

**Information Sheet For Form IR623P / IR623R**  
**[Form IR623P / IR623R may be used for reporting payments payable to/receivable by non-resident individuals rendering services in the Hong Kong Special Administrative Region (“Hong Kong”) of the People’s Republic of China (other than entertainers/sportsmen)]**

**What income of a non-resident individual is chargeable to tax in Hong Kong?**

**Salaries Tax**

If an individual derives employment income from Hong Kong, the individual may be liable to salaries tax in Hong Kong irrespective of whether the individual is a Hong Kong resident.

**Profits Tax**

Persons carrying on any trade, profession or business in Hong Kong are chargeable to profits tax on all profits (excluding profits arising from the sale of capital assets) arising in or derived from Hong Kong from such trade, profession or business. There is no distinction between residents and non-residents. A resident may derive profits from abroad without having to pay tax in Hong Kong; conversely, a non-resident may have tax liability in Hong Kong on profits arising therefrom. The questions of whether a profession or business is carried on in Hong Kong and whether profits are derived from Hong Kong are largely one of fact, however some guidance on the applicable principles can be found in judgments of the Hong Kong Courts.

**What is the meaning of non-resident?**

There is no definition of "non-resident" in the general interpretative provisions under section 2(1) of the Inland Revenue Ordinance. However, whether an individual is a “non-resident” of Hong Kong is primarily a question of fact and the Inland Revenue Department, as a matter of administrative practice, has all along considered that an individual is a non-resident of Hong Kong if the individual does not have a home or a place of habitual abode in Hong Kong.

**What should you do as a payer?**

A payer may submit Form IR623P to report sums payable to non-resident individuals who are engaged to provide services or exercise profession in Hong Kong, not in the capacity as employees. Examples include non-resident individuals rendering services in Hong Kong as arbitrators, consultants, visiting counsel and lecturers. For non-resident individuals employed to render services in Hong Kong as employees, employers should use Form IR56 series (IR56B/E/F/G) to report the remuneration paid to them.

**What should you do as a non-resident individual?**

If a non-resident individual has income or profit chargeable to tax in Hong Kong, the individual has to inform the Inland Revenue Department. Section 51(2) of the Inland Revenue Ordinance provides that a person chargeable to tax for any year of assessment shall inform the Commissioner in writing that he is so chargeable not later than 4 months after the end of the basis period for that year of assessment unless he has already been required to furnish a Tax Return. Non-resident individuals who have remuneration for services rendered in Hong Kong may notify their chargeability by using the Form IR623R.

**Further information and assistance**

You may

- (a) visit the Inland Revenue Department's website at [www.ird.gov.hk](http://www.ird.gov.hk) > Tax Information - Individuals/Businesses >
  - (i) What you need to know as a Non-resident Individual (for IR623R);
  - (ii) Employers > (What you need to do) Payments to non-resident professionals (for IR623P); or
- (b) send your enquiry by email to [taxinfo@ird.gov.hk](mailto:taxinfo@ird.gov.hk)