

ACRA’S PROPOSED AMENDMENTS TO THE COMPANIES ACT AND OTHER ACRA-ADMINISTERED LEGISLATION TO CLARIFY AND UPDATE REGULATORY REQUIREMENTS

	Statutory provision	Current requirement	Proposed amendment	Reason for amendment
A. Enhance the service of summons and other civil originating process.				
1.	ACRA Act	The provisions relating to the service of summonses and other originating civil process are provided for across the ACRA administered legislation (see Appendix below) and are not consistent. Some of the legislation contain express service provisions, while others do not. Even for those legislation which do contain such service provisions, there are substantial differences in the scope of the provisions.	<p>To introduce a new provision in the ACRA Act to standardise and consolidate the provisions in the various ACRA-administered legislation relating to the service of summonses and other originating civil process.</p> <p>ACRA proposes to have a standardised and generic provision in the ACRA Act, to deal with service of documents (including summons and other originating process) under all ACRA administered legislation. The proposed provision is to be based on s48A of the Interpretation Act (with appropriate modifications), and would have the following features:</p> <p>a. It would apply to all documents, including summons and other originating process (for civil proceedings), that are required to be served on an individual or an entity;</p>	The proposed amendment will allow ACRA to standardise the service of documents (including summons and other originating process) on individuals / firms /entities for all ACRA administered legislation.

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			<p>b. Where the document is required to be served on an individual, the service provision would allow service to be effected:</p> <ul style="list-style-type: none"> i. by personal service on the individual; or ii. by leaving it at, or by sending it by registered post to, the usual or last known address of the place of residence or business of the individual. <p>c. Where the document is required to be served on a firm, business, partnership or other unincorporated association (the “Business”), the service provision would allow service to be effected:</p> <ul style="list-style-type: none"> i. by delivering it to any one of the partners, or secretary or other like officer of the Business; or ii. by leaving it at, or by sending it by registered post to, the principal or last known place of business of the Business in Singapore. 	

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			<p>d. where the document is required to be served on a body corporate, the service provision would allow service to be effected:</p> <p>i. by delivering it to the secretary or other like officer of the body corporate, or, in the case of a corporation that is a limited liability partnership, the manager of the limited liability partnership; or</p> <p>ii. by leaving it at, or by sending it by registered post to, the registered office or a principal office of the body corporate in Singapore;</p> <p>e. The service provision will also provide that service by registered post can be proved by admission of an affidavit of service made before a person authorized to administer an oath or affirmation (similar to section 119 of the Criminal Procedure Code).</p>	
<p>B. Streamline and clarify the striking off regime</p>				

	Statutory provision	Current requirement	Proposed amendment	Reason for amendment
1.	<p><u>Companies</u>: sections 344(7); 344C; and 377(12) of the Companies Act (“CA”).</p> <p><u>Foreign companies</u>: section 377(12) read with sections 344(7) and 344C of the CA.</p> <p><u>Variable capital companies</u> (“VCCs”): sections 33(2) and 130(1) of the Variable Capital Companies Act 2018 (“VCC Act”) read with sections 344(7) and 344C of the CA¹.</p> <p><u>Limited liability partnerships</u> (“LLPs”): sections 38(8A); and 38C of the Limited Liability</p>	<p>For ACRA-initiated striking off, after the Registrar has initiated the striking off process for a company, foreign company, LLP, VCC or sub-fund of a VCC, the Registrar is required to send the Inland Revenue Authority of Singapore (“IRAS”) and the Central Provident Fund Board (“CPF”) the particulars of the entity. IRAS and CPF may then lodge an objection to the striking off with the Registrar.</p>	<p>To make amendments so that:</p> <p>(a) before initiating a striking off, the Registrar may request inputs from government agencies that are prescribed in subsidiary legislation; and</p> <p>(b) the prescribed government agencies may also request ACRA not to initiate striking off for a company, foreign company, LLP, VCC or sub-fund of a VCC at any point in time. ACRA will consider inputs received from the prescribed government agencies. After considering such inputs, ACRA may decide whether to proceed with the striking off.</p>	<p>The proposed amendment supports a Whole-of-Government approach in the discharge of ACRA’s functions, and increases efficiency in the striking-off process for both ACRA and other government agencies, and the relevant members of public.</p>

