

**CONTROLLING OFFICER'S REPLY TO  
INITIAL WRITTEN QUESTION**

Reply Serial No.

**FSTB(Tsy)089**

Question Serial No.

0868

Head: 76 Inland Revenue Department Subhead (No. & title):

Programme: (3) Investigation and Field Audit

Controlling Officer: Commissioner of Inland Revenue

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

Please provide the numbers of tax avoidance cases (concerning individuals and companies respectively) completed by the Inland Revenue Department and the respective amounts of back tax and penalty assessed in each of the past 5 years (i.e. from 2007-08 to 2011-12).

Asked by: Hon. CHAN Kam-lam

Reply:

There are anti-avoidance provisions in the Inland Revenue Ordinance to combat and prevent tax avoidance. Information of audit cases on tax avoidance completed by the Inland Revenue Department (IRD) during the past 5 financial years is as follows:

	2007-08	2008-09	2009-10	2010-11	2011-12 (Revised estimate)
No. of cases completed	188	218	206	234	226
Back tax and penalties assessed (\$million)	591	527	1,240	2,193	4,355*

\* The anticipated amount of back tax and penalties assessed in the 2011-12 financial year is exceptionally high due to the settlement of several large tax avoidance cases.

IRD does not have statistical breakdown of individuals and companies on the number of audit cases completed.

Signature: \_\_\_\_\_

Name in block letters: CHU Yam-yuen

Post Title: Commissioner of Inland Revenue

Date: 29.2.2012