

Regulatory Impact Analysis	
Department	Department of Enterprise, Trade and Employment
Title of legislation	General Scheme of the Registration of Limited Partnerships and Business Names Bill 2024
Date	31 /05/2024
Stage	Seeking Government approval to proceed to draft a Registration of Limited Partnerships and Business Names Bill and publish the General Scheme.
<b>Related Publications</b> <ul style="list-style-type: none"> <li>• <a href="#">Limited Partnerships Act, 1907 (irishstatutebook.ie)</a><a href="#">Partnership Act, 1890 (irishstatutebook.ie)</a></li> <li>• <a href="https://enterprise.gov.ie/en/consultations/public-consultation-on-the-limited-partnerships-act-1907.html">https://enterprise.gov.ie/en/consultations/public-consultation-on-the-limited-partnerships-act-1907.html</a></li> <li>• <a href="#">Registration of Business Names Act, 1963 (irishstatutebook.ie)</a></li> <li>• <a href="#">Registration of Business Names Act 1916</a></li> <li>• <a href="https://enterprise.gov.ie/en/consultations/public-consultation-registration-of-business-names-act-1963.html">https://enterprise.gov.ie/en/consultations/public-consultation-registration-of-business-names-act-1963.html</a></li> <li>• <a href="#">Companies Act 2014 (irishstatutebook.ie)</a></li> </ul>	
<b>Policy objective being pursued</b> <p>The overall policy objective is to provide for a modern, fit for purpose regulatory framework that works for individuals and body corporates engaged in business using the limited partnership structure and/or a business name, whilst ensuring public trust in the integrity of the registers. The objective will be achieved by introducing additional information requirements, increased enforcement and compliance provisions and additional powers to the Registrar.</p>	
<b>Policy options considered</b> <ol style="list-style-type: none"> <li>1. Do nothing.</li> <li>2. Repeal and replace both Acts.</li> </ol>	
<b>Preferred option:</b> Option 2.	
Available to view or download at:	Department of Enterprise, Trade and Employment’s legislation webpage
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## 1. Policy Context

### 1.1 Background

In 2019, the Department of Enterprise, Trade and Employment reviewed the Limited Partnerships Act 1907 and the Registration of Business Names Act 1963 as part of its Statement of Strategy commitment and ongoing strategic reform agenda to strengthen and update the business regulatory environment, to determine whether the legislation remains fit for purpose. Findings indicated that both pieces of legislation needed to be repealed and replaced with a modern legal framework.

In addition, press reports in the context of the Pandora Papers released in 2021, which revealed the offshore activities and tax sheltering schemes of global wealthy and elite individuals, raised concerns regarding the transparency and use of Irish registered limited partnerships (LPs) and the reporting obligations, when compared with the high standard of reporting obligations for companies under the Companies Act 2014. Concern was also raised regarding the high number of partnerships being registered by a small number of general partners or presenters using a single address in the State; the potential involvement of limited partnerships in illegal activity abroad and the capacity of the Limited Partnership Act 1907 to effectively regulate LPs in a modern and global business environment.

Registering multiple LPs or companies at a single address is not prohibited by law, however, reputational concerns may arise. Concerns are amplified by the lack of transparency as to who ultimately controls or benefits from the LPs and the activities of the LP; the lack of annual reporting obligations; severing all connection with the State after registration; and the possible misrepresentation of an LP in other jurisdictions as a legal entity akin to a company.

The overall policy objective of this reform proposal is to strike the right balance between enhanced transparency, protecting the legitimate use of the limited partnership framework and Ireland's reputation as a well-regulated place to do business. To address regulatory gaps identified in the review; criticisms raised in the context of the Pandora Papers and the views expressed in the public consultations, the General Scheme sets out a range of proposals to ensure the integrity of the registers of limited partnerships and business names, to ensure LPs maintain a connection with the State, to safeguard creditors, and enhance transparency without imposing a significant administrative burden on businesses.