¹ Section 30 of the VCC (Miscellaneous Amendments) Act 2019 introduces new sections 33A to 33E on striking off of sub-funds into the VCC Act, which also contains requirements similar to the current requirement described in this row of the table. Section 30 of the VCC (Miscellaneous Amendments) Act 2019 has not been brought into effect yet. After it is brought into effect, the new sections 33A to 33E would also have to be amended to give effect to the proposal in this row.

	Statutory provision	Current requirement	Proposed amendment	Reason for amendment
	Partnerships Act (“LLP Act”).			
2.	<p><u>Companies</u>: sections 344A(8) and 344C of the CA.</p> <p><u>Foreign companies</u>: sections 377(10) and 377(12) read with sections 344A(8) and 344C of the CA.</p> <p><u>VCCs</u>: sections 33(2) and 130(1) of the VCC Act read with sections 344A(8) and 344C of the CA².</p> <p><u>LLPs</u>: sections 38A(8); and 38C of the LLP Act.</p>	For voluntary striking off, after receiving the application of the company, foreign company, VCC or LLP, the Registrar is required to send IRAS and CPF B the particulars of the company, foreign company, LLP, VCC or sub-fund of a VCC. IRAS and CPF B may then lodge an objection to the striking off with the Registrar.	To make amendments so that companies, foreign companies, VCCs and LLPs that have unresolved matters with government agencies that are prescribed in subsidiary legislation will not be able to apply for voluntary striking off. In such a scenario, the entity will be informed that its application cannot be proceeded with because of the unresolved matters and will be redirected to contact the relevant government agencies to resolve the outstanding matter.	<p>The proposed amendment supports a Whole-of-Government approach in the discharge of ACRA’s functions, and increases efficiency in the striking-off process for ACRA, other government agencies and relevant members of public</p> <p>In addition, the proposed amendment will provide for greater certainty and a more seamless process, as the applicant can resolve any issues with the relevant government agency prior to application rather than to encounter objections to the striking off subsequently.</p>

² Section 30 of the VCC (Miscellaneous Amendments) Act 2019 introduces new sections 33A to 33E on striking off of sub-funds into the VCC Act, which also contains requirements similar to the current requirement described in this row of the table. Section 30 of the VCC (Miscellaneous Amendments) Act 2019 has not been brought into effect yet. After it is brought into effect, the new sections 33A to 33E would also have to be amended to give effect to the proposal in this row.

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3.	<p><u>Companies</u>: sections 344(1) and 344A(3) of the CA.</p> <p><u>Foreign companies</u>: sections 377(10) and 377(12) read with sections 344(1) and 344A(3) of the CA.</p> <p><u>VCCs</u>: sections 33(2) and 130(1) of the VCC Act read with sections 344(1) and 344A(3) of the CA³.</p> <p><u>LLPs</u>: sections 38(1) and 38A(3) of the LLP Act.</p>	<p>For both ACRA-initiated striking off and voluntary striking off, the Registrar can only publish the Gazette notice after 30 days of the date of the letter that is sent to the company, foreign company, VCC or LLP.</p> <p>For ACRA-initiated striking off, to initiate a striking off, the Registrar must send a letter to the company, foreign company, VCC or LLP and its related individuals (where applicable), informing them that the Registrar has reasonable cause to believe that the entity is not carrying on business or not in operation and stating that, if an answer showing cause to the contrary is not received within 30 days after the date of the letter, a notice will be published in the Gazette with a view to striking the name of the entity off the register.</p> <p>For voluntary striking off, upon receiving the striking off application, the Registrar, if satisfied that the</p>	<p>To make amendments to:</p> <p>(a) remove the requirement that the Gazette notice can only be published after 30 days of the letter to the entity; and</p> <p>(b) allow the Registrar to publish the Gazette notice as early as the next day after the letter is sent (regardless of the mode of delivery).</p>	<p>The proposed amendment will shorten the timeline of the striking off process from 90 days to 61 days⁴.</p> <p>The proposed amendment makes the striking off process more efficient and provides for a reasonable period of 60 days within which any objections may be lodged. Additionally, the shortened timeline will make the voluntary striking off process more business-friendly for entities that have applied for striking off.</p>

