

Kenya¹

I. Overview of Country²

Kenya is a republic with an institutionally robust president, a bicameral legislature, an independent judiciary and Supreme Court, and a common law legal system. The Constitution of Kenya, which was approved of by national referendum in 2010 and called for significant institutional and structural changes to the government, is the supreme law of the land.³ Other sources of law include statutes enacted by Parliament, specific acts of Parliament of the United Kingdom, the doctrines of equity and the statutes of general application in force in England on August 12, 1897, and procedures and practices observed in courts of justice in England at that date, subject to certain qualifications.⁴ The Kenyan constitution recognizes general rules of international law and treaties and conventions ratified by Kenya.

Kenya's constitution and laws guarantee freedoms of association (Article 36) and assembly (Assembly 37). The government sometimes restricts these rights in practice, however, and Freedom House reports that in 2015, civil society groups in Kenya's otherwise vibrant NGO sector have encountered increasing challenges, in particular those considered to support International Criminal Court proceedings against Kenyan President Jomo Kenyatta and Deputy President William Ruto.⁵ By law, organizers must notify local police in advance of public meetings, which may progress unless police notify organizers that the meeting is prohibited.⁶ Authorities may prohibit gatherings if there are simultaneous meetings previously scheduled for the same venue or if there is a perceived, specific security threat. In 2013, the State Department noted that the Kenyan authorities exercised this right around the 2013 elections, and that police routinely denied meeting requests from human rights activists and dispersed meetings for which no prohibition had been issued. Further, civil society groups were refused permits in a timely matter and some political groups faced harassment that prevented their public assembly.⁷

II. Registration Procedures

¹ The following memorandum was prepared by pro bono counsel for the ABA Center for Human Rights. It is intended as background information only and should not be relied upon as legal advice on a particular case. The views expressed herein have not been approved by the House of Delegates or the Board of Governors of the American Bar Association, and, accordingly, should not be construed as representing the policy of the American Bar Association.

² Disclaimer: The author of this section is a U.S.-trained associate, is not qualified to practice Kenyan law, and relied on publicly available information, including Kenya legislation, government websites, and other online resources.

³ The Constitution of Kenya (2010).

⁴ Tom Ojienda and Leonard Obura Aloo, *Researching Kenyan Law*, NYU GlobalLex, available at <http://www.nyulawglobal.org/globalex/Kenya1.htm> (last visited Jun. 2, 2015).

⁵ Freedom House, *Freedom in the World 2015: Kenya*, available at <https://freedomhouse.org/report/freedom-world/2015/kenya#.VWd9BfnF-E4>.

⁶ E. Ike Udogo, *Examining Human Rights Issues and the Democracy Project in Sub-Saharan Africa* 62-3 (Lexington Books 2014).

⁷ U.S. Dep't of State, *Country Reports on Human Rights Practices* (2013), available at <http://www.state.gov/j/drl/rls/hrrpt/humanrightsreport/index.htm#wrapper>.

A. For-Profit Organizations

a. Laws

Kenya recognizes various types of for-profit associations. The principal types are: registered companies limited by shares (public and private), partnerships, and sole proprietorships. This note will concentrate on some but not all forms. The Registrar of Companies (the Registrar) under the Office of the Attorney General and the Department of Justice in Nairobi is responsible for the registration of for-profit associations. Kenya's Companies Act, 1962⁸, which is based largely on the United Kingdom's Companies Act of 1948,⁹ is the basic statute governing corporate formation, registration, and operations in Kenya. A registered company, whether public or private, is formed by registration under the Act. The Partnerships Act No. 16 of 2012 governs general partnerships, which do not require registration. Limited partnerships, where the liability of some partners is limited and others unlimited, must be registered under the Limited Liability Partnerships Act No. 42 of 2011. Sole proprietorships do not have to be registered; the proprietor must instead obtain a business permit issued by the local authority (i.e., the county government).

b. Public/Private Companies

1. Name search

Registering a business in Kenya begins with a name search. A fee must be paid and an application is made to the Registrar of Companies, who has the discretion to approve or reject a name considered undesirable or consisting of initials too close to those of existing companies. The process takes three days. Once reserved, a reservation is valid for a period of thirty days and renewable for a similar period. If an association wishes to carry on business using a different name, the name must be registered with the Registrar pursuant to the provisions of the Registration of Business Names Act.¹⁰

2. Constitutive documents

An application for registration must be accompanied by the Memorandum of Association, which lay out the objects of a company in detail, as well as the authorized share capital, and the Articles of Association, which contains, inter alia, the rules and regulations by which the company's internal affairs will be governed, and deals with shares, share capital, company meetings, and directors. Both the Memorandum and the Articles of Association must be signed by seven persons (in the case of a public company) or two (in the case of a private company). These signatures must be attested to by a witness. If the company possesses share capital, each subscriber must write opposite his or her name the number of shares he or she takes, and individuals may not take less than one share.

