



INFORMATION GUIDE

RELATIONSHIP BETWEEN ANNUAL RETURNS, DEREGISTRATIONS AND RE-INSTATEMENTS

Overview

All companies (including external companies) and close corporations are required by law to file their annual returns with the Companies and Intellectual Property Commission (CIPC) on an annual basis, within a prescribed time period. The purpose for the lodging of such annual returns is to confirm whether a registered business is still in business/trading, or if it will be in business in the near future. Therefore, if annual returns are not filed within the prescribed time period, the assumption is that the business is inactive, and as such CIPC will start the deregistration process to remove the business from its active records. The legal effect of the deregistration process is that the juristic personality is withdrawn and the company or close corporation ceases to exist.

The company or close corporation may be re-instated after it was deregistered by the lodging of a Notice of Re-instatement (form CoR40.5). The request for re-instatement may be submitted by

- the company or close corporation,
- its duly authorised representative or
- any third party.

Upon the processing of the re-instatement application, the legal persona is re-instated, and all outstanding annual returns must be filed for the re-instatement to become effective.

Annual Returns

Annual Return Filing Period and Fee Structure

Companies and close corporations are required to file annual returns annually, within a prescribed period of time. Companies are required to file annual returns within 30 business days after the anniversary date of its incorporation. Close corporations are required to file annual returns within the anniversary month of its incorporation up until the month thereafter.

Annual Return Filing Method

Annual returns may only be filed electronically via the CIPC website by logging in as a customer, and clicking on “Annual returns/submit and pay annual returns.” [A step-by-step guide on how to file annual returns can be viewed on the CIPC website \(www.cipc.co.za\) by clicking on “I Want to.../Step by step online guide – File annual returns.”](#)

Annual Return Fee Structure and roll out dates

In determining the appropriate fee due in respect of the annual return, a distinction must be made between a company and close corporation, as well as the date on which the annual return became due, since different fee structures are applicable in respect of companies and close corporations. Further, in order to determine the year from which the company or close corporation became liable to file annual returns, the roll-out date for the specific category of entity must be used together with its registration date:-

- Public and external companies – rolled out August 2003
- Private and incorporated companies – rolled out May 2005
- Close corporations – rolled out September 2008
- Non profit companies – rolled out May 2011

Examples (Companies)	Examples (Close Corporations)
<p>The company was registered on 26 June 1995. If it is a public or external company, its first annual return became due in June 2003. Therefore, annual returns should have been filed on an annual basis as from June 2004 until June 2011, and should then continue to be filed annually every year thereafter.</p> <p>If the company is a private company, its first annual return became due June 2005. Therefore, annual returns should have been filed for June 2005 to June 2011, and every year thereafter.</p> <p>If the company was registered 26 June 2009 and it is any other type of company, the first annual</p>	<p>If the close corporation was registered on 26 June 1995, its first annual return became due in June 2009. Therefore, annual returns should have been filed for June 2009 to June 2011, and every year thereafter.</p> <p>If the close corporation was registered on 26 June 2009, its first annual return became due in June 2010. Therefore, annual returns should have been filed for June 2010 and June 2011, and every year thereafter.</p>

return became due in June 2010. Therefore, annual returns should have been filed for June 2010 to June 2011, and every year thereafter.

If the annual return became due **on 1 May 2011 or thereafter**, the fee structure under the **Companies Act, 2008** must be used. If it became due **before 1 May 2011**, the fee structure under the **Companies Act, 1973** must be used.

Companies Act, 1973 fee table:

Annual Turnover	Private and Incorporated Companies	Public Companies	External Companies
Less than R10 million	R450	R4000	R4000
More than R10 million but less than R50 million	R2500	R4000	R4000
R50 million or more	R4000	R4000	R4000
Penalty fee for each late lodgment	R150	R150	R150
Re-instatement Application (Form CoR40.5)	R200		

Companies Act, 2008 fee table:

Annual Turnover	Filing within 30 business days after anniversary date	Filing more than 30 business days after anniversary date
Less than R1 million	R100	R150
R1 million but less than R10 million	R450	R600
R10 million but less than R25 million	R2000	R2500
R25 million or more	R3000	R4000
Re-instatement Application (Form CoR40.5)	R200	

Close Corporations Act, 1984 fee table:

Annual Turnover	Filing within 2 months from beginning of anniversary month	Penalty for each late lodgment
Between 0 to R50 million	R100	R150
R50 million and above	R4000	R150
Re-instatement Application	R200	

Deregistration

Referral for deregistration

CIPC may refer a company or close corporation for deregistration due to non compliance in respect of the lodging of annual returns, if the annual returns are outstanding for two successive years.

Before 1 May 2011, and under the 1973 Companies Act, companies and close corporations would have been referred for deregistration where annual returns were outstanding for a period of six months.

Notification of pending deregistration

Notifications are mailed to the company or close corporation's registered postal address **as reflected on the CIPC records**, informing it of the intended deregistration, and requesting it to either provide confirmation that it is still active, or to file the outstanding annual returns. At the time of notification, the company or close corporation's legal persona will still exist. The notifications only serve to inform the company or close corporation of the intention to deregister it if no objection or lodging of annual returns occurs.

Cancellation of deregistration

If deregistration was due to non compliance in respect of the lodging of annual returns, the deregistration process will be cancelled if all outstanding annual returns are filed while it is still in such status.

If the cause for deregistration was for any another reason, a written objection to the deregistration must be filed by posting or hand delivering the objection to the offices of CIPC. This objection must be addressed to the Deregistration Unit of CIPC.

Once a company or close corporation is in the status of "*final deregistered*", no annual return lodgment or objection can be processed.

Re-Instatement

Once the status of a company or close corporation has been recorded as "*final deregistered*", the company or close corporation or any third party may apply for re-instatement. CIPC will only process the re-instatement application if;

- The company or close corporation was in business at the time of deregistration and proof of such fact is provided;

- Immovable property is registered in the name of the company or close corporation; or
- A creditor provides proof that it will be unfairly prejudice if the company or close corporation is not re-instated.

Upon the processing of the re-instatement application, the status will be changed to “*re-instatement process*” whereafter all outstanding annual returns must be filed in order to change the status to “in business” although the legal personality would have been re-instated upon the processing of the re-instatement application.

Refer to practice note 6 of 2012 for the requirements for a re-instatement application.

As an alternative to re-instatement, the incorporation of a new company at a cost of R175.00 may be considered. Further, the name of the finally deregistered company or close corporation may still be available for reservation if such has not been reserved by another person after its final deregistration. Kindly reserve a name by completing form CoR9.1 (electronically or manually) to confirm the availability of the name for use in the incorporation of the new company.

Filing Of Financial Statements with Annual Returns

Companies are required to file either one of the following with its annual returns:-

- its audited financials;
- reviewed financials; or
- financial supplement.

The lodging of financial statements has been waived for companies until 31 March 2013 **except for public and state owned companies** which should submit it via financialstatements@cipc.co.za.

To obtain more information on the obligation to file financial statements, consult the Notice: Filing of Financial Statements on the CIPC website.