

Quick Guide to Company Registration

What is changing?

From 1 July 2018, a company:

- can apply to be registered as a building practitioner.
- must be registered as a building practitioner to enter into major domestic building contracts.
- must be registered to be named as a builder on a building permit for major domestic building work, or any other work costing over (in most cases) \$10,000.
- must have an appropriate insurance certificate in the company's name to carry out the work.
- may only be appointed as the relevant building surveyor if it is registered.

These changes do not affect sole traders, who can continue to carry out work as usual

3 ways a company can be registered

1. Automatic registration

Your company will be automatically registered on 1 July 2018 if:

- at least one director is registered as a Domestic Builder (Unlimited, Limited or Manager) and their registration is current on 30 June 2018;
- your company carried out work under a major domestic building contract between 1 July 2017 and 30 June 2018;
- there is an appropriate certificate of insurance in the company's name or evidence that the company is eligible to hold the appropriate insurance;
- all directors of the company meet the financial and personal probity test.

If you do not want your company to be registered, you can opt out of automatic registration by completing the Opt Out form (available on the VBA website) and return it before 1 June 2018.

2. Opting in to registration

If your company is not eligible for automatic registration but you want your company to be registered, you can opt in to registration if:

- at least one director is a registered building practitioner (other than Domestic Builder) and their registration is current;
- all directors of the company meet the financial and personal probity test;
- you complete the Opt In to Company Registration form (available from the VBA website) and return it to the VBA before 1 June 2018.

3. Completing a full application

If your company is not eligible for either automatic registration or to opt in, after 1 July 2018 you can apply to register your company by completing the application form available from the VBA website.

What if a company is not registered?

After 1 July 2018, a company that is not registered:

- will not be able to enter into a major domestic building contract in the company's name;
- cannot be named as a builder on a building permit for major domestic building work, or non- domestic building work for work over (in most cases) \$10,000; and
- cannot accept appointment as the relevant building surveyor.

However:

- the company can continue to complete work on a major domestic building contract or building permit signed before 1 July 2018 if the company has at least one director who is a registered builder;
- you can continue to enter into major domestic building contracts, accept appointment as the relevant building surveyor and issue building permits in your individual name if you are a registered building practitioner.

Summary of the changes

Before 1 July 2018:	1 July 18 and after:
➤ Companies cannot be registered.	➤ Companies can be registered as a building practitioner in the same category and class as their registered builder directors
➤ A company can enter into a major domestic building contract if it has a director who is a registered building practitioner.	➤ A company can only enter into a major domestic building contract if it is registered.
➤ Building surveyors can issue building permits naming the company as a builder, if one of the directors is a registered building practitioner.	➤ A building surveyor can only issue a building permit where a company is named as a builder if the company is registered.
➤ Only a natural person can be appointed as the relevant building surveyor.	➤ A company may be appointed as the relevant building surveyor but must be registered.
➤ Certificate of insurance must be in the name of a registered builder.	➤ The certificate of insurance must be in the name of a registered builder. If that builder is a company, the certificate of insurance must be in the name of the company.

Need more information?

Visit the VBA website, www.vba.vic.gov.au/companyreg

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