⁸ The Companies Act, Cap. 486 of the Laws of Kenya (1959).

⁹ See Kenya: Samuel G. Kirika, *Principles of Company Law in Kenya* (1991) at 1; John Joseph Ogola, *Company Law* (1997) at vii.

¹⁰ The Registration of Business Names Act, Cap. 499 of the Laws of Kenya (1951).

3. Payment of stamp duty

The Memorandum and Articles of Association, together with the statement of nominal capital are lodged for stamping, which normally takes up to eight days.

4. Other prescribed forms

After stamping, the documents are presented to the Registrar of Companies for registration, together with certain prescribed forms such as (a) the Notice of the Situation of the Registered Office, which under Section 108(1) of the statute should be filed within 14 days of incorporation; (b) the Particulars of Directors and Secretary, which under Section 201 of the statute are normally required within 14 days of the appointment of the directors and secretary; (c) the Declaration of Compliance, a statutory declaration made either by the advocates engaged in the formation of the company or the person named in the Articles as the director or secretary so that all the requirements of the Companies Act are complied with; and (d) the Statement of Nominal Share Capital form. Where registration of a public company is intended, Section 184 (4) of the Companies Act also requires the (e) registration of a list of persons who have agreed to become directors, (f) written consents of the directors, and (g) a declaration that the provisions of Section 111(2) have been complied with.

5. Certificate of incorporation

If the documents lodged with the Registrar of Companies are in order, they are registered, and the Registrar thereupon issues a certificate of incorporation, and the company is formed.

c. Limited liability partnerships

Two or more persons associated for carrying on a lawful business with a view to making a profit may register the persons as a limited liability partnership (LLP). Similar to the above, a name search is conducted and a name reserved pending registration. An application is then filed, including a statement of particulars signed by the partners and manager and lodged with the Registrar of Companies, accompanied by the prescribed fee. The statement must be signed by each person who proposes to be a partner and must contain the name of the partnership; the general nature of the proposed business of the partnership; the proposed registered office of the partnership; the name, identity document (if any), nationality, and usual place of residence of each person who will be a partner; additional information if any person is a corporate entity; the name, identity document (if any), nationality and usual place of residence of each person who will be a manager, and additional information if such person is a body corporate; and any such other information as regulations may prescribe. The Registrar may require a statement to be verified and may refuse to register the partnership as an LLP on certain national security or public interest grounds. If registration is successful, a certificate is processed and issued.

d. Winding up

Section 212 of the Companies Act provides that a company may be wound up voluntarily, by order of the court, or by supervision of the court. Once a resolution for voluntary winding up is passed, a declaration of solvency must be made by the directors of the company. The provisions of the Companies Act address the distribution of property and powers and duties of a liquidator, and apply to every voluntary winding up.

B. Not-For-Profit Organizations

a. Laws

Various types of not-for-profit organizations (NPOs) exist in Kenya. They include: non-governmental organizations (NGOs) (soon to be called Public Benefit Organizations, or PBOs), companies limited by guarantee, trusts, societies, cooperative societies and unions, and grassroots organizations. NGOs, used specifically to refer to entities registered by the Nairobi-based Non-Governmental Organizations Coordination Board, are the most visible,¹¹ and they are governed by the Non-Governmental Organizations Co-Ordination Act, 1990 (the NGO Act).¹² However, the Public Benefit Organizations Act 2013 (the PBO Act)¹³ will, upon commencement, repeal the NGO Act and usher in a new legal, regulatory and institutional framework for non-profit organizations performing public benefit work in Kenya under a single law.¹⁴ That said, a date for its implementation has not been set. Companies limited by guarantee are governed by provisions of the Kenya Companies Act. Charitable organizations are registrable either as companies limited by guarantee or under the Trustees (Perpetual Succession) Act,¹⁵ or as societies under Kenya's Societies Act.¹⁶