### 1.2 Overview of the current legislation

#### Limited Partnership Act 1907

The **Limited Partnerships Act 1907** provides for the creation of a partnership in which limited partners have liability for the debts of the firm limited to the extent of their contribution; they are restricted from engaging in the management of the LP or risk losing their limited liability. A general partner has unlimited liability for the debts and obligations of the firm and the right to participate in its management. Partners in a Limited Partnership must obey all relevant laws including those relating to taxation and beneficial ownership.

Like general partnerships, the advantage of an LP over a limited company is that the LP is tax transparent with the partners taxed on profits and not the partnership itself. Unlike a company, the

Irish LP is not a separate legal entity, and is not generally required to file accounts. The Registrar of Companies is the relevant registrar for the purposes of the 1907 Act.

The LP is a popular vehicle to facilitate investment in many sectors including property, general trading, hospitality as well as by private equity funds, family investments and venture capitalists including Enterprise Ireland (EI). In 2022, EI's Seed and Venture Capital Investment in Irish enterprise reached €42m including in LP funds involved in early-stage start-ups across a broad range of sectors including ICT, health, cleantech and mid-stage life sciences companies.

Many provisions in the 1907 Act are antiquated including the language and penalties; incompatible with modern business practices and require updating to provide a fit for purpose regulatory framework and modern registration procedures. This will be achieved by additional information requirements regarding partners to enhance transparency as to the person(s) behind a limited partnership, additional powers for the Registrar to ensure the integrity of the Register is upheld, and enhanced enforcement and compliance provisions.

### Rise in registrations

In October 2023 there were 3,673 LPs registered in Ireland, relatively few compared to companies. A significant spike in registrations was seen from 87 in 2015 to 460 in 2016, rising to 676 in 2017. The sudden increase in registrations may be attributed to developments in the UK: specifically, Brexit and a tightening of the limited partnership regime for Scottish Limited Partnerships. Since 2018, registrations have declined significantly to an average of 250 annually.

Year	New Registrations	Number on the Register
2010	40	868
2011	33	901
2012	32	933
2013	45	978
2014	71	1,049
2015	87	1,136
2016	466	1,602
2017	676	2,278
2018	337	2,615
2019	305	2,920
2020	214	3,134
2021	334	3,468
2022	182	3,650
Oct 2023	124	3,774

**Table 1.** Registrations of Limited Partnerships (2010 to 2023). Source: CRO

### Registration of Business Names Act 1963

A business name is an effective method for a business to establish a profile in the market. The Registration of Business Names Act 1963 requires all individuals, partnerships, and corporate entities to register a business name, where they are carrying on business under a name that is not their own name(s). The CRO maintains the register of business names which has served a valuable public good for sixty years. The main objective of the register is to provide transparency to the public as to the natural or legal person(s) operating behind a business name. The register was established by the enactment of the Registration of Business Names Act 1963 (“the 1963 Act”) replacing the Registration of Business Names Act 1916; to update the law and extend its application to bodies corporate.

The 1963 Act does not create a separate legal entity or confer any legal or proprietary rights. The Act requires the Registrar to keep an index of all business names to ensure that those carrying on business under a business name are readily identifiable to the public. The 1963 Act regulates how to register a business name; the particulars to be submitted to the Registrar; and the penalties incurred for non-compliance. However, many provisions of the 1963 Act are outdated and require modernisation; including to ensure the register is up to date and reliable by introducing powers for the Registrar to remove names from the register under certain criteria; a requirement to re-register at regular intervals; proof of identity and for electronic filing.

### **1.3 International Reform**

Jurisdictions including the UK, Germany, France, Luxembourg, New Zealand and Canada have updated their limited partnership regimes in the recent years.

