



Circular No. 2 of 2025

Date: 18th February, 2025

Implementation of New Striking-Off Process for Non-Payment of Annual Fees

The Financial Services Authority (FSA) wishes to inform all stakeholders of the new striking-off process for international business companies (IBCs) that fail to pay their annual fees within 180 days of the due date, as stipulated under section 272(1)(c) of the International Business Companies Act (IBC Act), as amended by the IBC (Amendment) Act, 2024.

It should be noted that prior to the enactment of the IBC (Amendment) Act, 2024, companies that had not paid their annual fees within 180 days of the due date were struck off the Register of IBCs on January 1st next ensuing. With the enactment of the IBC (Amendment) Act, 2024, the Registrar is now empowered to strike-off any IBC that fails to pay its annual fees within 180 days, without being bound to any specific time for the striking-off.

Therefore, under the new provisions of the IBC Act, companies that fail to pay their annual fee within the 180-day period will be struck-off by the Registrar on the day that follows the 180-day period. In other words, the IBCs will be struck off the Register of IBCs on the 181st day from the due date, and the following procedures will be adopted by the Registrar:

1. In the last week of every month, the Registrar will send out to every ICSP, a notice of all the IBCs under the administration of the ICSP that will be struck-off in 3 months' time if they fail to pay their annual fee. For example, in the last week of February 2025, the Registrar will send out the list of all IBCs that will be struck-off in June 2025, including the actual date (in June 2025) that each IBC will be struck-off the Register if the annual fee remains unpaid.
2. Where an IBC fails to pay its annual fee within the 180-day period, the Registrar will strike-off and dissolve the IBC from the Register of IBCs on the day that follows the 180-day period (i.e. the IBC will struck-off on the 181st day).

For example, if the anniversary date of an IBC is 1st February, 2025 and the IBC fails to pay its annual fees by 31st July, 2025 (i.e. the 180th day following its anniversary date), it will be struck off and dissolved from the Register of IBCs on 1st August, 2025 (i.e. the 181st day following its anniversary date).

3. In the first week of every month, the FSA will send to the Attorney General's Office, the list of IBCs that were struck-off the Register of IBCs during the previous month (including the date that they were actually struck off the Register), for publication in the Official Gazette (e.g. the list of all IBCs struck-off in May 2025 will be sent to the Attorney General's Office for publication in the first week of June 2025).

In light of the above, the Registrar notes that there has been no prior notice provided to the industry for the implementation of this new procedure as the IBC (Amendment) Act 2024 does not include a transitional period in relation to this specific matter.

After careful consideration and to ensure a smooth transition, the Registrar is providing existing IBCs until **31st March, 2025**, to pay any outstanding annual fees. Consequently, the new striking-off procedure will therefore be enforced from 1st April, 2025.

Notwithstanding the above, the Registrar wishes to inform that:

- IBCs holding struck-off status on the Register on 18th December, 2024 have been dissolved effective 18th December, 2024.
- IBCs that have accumulated more than 180 days for non-payment of annual fees on 31st December, 2024 have been dissolved on 1st January, 2025.

To clarify, as per section 272(5) of the IBC Act, the effective date of the striking-off of an IBC is the date that the IBC is struck-off the Register by the Registrar and not the date of publication of the company's name in the Official Gazette.

The FSA counts on the usual cooperation and understanding of all stakeholders.

FINANCIAL SERVICES AUTHORITY