

The following pieces of legislation enacted during the year 2020-21 are related to matters under the purview of the Department.

Inland Revenue Ordinance (Amendment of Section 50A) Notice 2020 (Legal Notice No. 42 of 2020)

This Notice amended the specified percentage applicable to the identification of controlling persons of partnerships and trusts from 25% to 0% under section 50A of the Inland Revenue Ordinance. The specified percentage applicable to the identification of controlling persons of corporations remains unchanged at 25%.

Inland Revenue Ordinance (Amendment of Schedule 17D) Notice 2020 (Legal Notice No. 43 of 2020)

This Notice amended Schedule 17D to the Inland Revenue Ordinance to specify that for the purpose of determining the controlling persons of an account holder of a new entity account, a reporting financial institution may rely on information collected and maintained pursuant to anti-money laundering / know your customer procedures if those procedures are consistent with Recommendations 10 and 25 of the Financial Action Task Force Recommendations.

Stamp Duty Ordinance (Amendment of Schedule 8) Regulation 2020 (Legal Notice No. 74 of 2020)

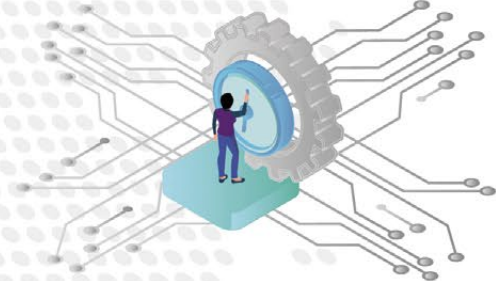
This Regulation amended Schedule 8 to the Stamp Duty Ordinance to waive the stamp duty on stock transfers involving the activities of exchange traded fund (ETF) market makers in the course of allotting and redeeming ETF units listed in Hong Kong.

Exemption from Salaries Tax and Profits Tax (Anti-epidemic Fund) Order (Legal Notice No. 112 of 2020)

This Order exempted, subject to certain conditions, individuals and businesses from the payment of salaries tax and profits tax in respect of financial assistance or relief provided under the Anti-epidemic Fund. The exemption applies in relation to salaries tax and profits tax chargeable for the year of assessment 2019-20 onwards.

Inland Revenue (Amendment) (Tax Concessions) Ordinance 2020 (Ordinance No. 4 of 2020)

This Ordinance amended the Inland Revenue Ordinance to give effect to a proposal concerning tax concessions in the Budget for the 2020-21 financial year to reduce the amounts of salaries tax, profits tax and tax under personal assessment payable for the year of assessment 2019-20 by 100%, subject to a maximum of \$20,000 in each case.



Inland Revenue (Amendment) (Ship Leasing Tax Concessions) Ordinance 2020 (Ordinance No. 5 of 2020)

This Ordinance amended the Inland Revenue Ordinance to give profits tax concessions to qualifying ship lessors and qualifying ship leasing managers.

Limited Partnership Fund Ordinance (Ordinance No. 14 of 2020)

This Ordinance established a limited partnership fund regime which enables funds to be registered in the form of limited partnerships in Hong Kong and made consequential amendments to various enactments, including the Inland Revenue Ordinance, Business Registration Ordinance and Business Registration Regulations.

Inland Revenue (Amendment) (Profits Tax Concessions for Insurance-related Businesses) Ordinance 2020 (Ordinance No. 15 of 2020)

This Ordinance amended the Inland Revenue Ordinance to give profits tax concessions to all general reinsurance business of direct insurers, selected general insurance business of direct insurers and selected insurance brokerage business of licensed insurance broker companies.

Public Revenue Protection (Stamp Duty) Order 2020 (Legal Notice No. 231 of 2020)

This Order gave full force and effect of law to the Stamp Duty (Amendment) Bill 2020, which sought to amend the Stamp Duty Ordinance to abolish the Doubled Ad Valorem Stamp Duty rates applicable to non-residential property transactions and to revert the Ad Valorem Stamp Duty rates chargeable on the non-residential property transactions to the Scale 2 rates with effect from 26 November 2020, before the enactment of the Bill.

Inland Revenue (Profits Tax Concessions for Insurance-related Businesses) (Threshold Requirements) Notice (Legal Notice No. 4 of 2021)

This Notice prescribed threshold requirements for determining whether an activity producing the assessable profits of a specified insurer or a licensed insurance broker company derived from any of the specified insurance-related businesses, which are charged at the reduced tax rate is, or is arranged to be, carried out by the insurer or the company in Hong Kong.

Inland Revenue (Amendment) (Profits Tax Concessions for Insurance-related Businesses) Ordinance 2020 (Commencement) Notice (Legal Notice No. 5 of 2021)

This Notice appointed 19 March 2021 as the effective date of the Inland Revenue (Amendment) (Profits Tax Concessions for Insurance-related Businesses) Ordinance 2020.

Revenue (Reduction of Business Registration Fees and Branch Registration Fees) Order 2021 (Legal Notice No. 34 of 2021)

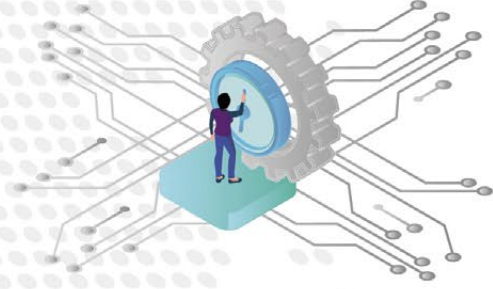
This Order reduced the fee payable in respect of a business registration certificate or branch registration certificate with a date of commencement that falls within the period of 12 months beginning on 1 April 2021 (concession period). However, for simultaneous business registration application of a company incorporated under the Companies Ordinance or an open-ended fund company incorporated under the Securities and Futures Ordinance, the reduction is applicable to the business registration fee payable on the application for incorporation that is made within the concession period. The reduction amount on business registration fee payable is \$2,000 for business registration certificate and \$73 for branch registration certificate.

Stamp Duty (Amendment) Ordinance 2021 (Ordinance No. 2 of 2021)

This Ordinance amended the Stamp Duty Ordinance to abolish the Doubled Ad Valorem Stamp Duty rates applicable to non-residential property transactions and to revert the Ad Valorem Stamp Duty rates chargeable on non-residential property transactions to the Scale 2 rates with effect from 26 November 2020.

Inland Revenue (Double Taxation Relief with respect to Taxes on Income and Prevention of Tax Evasion and Avoidance / Taxes on Income and Capital and Prevention of Tax Evasion and Avoidance) Order

Country/Region	Date of Order	Nature
Macao Special Administrative Region	12 May 2020	Double Taxation Relief with respect to Taxes on Income and Prevention of Tax Evasion and Avoidance
Serbia	20 October 2020	Double Taxation Relief with respect to Taxes on Income and Capital and Prevention of Tax Evasion and Avoidance
Georgia	20 October 2020	Double Taxation Relief with respect to Taxes on Income and Capital and Prevention of Tax Evasion and Avoidance



Tax Reserve Certificates (Rate of Interest) (Consolidation) (Amendment) Notices

Legal notice no.	Periods in force	Annual rate of interest
58 of 2020	4 May 2020 to 31 May 2020	0.2333%
113 of 2020	1 June 2020 to 6 December 2020	0.2000%
238 of 2020	7 December 2020 to 6 April 2021	0.1500%