In 2017 in line with EU anti-money laundering requirements for legal entities, Scotland introduced a requirement for information on ‘persons of significant control’ or the beneficial owners of an LP which resulted in a surge in registrations in Irish, English and Northern Irish LPs. Irish LP registrations jumped from 87 in 2015 to 676 in 2017 with reports of registrations dropping by 79% in Scotland in 2017 and increasing by 142% in England and 22% in NI for the year. Similarly, to prevent money laundering and financing of terrorist activities Austria, Germany and France require identification and registration of beneficial owners of corporations and other entities including limited partnerships. In 2023 the UK introduced significant reforms for LPs to increase registration requirements, transparency and reporting obligations, and to maintain an ongoing connection with the State.

Currently it is a requirement of Irish law to disclose the beneficial ownership of companies and other corporate bodies. It is essential to know who benefits from or controls a business entity to prevent, detect and combat economic crime. The General Scheme provides for a register of beneficial ownership of partners which are incorporated or administered outside the EEA, to level the playing field with requirements of companies and corporate bodies based in the EEA. The scheme also introduces annual reporting obligations and a requirement to maintain an ongoing connection with the State.

## **2. Policy Objective of the Proposal**

The objective of the General Scheme is to strengthen the regulatory framework for individuals, partnerships and corporate entities engaged in business using the LP framework and/or a business name. The scheme seeks to enhance transparency, restore trust, protect creditors, increase compliance, and ensure the integrity of both registers in the public interest. The nature of the LP will remain unchanged, while the proposed regulatory framework seeks to facilitate investment which benefits the Irish economy, by protecting competitiveness and limiting administrative burdens. Equally, the regulatory framework supporting the register of business names will be updated to enhance transparency for all stakeholders.

The following presents proposals to achieve the objectives sought in the General Scheme, categorised by theme.

## **Limited Partnerships**

### *Transparency*

To enhance transparency the General Scheme introduces several new provisions for registration along with mandating that applicants must show that the LP will carry on an economic activity at a registered address and principal place of business in the State and that at least one general partner (individual or body corporate) must be an EEA resident or have a registered office or principal place of business in an EEA state for the duration of the LP.

The General Scheme introduces a requirement for an LP to maintain an ongoing connection with the State. Currently under the 1907 Act an LP may sever connection with the State post-registration by moving its principal place of business to another jurisdiction. This policy objective will be achieved by requiring that the applicant(s) must maintain a registered office or place of business in the State at all times to which all communications and notices may be addressed by the Registrar.

The introduction of the requirement for an ongoing connection with the State via a registered office is consistent with current policy. Specifically, 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 which provides 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, to which all communications and notices may be addressed”. Most respondents to the public consultation, including the CLRG, considered that a requirement for a registered office in the State (as required for companies) is reasonable.

Where a presenter/agent acts on behalf of the LP, they must be registered as a Trust or Company Services Provider (TCSP) with the Department of Justice if not monitored by another supervisory body under relevant anti-money laundering legislation. The TCSP must also provide its business address, ensuring compliance with relevant anti-money laundering provisions. According to the *Trust or Company Service Providers Risk Assessment Update of Ireland’s National AML/CFT Risk Assessment (2022)*, the risk associated with registered office services is limited by: regular contact between a TCSP and its client; the physical collection of mail by client representatives; the TCSP providing a sole contact address for the client; and a client using the premises for board meetings or similar functions.

Further, it is proposed to establish a register of [beneficial ownership of] non-EEA partners incorporated or administered in a third country. Currently information on the beneficial owners of partners established in the EEA is ascertainable. There is a risk that differences in tax treatment may be exploited depending on how a partner is characterised under the tax laws of two or more territories. This can generate a tax advantage or a mismatch outcome. To ensure that Directive 2016/1164/EU laying down rules against tax avoidance practices and Directive 2017/952/EU (ATAD II) ‘Anti-Hybrid Mismatch Rules’ are enforceable, the identity of all partners should be captured. This includes the ultimate beneficial owners of the corporate partners and partners of a foreign partnership being partners of an Irish registered limited partnership. The purpose of this provision is to tackle corporate secrecy and enhance transparency which is one of the objectives of the overall reform of the limited partnership regime.

