



COMPANIES AND INTELLECTUAL
PROPERTY REGISTRATION OFFICE

a member of the dti group

"GATEWAY TO ECONOMIC PARTICIPATION"

NOTICE

UPDATE ON THE INTRODUCTION TO ANNUAL RETURNS CLOSE CORPORATIONS ACT NO. 69 OF 1984

When will Annual Returns be introduced?

1 September 2008

What is the purpose of an Annual Return?

In keeping with legislation, each close corporation is compelled in terms of the Act to lodge an Annual Return once every year. The Registrar of Close Corporations needs to determine two things:

- Whether a registered organisation is still in business
- Confirmation that the Registrar is in possession of the latest information of the close corporation

When do I need to lodge the close corporation's Annual Return?

An Annual Return needs to be lodged within the anniversary month of its official incorporation.

What will happen if I fail to lodge the close corporation's Annual Return?

Should a close corporation fail to lodge and pay for its Annual Returns for a period of more than six months, the Registrar may conclude that the close corporation is no longer conducting business and may refer it to be deregistered.

What costs and protocols pertain to the lodgement of Annual Returns?

The Annual Returns must be lodged in electronic format together with payment of the prescribed fee, as stipulated by the Close Corporations Administrative Regulations. Prescribed fees relating to Annual Returns for close corporations encompasses the following:

- | | | |
|--|---|----------|
| ● Turnover of less than R50 000 000.00 | - | R 100.00 |
| ● Turnover R50 000 000.00 and more | - | R4000.00 |
| ● Penalty fee for each late lodgement | - | R 150.00 |

Section 15A of Close Corporations Act No 69 of 1984:

"(1) In order to assist the Registrar to determine whether the information required to be disclosed in terms of this Act by a corporation has been disclosed and is still valid, every corporation shall not later than the end of the month following upon the month within which the anniversary of the date of its incorporation occurs, on payment of the prescribed fee, lodge with the Registrar a return in the prescribed form.

...
(3) Any corporation which has failed to lodge a return required by subsection (1) within the period prescribed therein, may thereafter lodge such return, subject to the payment to the Registrar of the prescribed additional fee in respect of each such failure: Provided that the Registrar may, upon good cause shown, waive payment of the prescribed fee concerned."

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For more information kindly contact the dti Call Centre on 0861 843 384.

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