



Application of SME Test

General Scheme on Miscellaneous Provisions (Registration of Limited Partnerships and Business Names) Bill 2024

Screening question

Q. To what extent is the proposed legislation relevant for SMEs?

Not relevant Relevant Highly relevant

The following questions are relevant to consideration of the above question:

- Are SMEs within the scope of the legislative initiative?
- Does the initiative specifically target SMEs?
- Will SMEs be significantly impacted directly or indirectly by the initiative?
- Are SME impacts likely to be more substantial than on other companies, for example, in terms of adverse effects?

If 'Relevant' or 'Highly Relevant', please proceed to complete Sections 1-4.

1. Identification of affected businesses

Q1a: Please identify the types of SMEs that will be directly affected by the proposed legislation.

Micro (1-9 employees)

Small (10-49 employees)

Medium (50-249) employees

N/A



Q1b: Please identify the types of SMEs that will be indirectly affected by proposed legislation (i.e. SMEs not in scope, but potentially affected indirectly, for instance through impacts on supply chain)

Micro (1-9 employees)

Small (10-49 employees)

Medium (50-249) employees

N/A

Q1c: Will the Regulatory Impact Assessment include an estimate of the numbers of micro, small and medium companies affected directly or indirectly by the legislation?

Yes No N/A

Q1d: Will the proposed legislation have a greater impact on SMEs in any particular economic sector?

Yes No

If Yes, please specify.

Q1e: Will the proposed legislation have a greater impact on SMEs in any particular region?

Yes No

If Yes, please specify.



2. Consultation

2.1 What consultation will take place to capture input from the SME community, particularly those potentially most impacted by this initiative?

Public consultation

Other (e.g. stakeholder meetings, targeted consultation)

N/A

If Other, please provide details:

2.2 Will the Regulatory Impact Assessment describe how the input received from the SME community has been taken into consideration?

Yes No

If no, please specify a reason:

While the RIA does not go into detail on how the input received by SMEs is taken into consideration for the registration of business names, the proposals have been developed in compliance with the SME Test and consideration of the submissions received to the public consultation, which are published on the Department's website.

The Department considers that the SME test is not applicable for proposals regarding limited partnerships due to the nature of a limited partnership being a registered private agreement based on contract law between any combination of individuals or corporate bodies (as general or limited partners), without legal personality.



3. Assessment of the impacts on SMEs

Q3a What are the expected positive impacts of the legislation on SMEs (e.g. improved regulatory framework or working conditions, cost savings)?

- A modern fit for purpose regulatory framework providing clarity and reliability for the public, those engaged in business, the Authorities and financial institutions as to who is behind a registered business name.

Q3b Will the proposed legislation result in any of the following impacts for SMEs?

- Administrative costs, including the obligation to provide information on the activities or products of the company, including one-off and recurring administrative cost
- Other compliance costs, including the obligation to pay fees or duties; and costs created by the obligation to adapt the nature of the product/service and/or production/service delivery process to meet economic, social or environmental standards.
- Other impacts, including on business entry and exit; competition and competitiveness, whether proposed regulations might discourage, entrepreneurship or innovation; potential impact of any proposed exemption thresholds on business growth; impacts on SME population composition and location.

Yes No

Q3c If yes, please describe impacts, including whether any impacts will affect particular cohorts of SMEs differently, for example based on size (micro, small and medium), age of the business (e.g. start-up costs for new companies), economic sector and geographic location.

The proposed legislation will impact all individuals and entities doing business under a business name, including micro and small enterprises. The Department has strived to ensure that the proposed modernisation of the existing legislation does not place a significant additional compliance or administrative burden; and considers that making electronic filing mandatory will reduce the administrative burden for both business and the Companies Registration Office.



Those engaged in business under existing registered business will face one-off costs related to the transition to the new registration requirements, including the renewal of the registration of a business name every five years. Otherwise, the registration of business names will remain as is currently the case, except it will be done electronically and with some additional information requirements, including for verification of identity of a natural or legal person.

It is considered that the benefits to SMEs associated with the modern fit for purpose legislative framework envisaged, is that the register will become a reliable source of information on the natural or legal person(s) operating behind a business name and the number of active businesses in the State, and therefore justifies the minimal additional compliance costs envisaged.

4. Assessment of alternative options and mitigating measures

4a Has the regulatory impact assessment provided evidence that the proposed legislation will result in a relatively higher compliance burden for micro, small and/or medium sized enterprises, compared to large companies

Yes No

The proposed legislation has been developed taking the impact on SMEs into consideration from the start of the process. No disproportionate compliance burden for micro and SMEs is identified.

4b Has there been consideration of any measures to mitigate against the regulatory impact on SMEs?

Yes No

Not considered necessary. The proposed legislation is updating and modernising existing legislation in line with other legislation relating to doing business in the State.

4c If mitigating measures have been included, has the Regulatory Impact Assessment included a consideration of any risks associated with flexible alternatives being considered for SMEs, including potential impacts on business growth in the event of a threshold exemption?

Yes No N/A



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