



## How to register a Business Name

### What is a “business name?”

Any person engaged in a business activity in Tonga under a name other than their own must register that “business name” with the Registrar. This situation usually arises in one of two instances: i) a sole trader (or a husband and wife) operates a business under a “trading name” or a “d/b/a,” or ii) a registered company seeks to do business in a name other than its own for marketing purposes. Therefore, the purpose of a business name registration is to give the public the names of the true owners of a business with whom they might be interacting.

Filing a business name registration is often a first step for a small business in entering the formal economy. Holding this registration may allow the small business person to open a bank account and otherwise transact business using the registered name. There are far fewer administrative burdens placed on a business name owner as opposed to a director or shareholder of a company, making it attractive to the small business owner. However, it is critical to remember that unlike with a company incorporation, **there is no independent legal entity created by a business name registration**. Thus, there is no personal liability protection for the owner(s) of a business name registration. Therefore, if you are a sole proprietor or in a partnership, you should carefully consider whether a business name registration is sufficient for your small business.

### Using the online register

To file an online application to register a new business name 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 “How to Use the New Online System” guide.

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

1. Log into your account
2. Select Business Entities from the top navigation bar
3. Select Business Name 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’

## **Proposed business name**

You must provide a proposed business name. The name may not be the same or nearly the same as any other name already in use by any other registered entity, cannot be deceptive or misleading, and may not break any other laws (for example, typically the name may not contain the word “Bank”). You may enter up to 3 potential names so that if the first is rejected your application may still proceed using the second or even third name. Staff will review the name for compliance when the application is submitted. You may wish to conduct your own search of the registry database to see if any other entity already has a name that is substantially similar to the name you wish to use.

## **Information that must be provided**

The entity registration form has tabs for the types of information that you must provide. After all information is collected, you will be able to review your work before it is submitted for the Registrar for approval. The key information that you must provide includes:

- Owners. Owners can be individual persons, or other registered entities (like a company). You must identify all of the owners of the business name as follows:
  - If an owner(s) is an individual, you must supply their details (name, address, etc.) and also scan and upload a picture of a government-issued photo ID. 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.
  - If the owner is some other type of entity that is not registered with IPA (like an incorporated land group or cooperative) then you will need to enter their details.
- Addresses. Principal place of business, additional places of business, and an address for communication must be provided.
- Primary business activity. You do not need to designate a business activity for a company. Instead, this will be collected on the business licence that each business name is required to obtain before it can commence business.
- Foreign investor. 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 name.
- Review. Once all information has been provided you will have the chance to review your work. Once confirmed, you will then be taken to a payment screen. The fee

is 25TOP and may be paid from your client account if you have a balance, or by a credit card.

When the payment has been processed the Application will go for review. If it is approved you will receive an email notice and you can view your new entity by logging into your client account. If there are any questions you will receive an email with further instructions.

### **Managing your business name registration over the life of the business**

Whenever any information on the business name registration changes (such as an address change or a change of name of an owner) you must file an amendment to your registration. You are also required to submit an annual renewal each year so that the Registrar can keep accurate records on what business names are still active.

#### **Annual renewal**

Your business name registration must be renewed each year. If you fail to file the renewal your registration will be cancelled. The month in which you are to file the renewal is shown when you login to the system and open your business name record.