

Company stamps and registration fees abolished

The Law of Ukraine "On Amendments to Certain Legal Acts of Ukraine on Simplifying the Procedures for Company Formations" (hereinafter, the Law) came into effect on October 30, 2014.

The key amendments introduced by the Law include the abolition of the obligation to use stamps for legal entities under private law. From now on, article 58'1 of the Commercial Code of Ukraine will be worded as follows: "Economic entities may have stamps." As a result, it is up to the company to decide on whether or not it uses a company stamp. The Law also impacts other legislative acts which mention the obligatory use of a company stamp, in particular, the Civil Code, the Ukrainian Notaries Act, as well as the Law "On the Valuation of Assets, Asset Rights and Valuation Activities in Ukraine", etc.

As a result, a stamp is no longer needed for documents such as contracts, registration documents, minutes for shareholders' meetings, powers of attorney for legal entities, and reports. The Law allows documents to be legally binding simply with an authorised person's signature (e.g., a managing director).

However, the Law still requires a stamp for some legal entities. Government authorities and self-regulatory bodies must, for example, use a stamp when certifying licenses and other approval documents. The obligation to use a stamp continues to remain in force for some court documents and for banks, notaries, government testing agencies, certified engineers for the rational use of land, architects, construction design engineers, insolvency administrators and public associations.

The Law also abolishes payment of the registration fee for the registration of legal entities and individual entrepreneurs (previously UAH 170.00 and UAH 34.00, respectively). Moreover, the Law introduces a procedure for the registration of legal entities and individual entrepreneurs by presenting electronic documents without the obligatory use of an electronic signature. This method is only used for newly formed legal entities or individual entrepreneurs. Only original copies will be accepted in the case of changes to information on legal entities or individual entrepreneurs in the State Register. The method to use electronic signatures for economic entities in communications with tax authorities remains unchanged.

The Law also expands the directory of information which must be entered by legal entities and individual entrepreneurs and which is to be published on the official web site of the Unified State Register of Legal Entities and Individual Entrepreneurs.