b. NGO registration

Under the NGO Act, it is an offence for any person to operate an NGO in Kenya for welfare, research, health relief, agriculture, education, industry, the supply of amenities or any other similar purposes without being duly registered as an NGO. Registration procedures are contained in Sections 10-11 of the NGO Act and Part III of the Regulations (L.N. 152/1992), and all applications must be submitted to the Non-Governmental Organizations Co-Ordination Board. Before an application for registration is made, name approval must be obtained from the Director of the Non-Governmental Organizations Board via a prescribed form and by paying a reservation fee. On receipt of the application and the fees, the Director conducts a name search and notifies an applicant if the name has been approved or not and, in the latter case, the grounds for rejection. If a name is approved, it will be entered in a register for reserved names for a period of thirty days or for a longer period, not to exceed sixty days.

¹¹ The International Center for Not-for-Profit Law, NGO Law Monitor: Kenya, available at <http://www.icnl.org/research/monitor/kenya.html> (last visited Jun. 1, 2015).

¹² The Non-Governmental Organizations Coordination Act, Act. No. 19 (1990).

¹³ The Public Benefit Organizations Act (2013).

¹⁴ The International Center for Not-for-Profit Law, NGO Law Monitor: Kenya, available at <http://www.icnl.org/research/monitor/kenya.html> (last visited Jun. 1, 2015).

¹⁵ The Trustees (Perpetual Succession) Act, Cap. 164 of the Laws of Kenya (1981).

¹⁶ The Societies Act, Cap. 180 of the Laws of Kenya (1968).

An application should be made using the prescribed form. The information to be supplied is that set out in Section 10 (3) of the NGO Act, requiring an application to be made by the chief officer of the proposed organization and specifying other officers; the organization's head office and postal address; the applicable sector; the districts, divisions and locations of its proposed activities; the proposed average annual budgets; all sources of funding; and the national and international affiliation and the certificates of incorporation. An application form must be accompanied by: five copies of a letter from the sponsor; two copies of the organization's constitution as well as copies of the constitutions, deeds or statutes of any branches in countries other than Kenya; two current passport sized photos of the applicant duly endorsed by the sponsor or referee; any certificate of registration outside Kenya; a copy of the minutes of the proposed Organization authorizing the filing of the application; notification of the location of the office and postal address of the proposed organization in Form 4, Schedule 1 signed by the chief officer of the proposed organization; and an application fee.

c. Incorporation Under the Trustees (Perpetual Succession) Act

Under the laws of Kenya, a charitable organization may be incorporated under the Trustees (Perpetual Succession) Act (the Trustees Act), which in section 3(1) provides that: "Trustees who have been appointed by anybody or association of persons established for any religious, educational, literary, scientific, social, athletic or charitable purpose, or who have constituted themselves for any such purpose, may apply to the Minister for a certificate of incorporation of the trustees as a corporate body." Charitable purposes may also be affected through the formation of a trust and by way of a trust deed that defines the objects of the trust; the name of the trust; the powers of the trustees; the powers to change and appoint additional trustees; resignation and removal of trustees; and meeting of trustees. Once the trust deed has been approved by the trustees, the deed should be signed as appropriate and thereafter stamped with a nominal duty.

After stamping, the trust deed should be presented for registration at the Registry of Documents. Afterwards, a certified copy of the trust deed and a petition for incorporation prepared in the prescribed form should be lodged with the Minister for Lands for incorporation of the trust. The petition must state, among other things, that the trustees are desirous of being incorporated under the Act and give a pictorial representation of the common seal of the trust, which must be rounded in shape and with the name of the trust inscribed thereto. The Minister for Lands normally takes about two to three months after presentation of the petition to issue the Trustees with a Certificate of Incorporation.

d. Companies limited by guarantee

A number of NPOs are registered as companies whose liability is limited by the guarantee of its Members and do not possess share capital. They are registered by the Registrar of Companies under the Kenya Companies Act in the fashion described above. They may exist to promote any legal purpose as long as these are contained in the Memorandum of Association and Articles of Association.

e. Societies

Under the Societies Act, a society is defined as “any club, company, partnership or other association of ten or more persons, whatever its nature or object, established in Kenya or having its headquarters or chief place of business in Kenya.”¹⁷ A society’s governing documents are called the Constitution or Rules of the Society, and societies are registered and regulated by the Registrar of Societies.

