

TABLE OF PROPOSED AMENDMENTS IN THE DRAFT ACRA (AMENDMENT) BILL

Clause	Current provision in ACRA Act	Proposed Amendments	Remarks
New Part VIA¹ on electronic transaction system and new provisions to enhance the regulatory framework for registered filing agencies and qualified individuals, collectively referred to as corporate service providers (CSPs)			
Interpretation of this Part			
4	No existing provision.	Introduce section 28A to define terms used in new Part VIA.	This provision explains the key terms used in the CSP-related amendments.
Establishment of electronic transaction system			
4	No existing provision.	Introduce section 28B to set out the functions of ACRA's electronic transaction system and the transactions that can be carried out via the electronic transaction system upon payment of prescribed fees.	This provision explains the purpose of ACRA's electronic transaction system, Bizfile, and enables ACRA to specify the use of Bizfile.
Requirement to use electronic transaction and agents for use			
4	No existing provision.	Introduce section 28C to provide that: – only a registered filing agent may carry out transactions with the Registrar using	This provision stipulates the requirement to use Bizfile. When the new amendments are enacted, existing

¹Sections 28A to 28J are new provisions. There are no equivalent provisions in the current ACRA Act. There are some provisions on ACRA's electronic transaction system in the Companies Act (CA), Business Registration (BR) Act, Limited Liability Partnerships (LLP) Act and Limited Partnerships (LP) Act. These will be repealed when the new provisions in the ACRA Act are enacted.

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		<p>the electronic transaction system on behalf of another person, unless the specified exceptions under section 28C(4) apply; and</p> <ul style="list-style-type: none"> – a registered filing agent must act through at least one prescribed individual under section 28C(3). 	<p>professional number holders and prescribed persons will need to register as filing agents and qualified individuals respectively to carry out these transactions.</p> <p><u>Note:</u> A transition framework will be introduced for the existing professional number holders and registered prescribed persons to transit to the new regime. ACRA will write to affected entities and persons closer to the implementation date.</p>
Evidence of transaction on electronic transaction system			
4	No existing provision.	<p>Introduce section 28D to provide for the:</p> <ul style="list-style-type: none"> – certification of documents by the Registrar and the admissibility of such documents in proceedings; and – admissibility in evidence of documents prepared by the Registrar containing information from original documents filed using the electronic transaction system, and containing the Registrar’s statement that the information is a true reproduction or extract of the original documents. 	-

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Electronic transaction system malfunction			
4	No existing provision.	Introduce section 28E to specify: <ul style="list-style-type: none"> – the Registrar’s power to correct errors or omissions arising from any malfunction of the electronic transaction system; – that ACRA and its officers, employees or agents shall not be liable for any loss or damage as a result of any error or omission if the error or omission: <ul style="list-style-type: none"> ▪ is made in good faith and in the ordinary discharge of their duties; or ▪ has arisen because of a malfunction in the electronic transaction system. 	-
Registered filing agents			
4	No existing provision.	Introduce section 28F to specify: <ul style="list-style-type: none"> – the criteria for registration or renewal of registration as a registered filing agent under section 28F(2); – that the Chief Executive has the discretion to refuse to register or renew the registration of a person as a filing agent based on criteria set out in section 28F(3), (4) and (5); – a moratorium period in which an 	This provision sets out the framework for a person to register and renew his registration as a filing agent. ACRA will be empowered to investigate and take action against a registered filing agent who has breached any prescribed term or condition. <u>Note:</u> The concept of “filing agent” does not apply to a group of companies.

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		<p>application will be rejected if less than 2 years have passed since the date on which a person’s previous registration as a filing agent was cancelled under section 28F(5);</p> <ul style="list-style-type: none"> – that a registered filing agent must comply with prescribed terms and conditions under section 28F(9); – the circumstances in which ACRA may cancel the registration of a registered filing agent under section 28F(10); and – the power for ACRA to take action against a registered filing agent who has breached any term or condition under section 28F(13) and (14). This includes cancellation, suspension, restriction of his use of the electronic transaction system or imposition of a financial penalty not exceeding \$25,000. 	<p>For such groups of companies, ACRA will enter into a separate arrangement with them to facilitate their filing as a group. ACRA will write to the affected groups of companies closer to the implementation date.</p>
Registered qualified individual			
4	No existing provision.	<p>Introduce section 28G to specify:</p> <ul style="list-style-type: none"> – the criteria for registration or renewal of registration as a registered qualified individual under section 28G(2); – that the Chief Executive has the discretion to refuse to register or renew the registration of a person as a registered 	<p>This provision sets out the framework for an individual to register and renew his registration as a qualified individual. ACRA will be empowered to investigate and take action against a registered qualified individual who has breached any prescribed term or</p>

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		<p>qualified individual based on criteria set out in section 28G(3), (4) and (5);</p> <ul style="list-style-type: none"> – a moratorium period in which an application will be rejected if less than 2 years have passed since the date on which a person’s previous registration as a qualified individual was cancelled under section 28G(5); and – that a registered qualified individual must comply with prescribed terms and conditions under section 28G(9); – the circumstances in which ACRA may cancel the registration of a registered qualified individual under section 28G(10); – the power for ACRA to take action against a registered qualified individual who has breached any term or condition under section 28G(12) and (13). This includes cancellation, suspension, restriction of his use of the electronic transaction system, or imposition of a financial penalty not exceeding \$10,000. 	<p>condition.</p> <p><u>Note 1:</u> Unlike the current regime where some employees of professional number holders may be registered as prescribed persons by reason of their being employees, these employees will not be able to seek registration as qualified individuals in the new regime. Only individuals who satisfy the criteria of this new provision may apply. Employees who do not qualify can still assist registered qualified individuals with filing in their capacity as employees.</p> <p><u>Note 2:</u> The concept of “qualified individual” does not apply to a group secretary of a group of companies, and this group secretary is not required to seek registration.</p>
Appeal to Minister			
4	No existing provision.	Introduce section 28H to allow registered filing agents and registered qualified	-