³ Section 30 of the VCC (Miscellaneous Amendments) Act 2019 introduces new sections 33A to 33E on striking off of sub-funds into the VCC Act, which also contains requirements similar to the current requirement described in this row of the table. Section 30 of the VCC (Miscellaneous Amendments) Act 2019 has not been brought into effect yet. After it is brought into effect, the new sections 33A to 33E would also have to be amended to give effect to the proposal in this row.

⁴ The timeframes of 90 days and 61 days are based on the statutory timeframes set out in sections 344 and 344A, and assume that no objection(s) are made to the striking off under section 344C. If there are objection(s) made to the striking off, both timeframes would be longer.

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		company, foreign company, LLP, VCC or sub-fund of a VCC is eligible for striking off, must send a letter to its directors, secretaries and members (or managers and partners in the case of an LLP) informing them of the application and stating that if an answer showing cause to the contrary is not received within 30 days after the date thereof, a notice will be published in the Gazette with a view to striking the name of the entity off the register.		
4.	<p><u>Companies:</u> section 344B(1) of the CA.</p> <p><u>Foreign companies:</u> sections 377(10) and 377(12) read with section 344B(1) of the CA.</p> <p><u>VCCs:</u> sections 33(2) and 130(1) of the VCC Act read with section 344B(1) of the CA⁵.</p>	The applicant for voluntary striking off may, by written notice to the Registrar, withdraw the application at any time before the company, foreign company, LLP, VCC or sub-fund of a VCC has been struck off the register.	<p>To make amendments to:</p> <p>(a) remove the requirement that the withdrawal must be made by written notice to the Registrar; and</p> <p>(b) instead require a withdrawal notice to be given to the Registrar in the prescribed form and manner.</p> <p>Under (b), it is intended to be prescribed that the withdrawal notice must be given to the Registrar via ACRA's BizFile+ system.</p>	The proposed amendment digitalises the submission of withdrawal notices, enables withdrawal notices to be kept electronically by ACRA, and is in line with ACRA's vision to be digital-to-the-core.

⁵ Section 30 of the VCC (Miscellaneous Amendments) Act 2019 introduces new sections 33A to 33E on striking off of sub-funds into the VCC Act, which also contains requirements similar to the current requirement described in this row of the table. Section 30 of the VCC (Miscellaneous Amendments) Act 2019 has not been brought into effect yet. After it is brought into effect, the new sections 33A to 33E would also have to be amended to give effect to the proposal in this row.

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	<u>LLPs</u> : section 38B(1) of the LLP Act.			
5.	<p><u>Companies</u>: section 344(5) of the CA.</p> <p><u>Foreign companies</u>: section 377(12) read with section 344(5) of the CA.</p> <p><u>VCCs</u>: sections 33(2) and 130(1) of the VCC Act read with section 344(5) of the CA.</p> <p><u>LLPs</u>: section 38(6) of the LLP Act.</p>	<p>Any person aggrieved by a company being struck off may apply to the Court for the company to be restored: section 344(5). This provision also applies to foreign companies, VCCs and sub-funds of VCCs. There is a similar provision for LLPs in section 38(6) of the LLP Act.</p> <p>As the provision is located within section 344 of the CA which provides for ACRA-initiated striking off, there may be ambiguity as to whether the provision also applies to companies, foreign companies, VCCs and sub-funds of VCCs that have been voluntarily struck off. A similar issue arises with respect to section 38(6) of the LLP Act and LLPs that have been voluntarily struck off.</p>	<p>To make amendments to expressly clarify that:</p> <p>(a) section 344(5) of the CA applies to both (i) companies, foreign companies, VCCs and sub-funds of VCCs that have been voluntarily struck off; and (ii) companies, foreign companies, VCCs and sub-funds of VCCs that have been struck off on ACRA's initiative; and</p> <p>(b) section 38(6) of the LLP Act applies to both (i) LLPs that have been voluntarily struck off; and (ii) LLPs that have been struck off on ACRA's initiative.</p>	The proposed amendment increases legal certainty on whether section 344(5) of the CA and section 38(6) of the LLP Act also applies to VCCs, companies and foreign companies that have been voluntarily struck off and LLPs that have been voluntarily struck off respectively.
C. Clarify the Registrar's power to update the register of directors based on bankruptcy information				
1.	Sections 173 and 173F of the CA	The CA currently does not expressly permit the Registrar to update the register of directors based on	To introduce a provision that expressly allows ACRA to update the registers of directors maintained by ACRA based on bankruptcy information	The proposed amendment will enhance the accuracy of information kept in the register of directors by providing clarity on the Registrar's

