

Partnership (Amendment) Bill 2012
Second Reading approved

3.2. Mr Henderson to move:

That the Partnership (Amendment) Bill 2012 be read the second time.

The Speaker: We turn now to the Partnership (Amendment) Bill, and I call on the mover, the Hon. Member for Douglas North, Mr Henderson.

Mr Henderson: Gura mie eu, Vainstyr Loayreyder.

Vainstyr Loayreyder, Hon. Members, this Bill amends the Partnership Act 1909. The purpose of the Bill is to insert additional accounting requirements into the Partnership Act 1909 in respect of limited partnerships. This is to ensure that the Island complies with a recent recommendation of the OECD in respect of limited partnerships and that the accounting records of those partnerships reflect the OECD standard.

Care has been taken to ensure that compliance with the recommendation has not been at the expense of the commercial attractiveness of the Isle of Man, which this Bill also aims to achieve, and there has been no adverse comments from the industry itself.

The Bill is divided into four clauses. The first clause gives the Act resulting from the Bill its short title.

Clause 2 makes the provision for the resulting Act to be automatically repealed on the day of promulgation.

Clause 3 inserts a new subsection (2) that provides for additional accounting provisions to apply to limited partnerships – this is through the insertion of a new section 48E.

The fourth clause inserts new additional accounting requirements for limited partnerships that are registered under the Partnership Act 1909. These requirements ensure that the Isle of Man has met its obligations in complying with the OECD standard of June 2011.

Consultation with the industry has taken place and information and consultation has been sent out to Hon. Members, Vainstyr Loayreyder.

No financial impact is envisaged for Government as such, or with the industry itself. The industry aspires to general accounting principles in the first instance, so there will be limited impact with the Bill in the first place. The purpose of the Bill is that it enshrines the principles in law to apply formally to limited partnerships, thus closing the gap in legislation applying to those entities, especially in reference to the length of time in keeping records, records in the background, papers in support of accounts that are now required, and the preparation and explanations of paperwork and accounts. In other words, Vainstyr Loayreyder, it provides for greater transparency.

I beg to move, sir.

The Speaker: Mr Watterson.

Mr Watterson: I beg to second and reserve my remarks, sir.

The Speaker: Any other Member wish to speak?

In that case I put to the House that the Partnership (Amendment) Bill be read for a second time. Those in favour, please say aye; against, no. The ayes have it. The ayes have it.