The Minister will make regulations as he or she deems appropriate for the proper functioning of the Register including for further information required and making information available to relevant authorities of the State investigating suspected economic crime including the Criminal Assets Bureau, Central Bank, Revenue Commissioners, and the Intelligence Service.

Information requirements at registration of an LP will be expanded to provide that all individuals who are partners 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 use of the PPSN is in line with Government policy to process personal data only where necessary and to the extent that it is necessary. The CRO is listed in Schedule 5 of the Social Welfare Act 2005 as a specified body that may use Personal Public Service Numbers in accordance with GDPR principles. All legal persons that are partners must provide their corporate name, registered number, address of registered office and place of business as they appear on the register kept under the Companies Act 2014 or jurisdiction where registered and the European Unique Identifier (EUID), if applicable.

To protect creditors, the words “limited partnership” or relevant abbreviation in one of the official languages will be required in the name of a LP to indicate the legal form to the public i.e., that some partners have limited liability for the obligations of the firm. This is consistent with requirements for companies and with views expressed by most respondents to the public consultation. In addition, concerns that certificates of registration may be misrepresented as that of a company-like entity in transactions – including with financial institutions in jurisdictions unfamiliar with the LP model – are addressed by including a clarification on the certificate that an LP is a business agreement and not a separate legal entity.

Furthermore, the General Scheme requires that the Registrar must be notified of any changes to the registered information, within 14 days (7 days in the 1963 Act) in keeping with the Companies Act 2014. The Registrar will have powers to initiate the removal process from the register for non-compliance.

In keeping with current practice at the CRO, the delivery of documents electronically to the Registrar may be made mandatory (section 897 of the Companies Act 2014), making full use of advances in technology.

A thirty-month transition period from commencement of the new legislation will apply for the Registrar to notify all existing LPs and persons behind registered business names, that the registration process

has changed; outlining the steps required for them to remain on the registers. A twelve-month period from date of notification will apply in which to comply with the re-registration requirements or seek to be removed from the register. Failure to engage in the process will result in the Registrar initiating the removal process from the register.

### *Costs and benefits*

There will be some costs involved for re-registration and there may be additional costs associated with the new requirement to maintain a registered office or principal place of business in the State. This is likely to have the greatest impact for Irish registered LPs that have severed connection from the State by moving their principal place of business outside the State post-registration.

Data held by the CRO shows most LPs already use presenters in Ireland; therefore, significant additional costs are not foreseen by the requirement that presenters must be registered Trust or Company Service Providers.

Finally, there are cost implications for the requirement that at least one general partner must be EEA-resident or have a registered office or place of business in an EEA State for the duration of the partnership agreement. However, the measure is consistent with section 137 of the Companies Act 2014 which requires at least one director of a company must be a person who is EEA resident. The Department considers this a reasonable approach to ensure that an LP can be pursued where there is a breach or failure to comply with the law.

For the Registrar, there will be costs associated with the additional administrative burden of issuing notifications and processing re-registrations. There will also be additional cost and resource implications for the Registrar in creating and maintaining a register of beneficial ownership of non-EEA partners that are not natural persons.

It is acknowledged the new requirements will result in some additional costs; however, it is considered that any costs will be outweighed by the benefits of this modern, transparent, legislative framework that is in keeping with international best practice.

### *Integrity of the Register*

It is extremely difficult for the Registrar to keep the register of limited partnerships up to date due to the lack of powers of the Registrar to remove LPs from the register, except on request. The CRO considers that some LPs have not informed the Registrar of changes required to the registered details and it is unclear how many LPs on the register remain active. Respondents to the public consultation agreed that without powers of the Registrar to remove an LP under specific criteria the register is not a reliable source of information. However, concerns were also raised regarding the loss of limited partners limited liability when an LP is removed.

