

INTERNATIONAL PARTNERSHIP AND LIMITED PARTNERSHIP AMENDMENT BILL 2016

SAMOA

Explanatory Memorandum

1.0 Object and reasons:

- 1.1 The Bill seeks to amend the International Partnership and Limited Partnership Act 1998 (“principal Act”).
- 1.2 The objects of the Bill are:
- (a) to provide for the use of limited partnership by Samoan residents;
 - (b) to provide for the use of international partnership and limited partnership for business and investment; and
 - (c) to provide for the use of foreign characters in firm names.

Clauses:

Clause 1: - states that, when enacted, the Bill will be called the International Partnership and Limited Partnership Amendment Act 2016 (“Act”), and will commence on the date of assent by the Head of State.

Clause 2: - amends section 2 of the principal Act by; inserting new definitions for “beneficial owner” and “ultimate beneficial owner”; and substituting the definition of “international partnership or limited partnership” with “international partnership” and “limited partnership”; and amending the definition of “partnership”.

- Clause 3:** - amends section 5 of the principal Act to authorise an international partnership or limited partnership to be formed for any lawful purposes whether for the carrying on of business or for the making of investment; and ensure that limited partnership is available to Samoan residents as it is to foreign residents.
- Clause 4:** - substitutes section 8 of the principal Act to provide for the meaning of “international partnership”.
- Clause 5:** - amends section 17 of the principal Act to provide that the firm name of a limited partnership may include the use of “foreign characters” and insert “or investment” in paragraph (b) of subsection (1).
- Clause 6:** - amends section 19 of the principal Act to include investments in the modification of partnership laws in the case of limited partnerships.
- Clause 7:** - substitutes section 21 of the principal Act to provide for the registration of a partnership as a limited partnership, removing the non-resident requirement for a partner and the requirement that one of the general partners be either an international company, foreign company or a trustee company.
- Clause 8:** - amends section 23 of the principal Act to include investments for certificate to be signed by general partner.

- Clause 9:** - amends section 28(1) of the principal Act to include investments of the firm assumed and continued under the proviso to subsection (4).
- Clause 10:** - amends section 29 of the principal Act to include making of any investment.
- Clause 11:** - substitutes section 36 of the principal Act to provide for exemption from taxation, duties and returns of any income, profit or gain with a source outside of Samoa and attributable to the partners of an international partnership or limited partnership in Samoa.
- Clause 12:** - repeal sections 37 and 38 of the principal Act.
- Clause 13:** - amends section 39 of the principal Act to include the making of investments.
- Clause 14:** - amends section 41 of the principal Act by substituting subsection (2) to accept partnership agreements in other languages but to be accompanied by an English translation.
- Clause 15:** - provides consequential amendments to Part A of Schedule 2 of the Income Tax Act 2012 to provide tax exemptions.

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(Hon SILI Epa Tuioti)

**MINISTER RESPONSIBLE FOR THE SAMOA
INTERNATIONAL FINANCE AUTHORITY**