and Articles of Association
3. Tax Identification Number registration certificate for the company (TRA)
4. Value Added Tax registration certificate (TRA)
5. Tax Identification Number registration certificate for the directors (TRA) - provided they do not have a TIN already and that they have undergone biometric registration. The latter can be done

minutes prior to picking up the certificates at TIC's One Stop Centre which is equipped with TRA's biometric identification facility.

Important: at least one of the directors must have a certified individual TIN - meaning that the director has undergone biometric registration - before being authorized to retrieve the Company's TIN. Therefore, if no Director has a prior certified TIN number, it must be one of the Directors who picks up the certificates and completes the biometric registration upon pickup.

The new company will automatically be registered as a potential employer with the six social security schemes in Tanzania (NSSF, LAPF, GEPF, PSPF, NHIF, PPF). The registration numbers will be available to the company in the system alongside digital copies of registration certificates. No physical certificates are delivered at pickup. The registration number with any of the social security schemes is all proof of registration required when the company wishes to register employees. Social security schemes may choose to send certificates by mail to the user.