

# Proposals of the General Scheme for Limited Partnerships and Business Names Bill 2024

26 August 2024

The Department of Enterprise, Trade and Employment (DETE) has released the General Scheme of the Registration of Limited Partnerships and Business Names Bill 2024 (General Scheme), which aims to bolster the registers' integrity and transparency. Key measures include mandating economic activity within the State, European Economic Area (EEA) residency for at least one general partner, and maintaining a state-registered office. The General Scheme, if enacted in its current form, will align with domestic policy by requiring detailed partner information. The General Scheme also proposes the introduction of a beneficial ownership register for non-EEA partnerships. A transition phase allows existing entities to adjust, with the Company Registration Office (the Registrar) empowered to enforce compliance and manage the register effectively, mirroring company law regulation standards.

The DETE has released the General Scheme which, if enacted, would repeal and replace the Limited Partnerships Act 1907 (**1907 Act**) and the Registration of Business Names Act 1963 (**1963 Act**). The central aim of the proposed legislation, regarding the Limited Partnerships (**LPs**) and business names aims to improve the accuracy and reliability of records by making changes to both the processes and the rules.

**The key proposals from the General Scheme are as follows:**

## **Transparency in the Registration Process**

The General Scheme suggests new rules for registering LPs aimed at increasing transparency. These rules will require applicants to show that the LP will operate economically within the State and that at least one general partner resides in the EEA or has their main business there for the life of the LP. Specific information must be provided on the principal activity of the LP (rather than a broad description of its business, as is presently the case).

Currently under the 1907 Act, an LP can move its principal place of business to a location outside of the State post-registration. Under the General Scheme it suggests that an LP will be required to maintain a registered office or a place of business in the State.

If enacted, the General Scheme will align LPs with other domestic policies through the above registration requirements. [Section 50\(1\) of the Companies Act 2014](#), [Section 7\(1\) of the Irish Collective Asset-](#)

[management Vehicles Act 2015](#) and [Section 12\(1\) of the Investment Limited Partnership Act 1994](#) provide that an investment limited partnership shall at all times maintain a registered office in the State and a principal place of business in the State which may be at the same address.

The General Scheme proposes a requirement that all applicants when registering an LP must provide their forename and surname and any former forename or surname, Personal Public Service Number (**PPSN**) (or alternative information where a PPSN is not available as determined by the Registrar), date of birth, nationality and residential address.

The General Scheme suggests that each LP file an Annual Confirmation Statement (a filing requirement) by 1 July each year confirming its registered details. This would not replace the requirement for qualifying LPs to file annual financial accounts or notices of changes as they occur.

### **Registration of Business Names**

The General Scheme also proposes to introduce a requirement for the date of birth of the person(s) behind a business name and the personal public service number (for validation purposes only), in line with government rules for using the PPSN, the Limited Partnership must also include its number on the list of LPs,

### **Beneficial Ownership Register**

The General Scheme in its current form seeks to establish a register of beneficial ownership of partners who are incorporated or administered outside of the EEA. Under the new legislation, if enacted, newly registered LPs must submit the required information within six months of its registration. Similarly, partnerships established under the 1907 Act must provide this information within twelve months of receiving a re-registration notice from the Registrar.

### **Transition Phase**

Under the General Scheme, the Registrar will have a thirty-month period to inform all current LPs and individuals associated with registered business names about the changes in the registration procedure. This communication will detail the necessary actions they need to take to maintain their registration. Upon receiving this notification, the recipient of the notification will have a twelve-month window to either meet the new re-registration criteria or opt for deregistration. Should the recipient of the notice not participate in this process, the Registrar will proceed to remove them from the register.

### **Powers of the Registrar**

The General Scheme envisages more powers for the Company Registration Office similar to those held for companies, tailored to fit the Limited Partnership (LP) framework. These powers include the ability to request additional information or declare a document as non-compliant, to pinpoint and eliminate LPs or business names no longer in operation, and to deregister an LP that has been dissolved or has not met the requirements of this legislation, akin to the company strike-off procedure.

### **Conclusion**

In conclusion, if enacted in its current form, the General Scheme represents a significant step forward in enhancing the integrity and transparency of the registration process for LPs and business names in the State. By introducing stringent requirements for economic activity, EEA residency, and detailed personal information for registration, the legislation aims to align LPs with contemporary domestic policy standards. This legislative initiative reflects today's modern business practices and aims to address the public appetite for greater transparency which in turn creates a more accountable and robust business environment.