

## **INLAND REVENUE DEPARTMENT NOTICE BUSINESS REGISTRATION**

Your attention is drawn to the following matters under the Business Registration Ordinance (Cap. 310).

### New Business Registration

Except those specifically exempted, every person carrying on a sole proprietorship or partnership business in Hong Kong must register his business within 1 month of commencement of business. The Inland Revenue Department (IRD) will not accept any applications for registration of businesses which have never existed or have yet to commence operation.

Any person applying for incorporation of a local limited company or registration of a non-Hong Kong company under the Companies Ordinance (Cap. 32) is deemed to apply for business registration at the same time. The applications for business registration of these companies must be submitted to the Companies Registry (CR). For details, please download the Companies Registry External Circular No. 1/2011 from the CR's website ([www.cr.gov.hk](http://www.cr.gov.hk)). Local limited companies are required to notify the Business Registration Office of IRD (BRO) in writing within 1 month of the date of commencement of the business their business name, description and nature of business, business address and date of commencement of business. The relevant notifications can be made by letter or by completing a Form IRBR200.

### Renewal of Business Registration Certificate

BRO will issue business registration renewal demand notes to registered businesses about 1 month before their current business registration certificates expire. If business operators do not receive such renewal demand notes, they must inform BRO in writing within 1 month of expiry of their current business registration certificates. IRD may impose penalties if renewal demand notes are overdue.

### Display of Business Registration Certificate

The valid business registration certificate must be displayed in a conspicuous place at the address where the business is carried on and should be produced for official inspection by IRD's tax inspectors on demand.

### Apart from Business Registration

Business registration is not a licence to trade. Apart from business registration, the applicant may need to apply for other types of licences or obtain the recognised professional qualifications for operating certain kinds of business. The issue of business registration certificate or branch registration certificate in respect of any business does not imply that the requirements of any law in relation to such business have been complied with.

### Change of Business Registration Particulars

Any change in the business particulars or cessation of a business must be notified in writing to BRO within 1 month of the change or the cessation.

For a local limited company or a non-Hong Kong company which has changed its company name under the Companies Ordinance, CR will notify BRO after the “Certificate of Change of Name” is issued. If the business name is changed, the company must notify BRO separately.

CR and IRD have jointly introduced an optional electronic one-stop notification service at the e-Registry portal ([www.eregistry.gov.hk](http://www.eregistry.gov.hk)) of CR. By using this electronic service, a company which reports a change of registered office address in an electronic Form R1 may request CR to notify BRO on its behalf that its business address as registered under the Business Registration Ordinance has changed to its new registered office address with effect from the effective date of change as stated in the electronic Form R1. If the company does not opt to use this electronic service, it must notify BRO of any change in the business address in writing, other than notifying CR of any change in the registered office address.

#### Exemption from Payment of Business Registration Fee and Levy

Apart from companies incorporated or registered under the Companies Ordinance, businesses may apply for exemption from payment of the fee and levy if:

- (a) its profits are mainly derived from the sale of services and its average monthly sales/receipts do not exceed \$10,000; or
- (b) in other cases, its average monthly sales do not exceed \$30,000.

If two or more businesses are carried on by the same proprietor or partners, none of these businesses is entitled to exemption. All applications for exemption must be made on ‘Form 3’ and lodged with BRO –

##### New Business

Not later than 1 month after the application for the registration of the business.

##### Existing Business

Not later than 1 month before the expiry of the current business registration certificate.

#### Important Tips

The law provides that any person who fails to comply with the provisions of the Business Registration Ordinance is liable to a maximum penalty of a fine of \$5,000 and imprisonment for 1 year.

For more details on business registration, please download a pamphlet “A Brief Guide to Business Registration” from IRD’s website ([www.ird.gov.hk](http://www.ird.gov.hk)) or call 187 8088.

WONG Kuen-fai  
Commissioner of Inland Revenue