The General Scheme introduces a suite of powers to the Registrar consistent with those for companies, as appropriate to the LP model. The Registrar will have powers to seek further information or deem a document non-compliant, to identify and remove LPs or business names that have ceased business, to remove an LP that is dissolved or has failed to comply with various provisions of this legislation, similar to the strike off process applying to companies.

The removal of an LP from the register renders all partners as general partners and thus liable for all the debts and obligations of the firm. Therefore, the Department has been mindful to provide for a fair, balanced, and proportionate removal process ensuring a high level of protection for the liability of limited partners, including a robust notification process, remedial steps, adequate response timeframes, and restoration to the register where required.

In keeping with the findings from the public consultation, the General Scheme bolsters the integrity of the register by requiring that LPs file an annual confirmation statement by 1 July each year confirming the registered details. The statement will not replace the requirement for filing notice of changes; rather, the statement introduces an additional (albeit minimal) layer of administration, bringing Irish LPs in line with the approach taken for Irish companies. The requirement to file annual financial accounts for qualifying LPs (i.e., where all partners of an LP are corporate bodies) remains. It is considered that the requirement for an annual confirmation addresses the perceived risk associated with using the services of an agent by requiring regular contact is maintained between a TCSP and their LP client.

#### *Costs and benefits*

Granting the Registrar powers to initiate the removal of an LP from the register will result in negligible cost to the Registrar or an LP. The process will provide a high level of protection for the liability of limited partners. While filing the annual confirmation statement is an additional administrative burden it will be mitigated somewhat by electronic filing. Both processes will be beneficial for all stakeholders by ensuring the register remains current and reliable.

## **Registration of Business Names**

### *Transparency*

The General Scheme introduces a requirement for the date of birth of the person(s) behind a business name and the personal public service number (PPSN) (for validation purposes only), consistent with Government policy for use of the PPSN. Additional provisions require that:

- an LP must provide its number on the list of LPs;
- a company must provide its number on the register of companies;
- a co-operative must provide its number as listed under the Industrial and Provident Societies Act 1893 (currently under review); and
- a company must provide the European Unique Identifier number (EUID) on the EU Business Registers Interconnection System (BRIS), where applicable.

The 1963 Act requires that the certificate of registration is displayed in a conspicuous position at the registered office of a body corporate or the place of business of an individual or partnership, including at every branch and that all business letters, circulars and catalogues include the names of the person(s) behind the business name. Today, more than 80 per cent of Irish businesses have a website, which must state its business name. In addition to the requirements of the 1963 Act the General Scheme now requires the publication of the certificate on the website of the business and the names of the person(s)



behind the business name on all electronic communications regarding business, consistent with the responses received to the public consultation.

#### *Costs and benefits*

There are minimal costs associated with these recommendations.

#### *Integrity of the Register*

Under the 1963 Act, the Registrar cannot remove a business name from the register except on request of the registered person or their personal representative (if registered person is deceased). As a result, it is unclear how many businesses on the register remain in business. Most respondents to the public consultation supported increased powers for the Registrar to amend or remove a business name from the register, to ensure accuracy and transparency.

The General Scheme provides a 30-month transition period from commencement of the new legislation for the Registrar to notify the registered person that confirmation is required that they continue to conduct business under the registered business name, and failure to do so will result in the initiation of the removal process.

The Registrar may also initiate the removal process where they have reason to believe the following:

- a company has been wound up or removed from the Register of Companies;
- a firm is no longer on the list of Limited Partnerships;
- a body corporate is no longer on the list kept under the Industrial Provident Societies Act 1893 to 2014
- the name is undesirable or misleading;
- Registrar believes an event has occurred which makes it unlawful for the business to go on;
- the registered person(s) does not have a link to the State or an EEA state;
- the registered person(s) has failed to inform the Registrar of changes to the registered details.

To ensure transparency and the integrity of the register, the certificate of registration will be valid for five years. Within three months of the end of the five-year term, the Registrar must be notified of the intention to continue to carry on business under the registered name, or the Registrar may initiate the removal process.