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		bankruptcy information which it obtains from the Ministry of Law.	provided by the Insolvency Office of the Ministry of Law.	power to use bankruptcy information provided by the Insolvency Office of the Ministry of Law.
D. Remove the requirement for a full stop at the end of the abbreviations “Pte” and “Ltd” contained in the name of a company				
1.	Section 27(9)(a)-(b) of the CA	<p>A limited company must have either the word “Limited” or “Berhad” as part of and at the end of its name: section 27(7).</p> <p>A private limited company must have the word “Private” or “Sendiran” as part of its name, inserted immediately after the word “Limited” or “Berhad” at the end of its name: section 27(8).</p> <p>The abbreviations “Pte.” and “Ltd.” may be used in lieu of the words “Private” and “Limited” respectively: section 27(9)(a)-(b). A full stop is required at the end of the abbreviations. ACRA’s Bizfile⁺ system does not accept registrations of company names without a full stop at the end of “Pte” or “Ltd”.</p>	To remove the requirement in section 27(9)(a)-(b) for a full-stop at the end of the abbreviations “Pte” and “Ltd” contained in the name of a company.	The proposed amendment will provide flexibility to companies to use the abbreviations in their names, with or without the full stop.
E. Require composition sums collected under the Limited Liability Partnerships Act and the Limited Partnerships Act to be paid into the Consolidated Fund				
1.	Section 46(3) of the LLP Act and section	All composition sums collected by the Registrar under the Limited Liability Partnerships Act and the Limited	To make amendments so that all composition sums collected by the Registrar under the Limited Liability	The proposed amendment is a technical update to align the position under the Limited Liability

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	35(3) of the Limited Partnerships Act	Partnerships Act shall be paid to ACRA.	Partnerships Act and the Limited Partnerships Act shall be paid into the Consolidated Fund.	Partnerships Act and the Limited Partnerships Act with that under other ACRA-administered legislation where composition sums are required to be paid into the Consolidated Fund (see for e.g. section 148(5) of the VCC Act).

SERVICE PROVISIONS FOR ACRA-ADMINISTERED LEGISLATION

The table below sets out the service provisions for each of the legislation administered by ACRA:

	Service on entity by registered post or delivery to last known place of business / registered office	Service on entity by delivery to director or partner or secretary or other like officer	Service on individual by registered post to last known place of residence or business	Service on individual by delivery to adult person resident at individual's last known place of residence or business
Companies Act	S387	-	S407(3)(c)	S407(3)(b)
Limited Liability Partnerships Act	NIL (see s59 LLP Act –service of “document” but “document” not defined in Act to include summons)	NIL	NIL (note S59A – service of “document” but “document” not defined in Act to include summons)	NIL
Limited Partnerships Act	NIL	NIL	S40(2)(c)	S40(2)(b)
Business Names Registration Act (BNRA)	NIL	NIL	S42(4)(c)	S42(4)(b)
Variable Capital Companies Act	S149	NIL	NIL	S71(6) (Service on manager of VCC)
Accountants	NIL	NIL	NIL	NIL

Act			(note S64A – service of “document” but “document” not defined to include summons in the Act.	
ACRA Act	NIL	NIL	NIL	NIL