



PRACTICE NOTE 5 OF 2012

APPLICATION FOR DEREGISTRATION OF COMPANIES AND CLOSE CORPORATIONS IN TERMS OF THE COMPANIES ACT, 2008 (ACT 71 OF 2008)

The Companies Act, 2008 allows the Companies and Intellectual Property Commission (CIPC) to upon request from the company or close corporation, or any other party, deregister a company or close corporation provided that the company or close corporation:-

- (a) has ceased to carry on business; and
- (b) has no assets or, because of the inadequacy of its assets, there is no reasonable probability of the company being liquidated.

In order for the CIPC to process the deregistration request, the following information is required **on an original letter head** of either the company or close corporation, or any other person applying for deregistration:-

- statement and sufficient documentary proof confirming that:
 - (i) the company or close corporation is not carrying on business or is dormant, **and**
 - (ii) has no assets or, because of the inadequacy of its assets, that there is no reasonable probability of the company being liquidated;
- tax clearance certificate or any other written confirmation from the South African Revenue Service (SARS) that no tax liability is outstanding;
- tax number (if available);
- if the company or close corporation submits the request, the letter must be signed by each active director, member or the company or close corporation's duly authorised representative, or otherwise by the person who is requesting the deregistration; and
- a certified ID copy of any of the persons signing the letter wherein deregistration is required.

It should be further noted that, in order to confirm whether a company or close corporation is in business, the CIPC will confirm whether any annual returns are outstanding. If all annual returns are up to date, the CIPC will regard the business as being active and will return the request for deregistration to the applicant. It should be noted that the filing of annual returns by a company or close corporation creates the assumption that a company or close corporation is in business as per the records of the CIPC.

Business Address

77 Meintjies Street
the dti Campus
Sunnyside
0001

Postal Address

Companies
P O Box 429
Pretoria
0001

Contacts

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www.cipc.co.za

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The request for deregistration will be returned to the applicant for correction if any of the above stated requirements are not complied with.

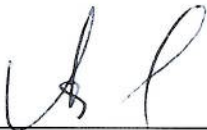
Once the deregistration request was successfully filed, the company or close corporation will be placed in the administrative status of "*in deregistration process*", pending the finalisation of the deregistration process, at which time the administrative status will change to "*final deregistered*". It is only after the final deregistration of the company or close corporation that the legal persona of the company or close corporation will cease to exist.

Upon final deregistration, CIPC will not administratively protect company or close corporation names, if the cause of the deregistration was non compliance with annual returns or any other cause. The entity name will immediately become available for any other third party to register such name. In the instance where the company or close corporation is re-instated and another third party registered the same name during the period of deregistration, an objection to such name reservation may be filed with the Companies Tribunal in terms of Company Regulation 13 on form CTR 142.

During the process of deregistration, any third party or the company or close corporation itself, may object to the deregistration process. If the company or close corporation was deregistered due to annual return non compliance, the process of deregistration can only successfully be cancelled upon the filing of all outstanding annual returns. If the deregistration was for any other reason, a written objection with a certified ID copy of the requester must be filed with the CIPC, and any filing of annual returns will not be allowed until the deregistration process is cancelled.

The requirements, as stated above, for deregistration will take effect **1 November 2012** at which date all requests for deregistration must comply with the requirements for successful filing.

Yours sincerely,



Astrid Ludin

Commissioner: CIPC

Date: 15/10 /2012