

THE ULTIMATE GUIDE ON HOW TO REGISTER A COMPANY IN UGANDA.

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This is a step-by-step guide for a local entrepreneur or a foreign investor seeking to start a business or register company in Uganda. Company registration in Uganda is handled through the Uganda Registration Services Bureau (URSB).

A company is a formal business entity that exists as a separate legal entity from its owners/shareholders, providing crucial liability protection. Companies are typically formed to earn a profit, though some may be established as non-profit organizations or charities. The non-profit organisations are also referred to as Non-Government Organisations.

TYPES OF COMPANIES FOR REGISTRATION IN UGANDA

Under Ugandan Company Law, the structure you choose for your business registration depends primarily on its purpose:

1. FOR PROFIT-MAKING VENTURES (LIMITED LIABILITY COMPANIES)

This is the most common structure for entrepreneurs and Small and Medium Enterprises(SMEs) in Uganda.

1.1 Company Limited by Shares. These are commonly known as Limited Liability Companies.

Registration Form



The image shows a computer monitor displaying a registration form. The form is titled "Registration Form" and has a section "A. General Questions". The form includes fields for "Proposed Insured's Name" (with a note "Please use capital letters"), "Birth Date" (with dropdowns for "01", "January", and "2016"), "Gender" (with a dropdown for "Male"), "Address", "Email Address", "Phone Number", "Social Security Number", "ID Number", "Status" (with radio buttons for "Single", "Married", "Divorced", and "Others"), "Occupation", and "Are you a retiree?" (with radio buttons for "Yes" and "No").

a) Private Company Limited by Shares.

The most popular choice for start-ups and small businesses. Their shares are not traded publicly.

b) Public Company Limited by Shares (PLC).

Shares can be traded publicly. Their incorporation and registration is also overseen by the Capital Markets Authority.

c) Single Member Company (SMC).

This structure is permitted under Ugandan law, allowing an individual to register a company with only one member. This answers the question on whether a person can start a company alone in Uganda.

2. FOR NON-PROFIT OR CHARITABLE PURPOSES

Company Limited by Guarantee (Non-profit or Charity):

This structure is used for non-profit entities and organizations without share capital.



THE STEP-BY-STEP GUIDE TO REGISTERING A LOCAL UGANDAN COMPANY.

The URSB company registration process is managed by the Registrar of Companies and is highly streamlined:

01

- **Name Reservation and Search**

- a. The first critical step in company formation is conducting a name search and name reservation with the URSB.
- b. You should propose at least three unique prospective company names. The URSB will select one and officially reserve the business name for your use.

02

- **Document Preparation and Submission**

- a. An assortment of key **company incorporation documents** is then prepared, signed, and submitted to the Companies Registry. These typically include:
 - The Memorandum and Articles of Association or constitution (M&A).
 - Statement of Nominal Capital.
 - Particulars of Directors and Shareholders.
- b. **Identity Requirements:**
 - Natural Persons (Individuals) require copies of their national identity documents (e.g. National ID or Passport for foreigners).
 - Unnatural Persons (Other Entities): Certified copies of the entity's registration/incorporation documents.

03

- **Certificate of Incorporation**

- a. Once the documents are reviewed and approved, the Registrar of Companies issues a Certificate of Registration or Certificate of Incorporation.

04

- **Processing Time.**

- a. The entire company registration procedure in Uganda typically takes 2 to 3 working days.

FOREIGN COMPANY REGISTRATION IN UGANDA (BRANCH OFFICE SETUP)

WHAT IS A FOREIGN COMPANY?

Under Ugandan law, a foreign company is one incorporated outside Uganda and seeks to register and operate in Uganda.

Foreign companies must register a branch office situated in Uganda with the URSB if it intends to conduct business within the country.

This registration is mandatory to grant the company legal rights, such as the ability to own land and property in Uganda.

HOW TO REGISTER A FOREIGN COMPANY IN UGANDA?

To successfully register a foreign business in Uganda, the following mandatory documents are required:

- Certified Constitutional Documents:** Duly witnessed and certified copies of the company's Memorandum of Articles of Association, Charter, or Constitution from the country of origin.
- Designated Local Address:** The company's official address in Uganda.
- Local Service Agents:** A list of the Names and Addresses of Persons Resident in Uganda who are officially authorized to accept legal service on behalf of the foreign company.

PROCESSING TIME

The registration of a foreign company is efficient, typically taking 2 to 3 days, after which a Certificate of Registration as a foreign company is issued.



POST-INCORPORATION OR REGISTRATION COMPLIANCE

The Certificate of Incorporation is just the first step. To legally operate and engage in transactions, the company must fulfil key post-registration compliance requirements:

OBTAIN A TAX IDENTIFICATION NUMBER (TIN)

The Tax Identification Number (TIN) is a mandatory unique 10-digit number issued by the Uganda Revenue Authority (URA) to identify the company for all tax-related matters.

Requirements for the registration of Company TIN:

- Certificate of Incorporation from URSB.
- Details of the company's directors (including their Individual TINs).
- Company contact details (email, phone, address).
- Company Bank Account details.

Importance of a Tax Identification Number in Uganda.

A TIN is required to open a company bank account, obtain a trading license, and bid for public tenders.

REGISTER FOR NSSF (NATIONAL SOCIAL SECURITY FUND)

If the company intends to employ staff in Uganda, it must register as an employer with the National Social Security Fund (NSSF) and make mandatory monthly contributions.

- Employer Contribution:** 10% of the employee's gross monthly salary.
- Employee Contribution:** 5% of the employee's gross monthly salary (deducted from their pay).

OBTAIN A TRADING LICENSE

Before commencing operations, the company must apply for a Trading License from the local council authority, such as the Kampala Capital City Authority (KCCA) for businesses in Kampala.

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