f. Dissolution

Generally speaking, the procedures for dissolution and property disposal must be provided for in an NPO’s constitution. Regulations pertaining to NGOs provide that an NGO should not voluntarily dissolve unless it has obtained prior consent in writing from the NGO Coordination Board. The NGO must present a written application seeking consent from the Director of the Board, and the application should be signed by three of the governing officers of the NGO. This stands to change under the PBO Act: specifically, when an organization is deregistered, wound up, or dissolved, any assets remaining after liabilities are dealt with shall be transferred to another PBO having similar objectives, which shall be identified through a resolution of the governing body of the organization being deregistered, wound up, or dissolved.¹⁸

III. Tax Laws

A. Taxation

a. Generally

Three types of taxes are chargeable to persons, whether natural or corporate, under Kenya’s Income Tax Act (the ITA)¹⁹: the Income Tax, the Value Added Tax (VAT), and Customs and Excise taxes (if a person or entity is in the import or export business).²⁰ Income tax consists of corporation tax for companies, business income for partnerships, withholding tax on specified payments under section 10 of the Income Tax Act, and compensating tax which is a penalty tax payable if dividends are paid. VAT is due and payable on the supply of taxable goods or services under the VAT Act of 2013. VAT must therefore be charged by an entity registered for VAT purposes on its supply of goods or services unless such supply is specifically exempt or zero-rated in the schedules to the VAT Act. Customs duty under the Custom and Excise Act is payable on imports, while excise duty is payable on consumption levied on goods produced within a country. Finally, Kenya’s Finance Act (No. 16 of 2014) reintroduces Capital Gains Tax, which had been suspended since 1985, and which is chargeable on capital gains arising out of the sale of shares or land at the rate of 5 percent.²¹

b. Taxation of partnerships

¹⁷ The Societies Act, Cap. 108 – Laws of Kenya (1968).

¹⁸ The Council on Foundations, Kenya, *available at* <http://www.cof.org/content/kenya> (last visited Jun. 1, 2015).

¹⁹ The Income Tax Act, Cap. 470 - Laws of Kenya (1974).

²⁰ Institute of Economic Affairs – IEA Kenya, *A Citizen’s Handbook on Taxation in Kenya* (2012).

²¹ The Finance Act, No. 16 (2014).

Under Section 4(b) of the Income Tax Act, “the gain or profits of a partner from a partnership shall be the sum of: (a) remuneration payable to him by the partnership together with interest on capital so payable, less interest on capital payable by him to the partnership; and (b) his share of the total income of the partnership calculated after deducting the total of any remuneration and interest on capital payable to any partner by the partnership and after adding any interest on capital payable by any partner to the partnership.” A partnership is not considered as a separate taxable entity as a company; therefore, the taxable income of a partnership is allocated among the partners according to the profit/loss sharing ratio. The partners in a partnership are taxed at the graduated scale rates, which are lower than corporate tax rates.

c. Corporation tax rates

In Kenya, the corporate tax rate for a resident company is 30 percent, while the tax rate for a permanent establishment of nonresident company is 37.5 percent.²² A nonresident company can effect a permanent establishment in Kenya by opening a branch. However, different rates of taxes apply for the following types of companies:

1. Newly listed companies

Companies newly listed on any securities exchange approved under the Capital Markets Act enjoy favorable corporation tax rates as follows: (a) if the company lists at least 20 percent of its issued share capital listed, the corporation tax rate applicable will be 27 percent for the period of three years commencing immediately after the year of income following the date of such listing; (b) if the company lists at least 30 percent of its issued share capital listed, the corporation tax rate applicable will be 25 percent for the period of five years commencing immediately after the year of income following the date of listing; and (c) if the company lists at least 40 percent of its issued share capital listed, the corporation tax rate applicable will be 20 percent for the period of five years commencing immediately after the year of income following the date of such listing.

The corporate tax rate applicable to the company may therefore change if the percentage of the listed share capital exceeds 20 percent of the issued share capital. The applicable tax rate will depend on the percentage of the issued share capital listed at the Nairobi Stock Exchange.