#### *Costs and benefits*

There will be some administrative cost implications for the CRO in the reorganisation of the register during the 30-month transition period. There are minimal costs to a business or the CRO by requiring a business to re-register every five years or increasing the powers of the Registrar to initiate the removal of business names from the register. Benefits that flow from this proposal are that the register will become a reliable source of information on the number of active businesses and person(s) operating under a business name in the State.

### **3. Policy Options**

1. Do nothing
2. Enact legislative measures

#### 4. Identification and Description of Options

Option	Benefits	Impacts
<b>1. Do nothing</b>	No State intervention required and no additional regulatory burden on business.	<p>Potential to damage Ireland’s reputation as a trusted and well-regulated place to do business.</p> <p>Potential for the LP legal structure to be misused by individuals seeking to conceal their identity linked to economic crime. Company law requires directors and shareholders to be registered. In the context of LPs, this can give rise to offshore investment, where it becomes possible to create complex legal structures to obscure ownership of assets to a far greater degree. While tax avoidance is not illegal, LPs may be used as a vehicle to evade tax or launder the proceeds of crime or corruption, which has potential to directly impact the State exchequer and reputation.</p> <p>The OECD’s Global Forum on Transparency and Exchange of Information for Tax Purposes has made significant progress in addressing tax transparency and Ireland is very invested in this work.</p>
<b>2. Enact a new legislative measure</b>	Potential that a modern fit for purpose legislation will attract further investment in the State. Many jurisdictions including the UK, Germany, France, Luxembourg, North America, Australia, and Canada have already updated their limited partnership regimes.	<p>Initially there will be some extra costs involved due to additional filing requirements including for an annual confirmation statement, an EEA resident or incorporated general partner and the maintenance of a registered address in the State. Existing LPs will be required to comply with the additional requirements within [30] months of the commencement of the legislation.</p> <p>It is considered that the additional costs will be outweighed by a modern fit for purpose legislative measure in the context of the global nature of modern business activity, with enhanced transparency and enforcement requirements which will restore confidence for those doing business with Irish registered LPs and will uphold Ireland’s reputation as a well-regulated place to do business.</p>

	Enhanced public transparency as to the identity of the person(s) behind a LP along with an accurate and reliable register accompanied by an effective and proportionate enforcement regime that is consistent with existing corporate law.	Potential that partners incorporated or administered outside the EEA may not want to provide their beneficial ownership information. The objective is to level the playing field with existing requirements for partners incorporated in the EEA.
<p><b>Preferred Option</b> - Guided by the principles of better regulation, the preferred option is 2. Any potential impacts on trade and cross-border investment are minimised by introducing targeted measures aimed at increasing transparency and enhancing the enforcement regime without creating a disproportionate regulatory burden on businesses.</p>		

## 5. Impact Analysis

### a. National competitiveness

Ireland’s reputation as a fair and trusted place to do business is paramount to our national competitiveness and is supported by the Departments ongoing reform agenda to strengthen and update the regulatory framework. For over a century the LP has proven to be an attractive investment vehicle for indigenous and foreign businesses and private equity and venture capital investment. Therefore, it is considered prudent to retain the LP business model and reform outdated rules with modern and proportionate provisions. Other competitor jurisdictions have already reformed their LP regimes including the UK.

A modernised, transparent LP regime, proposed by this Bill, will ensure the integrity of the register(s), restore public trust in the regime, and enhance the attractiveness of the LP framework for venture capital investment in the State. The cross-application of relevant provisions of the Companies Act 2014, specifically enforcement mechanisms, will bring certainty and clarity for practitioners and the business community.

No significant policy changes to the economic market, including consumer and competition have been identified. In addition, no significant compliance burden or administrative burden have been identified; making electronic filing mandatory will reduce the administrative burden for both business and the CRO.

### b. Socially Excluded or vulnerable groups including gender equality, poverty, people with disabilities and rural communities

The proposal is not expected to have any adverse impact on socially excluded and vulnerable groups including gender equality, poverty, people with disabilities and rural communities.