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		individuals to appeal to the Minister against decisions made by ACRA.	
Interest for non-payment and recovery of financial penalty			
4	No existing provision.	Introduce section 28I to require payment of interest for non-payment of financial penalties and provide for the recovery of such interest and financial penalties.	-
Regulations for this Part			
4 & 11	No existing provision.	Introduce section 28J to give the Minister powers to make regulations for the new Part VIA, including the criteria for qualified individuals, terms and conditions for registered filing agents and qualified individuals, fees, penalties for late filing and charges for appeals. Consequential amendments to section 38.	-

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Other Changes			
Constitution of ACRA			
2, 10 & 12	Section 5 sets out the constitution of ACRA, which includes the requirement to appoint to the ACRA Board one public accountant and one non-practising accountant nominated by a designated professional accountancy body.	Amend section 5 and introduce new Fourth Schedule to reflect name change of the designated professional accountancy body i.e. from the “ <i>Institute of Certified Public Accountants of Singapore</i> ” to “ <i>Institute of Singapore Chartered Accountants</i> ”. Consequential amendments to section 37 and introduction of Fourth Schedule.	-
Funds and property of ACRA			
3	Section 13 sets out ACRA’s funds and property.	Amend section 13 to clarify that any penalty for late payment or late filing, any financial penalty and interest payable for any late payment of the financial penalty, and composition sums which are collected by ACRA will be paid into the Government Consolidated Fund.	This amendment will enable the revenue from penalties, financial penalties and interest, and composition sums to be paid to the Government Consolidated Fund.

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Name, symbol or presentation of ACRA			
5 & 6	<p>Section 30(1) gives ACRA exclusive rights to the use of its name, symbol or representation.</p> <p>Under section 30(2), it is an offence for any person to use a name, symbol or representation identical with that of ACRA, or which so resembles ACRA's name, symbol or representation as to deceive or cause confusion, or to be likely to deceive or cause confusion. The current penalty is a fine not exceeding \$10,000, imprisonment for a term not exceeding 6 months or both.</p>	<p>Amend section 30 to cover the use of ACRA's symbol or representation. New section 30A covers the use of ACRA's name and acronym.</p> <p>A further fine not exceeding \$250 for every day or part thereof during which the offence continues after conviction will also be imposed, in addition to the existing penalty.</p>	<p>This amendment provides better protection to ACRA against unauthorised use of ACRA's symbol or representation and enhances the penalties for infringement.</p>
		<p>Introduce section 30A to give ACRA exclusive rights to the use of its name and acronym.</p> <p>A further fine not exceeding \$250 for every day or part thereof during which the offence continues after conviction will also be imposed, in addition to the existing penalty.</p>	<p>This amendment provides better protection to ACRA against unauthorised use of ACRA's name and acronym, and enhances the penalties for infringement.</p>

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False statements			
6	No existing provision	Introduce section 30B to make it an offence for any person to make any false statement or suppress any material facts, in relation to any application under the Act. The punishment is a fine not exceeding \$50,000 or imprisonment not exceeding 2 years or both.	-
Powers of enforcement			
7	Section 31 sets out the enforcement powers of ACRA officers and employees. The powers apply to any offence under the ACRA Act and other Acts administered by ACRA.	Amend section 31 to: <ul style="list-style-type: none"> - clarify how an ACRA officer or employee should identify himself when exercising enforcement powers; - introduce powers to: <ul style="list-style-type: none"> ▪ examine a person orally; ▪ take photographs or video recording; ▪ enter premises and make examination or inquiry; ▪ require an interviewee to state truthfully and for the recorded statement to be read to him and signed by him; and ▪ facilitate admissibility of evidence; and - allow an ACRA officer or employee to 	This amendment clarifies and enhances enforcement powers of ACRA officers and employees.

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		apply the enforcement powers in investigating a breach of a term or condition of registration of a registered filing agent or registered qualified individual.	
Preservation of secrecy			
8	Section 34(1) prohibits a member, an officer, an employee or an agent of ACRA, or a member of a committee of ACRA to disclose any information relating to the affairs of ACRA or of any other person which has been obtained by him in the performance of his duties or the exercise of his functions unless such disclosure is made in specified circumstances.	Amend section 34(1) to expand the list of specified circumstances such that disclosure of information may be made: <ul style="list-style-type: none"> – for assisting a public officer in administering or enforcing written law; – in connection with any civil proceedings in which ACRA is a party; or – for the purpose of any disciplinary proceedings or investigations in connection with such proceedings. 	This amendment expands the situations in which disclosure of information is required or should be permitted.

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Composition of offences			
9	<p>Section 36 allows ACRA to compound offences for a composition sum that is capped at \$1,000.</p> <p>On payment of the composition sum, no further proceedings will be taken against an offender.</p>	Amend section 36 to revise the maximum composition sum that ACRA may collect to half of the maximum fine or \$5,000, whichever is lower.	This amendment aligns the maximum composition sum in the ACRA Act with the maximum composition sum in other ACRA administered legislation.
Savings and transitional provision			
13	No existing provision	Empower the Minister to make regulations of a savings or transitional nature for a period of 2 years after the date of commencement of the new Act.	<p>This provision empowers the Minister to make regulations to transit the existing professional number holders and registered prescribed persons to be filing agents and qualified individuals.</p> <p><u>Note:</u> ACRA will write to affected entities and persons closer to the implementation date.</p>

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Consequential and related amendments to other written laws			
14	NA	Make consequential and related amendments to written laws specified in the Schedule.	-