2. Export Processing Zone (EPZ) companies

Companies operating within EPZ have the following benefits: (a) a ten year tax holiday; (b) a lower corporation tax rate of 25 percent for the subsequent years after the ten years tax holiday; (c) an exemption from all withholding tax on dividends and other payments to non-residents during the first 10 years (investment deductions are 100 percent of the capital expenditure claimable in the 11th year after commencement of production); (d) zero rated for purposes of VAT; and (e) there is a refund of import duty on raw materials to manufacture exports.²³

²² Kenya Revenue Authority, *Income Tax At a Glance*, available at <http://www.kra.go.ke/incometax/pdf/incometaxataglance.pdf> (last visited Jun. 1, 2015).

²³ *Id.*; see also Export Processing Zones Authority homepage, available at <http://www.epzkenya.com/> (last visited Jun. 1, 2015).

Note: EPZ enterprises must submit annually returns of income and supporting accounts to the commissioner of income tax. Emoluments paid to employees and resident directors of EPZ enterprises must be subject to PAYE deductions as required by law even during the period the enterprise is exempt from tax.

3. Resident companies mining specified minerals

Resident companies mining specified minerals under the Income Tax Act enjoy, for the first four years of mining operations, income taxed at 27.5 percent per year. Normal rates apply during the fifth year of operation.

g. Capital deductions

Section 16 of the ITA expressly provides that in calculating the gains or profits of a person no deduction can be made for expenditure of a capital nature at specified rates. The same principle is applied in disallowing capital losses, exhaustion of capital e.g. depreciation of fixed assets. The capital deductions as provided for by the Act include: Investment Deduction Allowance; Wear and Tear Allowance; Industrial Building Allowance; Farmworks Deduction Allowance; and a Mining Deduction.

h. Income tax treatment of donations and grants in general

Under the ITA, a cash donation to a charitable organization registered or exempt from registration under the Societies Act or the NGO Act, and whose income is exempt from tax under paragraph 10 of the First Schedule to the ITA, or to any project approved by the Minister for Finance, is tax deductible for the donor. The Income Tax (Charitable Donations) Regulations of 2007 provides that for a payment to be a donation, it must be in cash and shall not be repayable or refundable to the donor under any circumstance; not confer any direct or indirect benefit to the donor or any person associated to the donor; under no circumstances be revoked once conferred upon a charitable organization, unless there is approval by the Commissioner in which case the tax arising shall be due and payable. The tax deductibility of a grant or donation as noted above is on the donor's expenditure, in the form of the donation, and not the charitable organization's income. The income including from grants or donations received by a charitable organization registered or exempt from registration under the Societies Act or the NGO Act do not have a similar blanket exemption from tax or any other automatic tax exemption.

In order to benefit from tax exemption on the income it receives in the nature of grants or donations, a person, including a company or an NGO, must either fall under the specific tax exemptions set out in the ITA, or be specifically exempted by the Cabinet Secretary for the National Treasury, pursuant to their powers under Section 13 of the ITA. The exemption process under section 13 requires Parliamentary approval or must be specifically exempted by the Commissioner of Domestic Taxes. Said individual is allowed to issue income tax exemptions to charitable organizations of a public character established solely for the purposes of the relief of poverty or distress of the public or for advancement of religion or education and established in Kenya or with regional headquarters in Kenya is exempt from tax in so far as the Commissioner of Domestic taxes is satisfied that the income is to be expended either in Kenya or would benefit

residents of Kenya.

The PBO Act (which again has yet to come into force) provides certain blanket income tax exemptions for PBOs registered under the PBO Act. Among these exemptions is an exemption from income tax on income received from any donations or grants. A PBO registered as such under the PBO Act would therefore benefit from income tax exemption on the income it receives in form of grants and donations.

i. VAT

The VAT Act exempts from VAT the supply of social welfare services provided by, among others, NGOs, whose income is exempt from tax under the ITA and approved by the Commissioner of Social Services. Where these services are provided by way of business, the exemption does not apply. There is no definition of “social welfare services” in the VAT Act, and there is as yet no interpretation of its meaning in the courts.

The PBO Act on the other hand does not have a similar VAT exemption for PBOs but provides that PBOs are to benefit from “preferential” treatment for VAT and customs duties in respect of their imports. It is not clear what type of preferential treatment PBOs would receive, though this is limited to imported goods and services.

Charitable organizations may apply for an exemption pursuant to the provisions of paragraph 10 of the 1st Schedule to the Income Tax Act through the Commissioner of Domestic Tax. However, in order to qualify it must meet the eligibility criteria required, that is, (a) it must be a charitable organisation of a public character (b) it must be established in Kenya solely for the purposes of the relief of poverty or distress of the public or to advance religion or education.