**c. The environment**

The proposal is not expected to have an impact on the environment.

**d. North-South, East-West relations**

The proposal does not impact North-South, East-West relations.

**e. SME Test**

The Department considers that the SME test is not applicable for proposals regarding limited partnerships due to the nature of a limited partnership being a registered private agreement based on contract law between any combination of individuals or corporate bodies (as general or limited partners), without legal personality. The proposals regarding registered business names includes small and medium enterprises and are therefore compliant with the SME Test.

**6. Public consultation and engagement with relevant Departments and offices**

Public consultations conducted by the Department in 2019, subsequent reviews and significant engagement with the Companies Registration Office (CRO), Central Bank, Revenue Commissioners, Department of Justice, Department of Finance and the Corporate Enforcement Authority (CEA) concluded that both registers provided valuable public services and should be maintained. Findings also showed that the legislation required updating to increase transparency and ensure the integrity of both registers is maintained by enhancing enforcement and compliance.

The Department received thirteen responses including from the Company Law Review Group (CLRG) to the Limited Partnerships Act 1907 consultation. Questions focussed on the benefits of LPs for the Irish economy and if there was an ongoing need for the framework given the developments in the law governing business activity since 1907. Other questions included the requirements for a registered office and/or principal place of business, annual returns or financial statements and additional powers to the Registrar including for the removal of LPs from the register. All respondents supported the retention of the LP model on a modern fit for purpose legislative basis. The consultation documents and collated responses are available on the Department's [website](#).

The Department received eight responses including from the CLRG to the Registration of Business Names Act 1963 consultation. Questions focussed on the benefits of retaining the register and what changes should be made to the information requirements and powers of the Registrar. A review of the responses found no apparent grounds or support for abolishing the register of business names because it served an important public function of transparency and that it should be updated to contain accurate up to date information. The consultation documents and collated responses are available on the Department's [website](#).

Informed by input to the public consultations, engagement with the relevant Departments and offices and media coverage of the Pandora Papers, the Department developed a comprehensive set of legislative proposals to address the regulatory gaps identified.

## **7. Enforcement and Compliance**

The 1907 Act provides for limited enforcement measures and archaic penalties, specifically failure to notify the Registrar of changes within 7 days carries a fine of one pound for each day of default and to knowingly making false statements may result in imprisonment for a term not exceeding 2 years.

The General Scheme provides a suite of enforcement and compliance provisions, with categories of offences and penalties consistent with the Companies Act 2014 and the Fines Act 2010 as appropriate. Proceedings may be brought and prosecuted by the Registrar or referred to the Director of Public Prosecutions or the Corporate Enforcement Authority (CEA).

The General Scheme introduces a suite of new offences including, failure to maintain an ongoing connection with the State or provide an annual confirmation statement; to use a name which misrepresents an LP; to appoint a minor as a general partner to protect them from unlimited liability for debts of a firm, and for a person disqualified from acting as a company director in the State or other jurisdiction to act as a general partner for the duration of the disqualification period.

Failure of general partner(s) to keep a register of all partners incorporated or administered outside the EEA or to provide the Registrar with the relevant information, or provide false information, will be an offence.

The new provisions aim to align Irish registered LPs and registered business names with the corporate governance protections in place for Irish registered companies, as appropriate. The modern compliance and enforcement provisions will strengthen the current regime and provide clarity on obligations; providing certainty to all stakeholders including creditors that there is a robust regime in place and consequences for non-compliance. Due to the small number of LPs, and the lack of legal proceedings to date, significant cost implications are not expected for the CEA by the extension of their remit to include LPs.

## **8. Review**

The Department proposes to keep the impact of any new measures under review, and as part of the formal review mechanism complete a post-enactment report twelve months following enactment, as referenced in Standing Orders of both Houses of the Oireachtas.

## **9. Publication**

The Department intends to publish the General Scheme and Regulatory Impact Analysis on its website.