



CRITERIA TO WAIVE THE LATE PENALTY FEES FOR ANNUAL RETURNS

The Investment Promotion Authority will waive the late penalty fees for, 2014, 2015 and 2016 annual returns if the delay for compliance was caused solely by IPA. Evidence of the delays must be attached with the request for the waiver.

Logically, only the 2016 annual returns should have been outstanding, otherwise the defaulting companies have already committed an offence by their initial act of default.

Therefore, the Registrar of Companies will not be responsible if a:

- Company or their agent attempted to file several annual returns or annual returns for several companies in July but encountered a delay for some reason thus missing the deadline for waiver of penalty fees. For this reason IPA can waive the late penalty fee for only 2015 and 2016 annual returns.
- Company attempted to file their outstanding annual returns online within the week of the deadline and then encountered a delay for some reason thus missing the deadline. Requests for waivers will not be considered.

The Registrar of Companies made it clear that the waiver of the late penalty fees was an incentive for companies to file their outstanding annual returns for a *limited* time only.

If you have complied but for some reason your company's records were not updated, please contact the Team Leader for Companies Registration and Examination on [3084443](tel:3084443), or the Front Counter Supervisor on [3084496](tel:3084496) or send an email to ggcompliance@ipa.gov.pg

By law (**Section 215 of the Companies Act 1997 (as amended)**), a company is obligated to file an annual return every year as it becomes due on its filing month as allocated by the Registrar of Companies. Every director of a company commits an offence and can be liable on conviction up to ~~to pay~~ a minimum penalty fee of K10, 000 for each outstanding annual return. The defaulting company can also be

listed in the Notice of Intention to De-register a company, if an annual return was as late as six months.

IPA is committed to provide assistance where it can to make sure companies file their annual returns with ease and effectively attend to annual return issues where applicable.

Companies can assist IPA to meet their commitment if they file annual returns within their allocated filing month. To encourage you with some helpful hints, please note that:

- There are 30-31 days available for filing an annual return in the filing month.
- A company has one entire year to prepare ONE annual return.
- The annual return has been simplified.
- Online filing is simpler and cheaper. Takes minutes to file.
- An annual return can be filed without holding an annual meeting.
- A late penalty fee of K1000 is not applicable if annual return is filed on time.
- The filing fee of **K250** if filing online or **K300** if filing paper form can be saved up within **6 to 12 months** if the company put aside **K25 - K50** every month for the filing of their next annual return.
- Directors or agents of companies to make it their business to query anything they are not sure about at the contacts mentioned above.

Thank you

ACTING MANAGING DIRECTOR