



How to obtain a Business Licence

Who must obtain a business licence?

Any person engaged in a business activity for profit in Tonga must have a business licence. This includes companies, overseas companies, partnerships operating under a business name, and sole traders.

Using the online register

To file an online application for a business licence you must first have a client account with the online registry. To set up a new account, click on the “Create Account” link on the upper right-hand side of the webpage. For more information about the online system and client accounts, please review the guide called “Overview of the Online Business Registry” found under the Guides tab.

Once you have created your account, you can complete your application to register a new business licence. To get started —

1. Log into your account
2. Select Business Entities from the top navigation bar
3. Select Business Licence on the left of the dashboard
4. Progress through each tab (Owners, Addresses, Primary Business Activity), entering the requested information.
5. Review the information entered and select ‘Checkout’
6. On the payment screen, select your method of payment
7. Select ‘pay’

The following information discusses the information to be provided in detail.

Owners

The licence must list all owners. The key information that you must provide depends upon the nature of the owner as owners can be individual persons, or other registered entities (like a company). You must identify all of the owners of the business licence as follows:

- If an owner(s) is an individual, you must supply their details (name, address, etc.). If the individual is an overseas investor, you will also need to enter your foreign investor certification number.

- If the owner is a registered entity all you need to do is enter their registration number and their details will be supplied from their other registration. This includes an owner that is a business name. This means that you will not be asked to enter information that you have already provided as part of the registration of the entity. For example, you would not have to enter the names of the directors and shareholders of a company seeking a business licence. Instead, simply enter the registration number of the entity and its information will be associated with the business licence.
- If the owner is some other type of entity that is not registered with MTED (like a trust or a cooperative) then you will need to enter their details.

Third parties

The business licence act states that if any owner is acting on behalf of a 3rd party, that must be disclosed on the application. The online form will have a tab for “beneficial owners” on which you would enter their details. This is a legal requirement, and failure to disclose the identity of persons that a listed owner is acting on behalf of could lead to prosecution.

Foreign investors

If any owner is a foreign investor, you must indicate this on the Application and enter their foreign investment certification number. Put another way, you must first obtain a foreign investor certification before you can obtain a business licence.

Business Activity

The business licence application must list all the activities that are part of the business. These business activities will be listed in a new way using the Pacific Standard Industrial Classification system (PSIC). This will allow the Ministry to produce meaningful statistics regarding business activities throughout the country that align with how other statistics are gathered. To indicate your business activity simply navigate to the Business Activity tab and this will appear on the top of the page:

6. Business Activity

The Kingdom of Tonga certifies business activities according to the Pacific Standard Industrial Classification of All Economic Activities 2014 (PACISIC) published by the Secretariat of the Pacific Community. A complete list of all activities and codes can be obtained from the website at Pacific Standard Industrial Classification. For each anticipated business activity, please insert the proper PACISIC activity codes, including class and subclass where applicable.

No Activities have been added. Click the **Add** button to add an activity.

+ ADD

Click on the green **+ ADD** button and an open field will appear:

Business Activity *

Section *

Click to Select

ⓘ A selection is required

Click into the field and a drop-down will appear with a high-level description of the types of activities that are available for selection:

Business Activity *
Section *

Click to Select

- A - Agriculture, forestry and fishing
- B - Mining and quarrying
- C - Manufacturing
- D - Electricity, gas, steam and air conditioning supply
- E - Water supply; sewerage, waste management and remediation activities
- F - Construction
- G - Wholesale and retail trade; repair of motor vehicles, motor cycles
- H - Transport and storage
- I - Accommodation and food service activities
- J - Information and communication
- K - Financial and insurance activities
- L - Real estate activities
- M - Professional, scientific and technical activities
- N - Administrative and support service activities
- O - Public administration and defence; compulsory social security
- P - Education
- Q - Human health and social work activities
- R - Arts, entertainment and recreation
- S - Other service activities

Select the description that best suits your business activity and then another open field will appear so that you can further classify the activity. For example, if you selected “I- Accommodation and food service activities” then two more fields would appear so that you can further define the activity. If you operate a local restaurant the final selection would appear as follows:

Business Activity *
Section *

I - Accommodation and food service activities

Division *

56 - FOOD AND BEVERAGE SERVICE ACTIVITIES

Group *

561 - Restaurants and mobile food service activities

If your business also included an accommodation for guests, you would include that activity as well on the licence application by again clicking on the **+ ADD** button:

Business Activity *
Section *

I - Accommodation and food service activities

Division *

55 - ACCOMMODATION

Group *

551 - Short term accommodation activities

You should add all activities to be included on the business licence application. This means that normally you will only need one business licence as it can list multiple activities.

Investment information

The Ministry collects general information concerning your business for statistical purposes. You will need to select the appropriate button for each of these questions:

A. Anticipated total capital investment amount (net property, plant and equipment inventory and working capital) in Pa'anga: *

Less than 150,000 150,000 to 500,000 500,001 to 1,000,000 1,000,001 to 5,000,000 5,000,001 to 10,000,000 More than 10,000,000

This field is required!

B. Anticipated employment of Tonga citizens in first year of operation (total in-country full-time equivalents): *

Less than 10 10-20 21-50 More than 50

This field is required!

C. Anticipated employment of non-Tonga Citizens in first year of operation (total in-country full-time equivalents): *

Less than 5 5-10 11-20 More than 20

This field is required!

Managing your business licence registration over the life of the business

If information on the business licence changes (such as the business activity or location) you must file an amendment to your registration.

If information related to the owner changes, you may or may not need to file a notice of that change with the business licence register depending upon the nature of the owner.

- If the owner is an individual(s), then if they change their details that would be filed in the business licence register. An amendment of this nature must be filed with 10 days of the change.
- If the owner is another registered entity (including a company or business name) then the owner changes are made in the owner's record in the business entity registry. In that case you would not make any changes to the business licence as the licence refers back to the owner record in the business entity registry. For example, if there is a change in information about a company that holds a business licence (such as a change in directors or shareholders) those changes are made to the company record, not the business licence record.

Annual renewal

Your business licence registration must be renewed each year. You may file the "notice of continued business activity" online. The month in which you are to file the renewal is shown when you login to the system and open your business licence record.

If you fail to file this renewal your registration will be cancelled after a 3-month grace period. If your licence is cancelled but you are still conducting business you may file an application for reinstatement via the online system