IV. Financial transaction laws

Generally, there are no restrictions on foreign funding of a company. There are no requirements as to shareholding or directorships being composed of residents. However, in practice, while applying for a Kenya Revenue Authority (KRA) Personal Identification Number (PIN) for the company, one of the directors must have a KRA PIN.²⁴ And, some sectors are restricted in terms of shareholding. For listed companies, the Capital Markets (Foreign Investors) Regulations, 2002 provides that at least 25 percent of the ordinary shares must be reserved for investment by local investors.²⁵ There are no limitations on foreign funding with regard to not-for-profit organizations, although the government has, since the PBO Act passed, made various attempts to propose restrictions on PBOs’ access to foreign funding.²⁶

V. Political contribution laws

The Kenyan Constitution provides for political rights such that every citizen is free

²⁴ See Kenya Revenue Authority homepage, available at <http://www.kra.go.ke/index.php/domestic-taxes/income-tax/about-pin> (last visited Jun. 1, 2015).

²⁵ The Capital Markets (Foreign Investors) Regulations, 2002 §3.

²⁶ The Council on Foundations, Kenya, available at <http://www.cof.org/content/kenya> (last visited Jun. 1, 2015).

to make political choices, which includes the right to partake in the activities of a political party, and includes contributions to campaigns to an individual, political party, or referendum committee.²⁷ The Election Campaign Finance Act, 2013 governs campaign financing in the country and prescribes limits on contributions to candidates, political parties, and referendum committees. Section 12 provides that Kenya's Independent Electoral and Boundaries Commission, established under Article 88 of the Constitution, shall, through notice in the Kenya Gazette and at least twelve months before a general election, prescribe limits on total contributions, contributions from a single source, paid-up media coverage, and loan forming part of a contribution, which a candidate, political party, or referendum committee may receive during the expenditure period. The Act further provides that no contribution from a single source may exceed twenty percent of the total contributions received by that candidate, political party or referendum committee. On disclosure, the commission must prescribe limits beyond which contributions received as a single source may be disclosed.

VI. Auditing/Reporting Requirements

Under the provisions of the Companies Act, all companies must keep proper books of accounts and their financial statements must be audited.²⁸ The financial statements as well as the auditor's and the director's report, must be discussed at the company's general meeting. Section 127 of the Act requires that companies furnish the Registrar with a copy of the annual return for filing. Under section 164 of the Act, if the Registrar has reasonable cause to believe that the provisions of the Act are not being complied with, or where, upon perusal of any document which a company is required to submit to him under the provisions of this Act, he is of opinion that the document does not disclose a full and fair statement of the matters to which it purports to relate, he may, by a written order, call on the company concerned to produce all or any of the books of the company or to furnish in writing such information or explanation as he may specify in his order.

VII. Penalties for non-compliance

The Kenya Companies Act and the Limited Liability Partnership Act delineate penalties by way of fine or imprisonment for offenses in contravention of various requirements (i.e., for making false statements, improper use of the word "limited", concealing creditors' names, falsifying records), but particularly when directors fail to comply with or contravene certain provisions of the Act.

Non-governmental organizations and societies may also be subject to penalties for operating without registration and a certificate under the Non-governmental Organizations Coordination Act and the Societies Act and, in a society's case, for failing to maintain a register of members or annual accounts or comply with an investigation.

Finally, the Kenya Revenue Authority articulates stiff penalties including fines, interest, and imprisonment for failure to comply with tax laws

²⁷ The Kenya Constitution (2010), art. 38.

²⁸ The Companies Act, §§147-163.

OVERVIEW CHART

Please identify 3-4 of the main issues discussed above for each category.

Issue	For-Profit Organizations	Not-For Profit Organizations	Similarities
Registration Procedures	Must conduct name search and reserve name, file Memorandum of Association and Articles of Association and other documents, pay fees, etc.	If registering as a company limited by guarantee, similar registration steps. Otherwise, multiple and complex options/regulatory scheme.	If a not-for-profit registers as a company limited by guarantee, the registration procedures are relatively similar.
Tax Laws	Profits, property, and salaries are taxed.	Certain exemptions exist/may be applied for.	N/A
Financial Transaction Laws	No foreign funding restrictions on the books but some in practice.	No restrictions on foreign funding though government trends indicate possibility in future.	Similarly restriction-free.