

CIPC ANNUAL RETURNS AND BENEFICIAL OWNERSHIP – HARD STOP

A Quick Recap on Beneficial Ownership filing

Upon promulgation of the Amended Companies Regulations on 24 May 2023, the **filing of Beneficial Ownership** information with the Companies and Intellectual Property Commission (CIPC) became **mandatory**.

The Link Between CIPC Annual Returns and Beneficial Ownership

Effective from 11 December 2023, CIPC has integrated the filing of Beneficial Ownership details into its Annual Return submission process for both companies and close corporations.

Therefore, CIPC announced that, as from 11 December 2023, the **Annual Return service** on the CIPC site would **validate whether the Beneficial Ownership filing is up to date**, and if not, the filer would have been provided with the option to be rerouted to CIPC Beneficial Ownership platform.

Hard Stop

On 6 February 2024, CIPC issued a notice stating that as of 1 April 2024, it will be introducing a hard-stop functionality that will prevent entities which have not complied with the Beneficial Ownership filing requirement from completing the process of filing their Annual Returns.

On 18 March 2024, CIPC issued a further notice which advised that the above **hard-stop date** would be postponed to **15 April 2024**.

Therefore, in short, **only once Beneficial Ownership Information has been filed**, the upload of Annual Financial Statements / Financial Accountability Supplement (AFS / FAS) together with the filing of the Annual Return may commence.

All entities need to have filed their Beneficial Ownership information by 24 May 2024 (the anniversary date of promulgation of the amended Companies Regulations which made the filing of Beneficial Ownership information mandatory).

CIPC Enforcement

CIPC maintains that it is committed to play its part in the journey of removing South Africa from the Financial Action Task Force (FATF) grey list and has announced that it will be taking further and necessary **enforcement actions** with regards to entities who are **non-compliant**.

Contact Us

Should you have any queries with regard to the Beneficial Ownership filing service, please do not hesitate to get hold of our Statutory division on **hello@fluidrockgovernance.com**.