



Business Registration Office

A Brief Guide to Business Registration

Under the provisions of the Business Registration Ordinance (Cap. 310) (“BRO”), other than those specifically exempted, every person carrying on business in Hong Kong must register his business with the Business Registration Office of the Inland Revenue Department.

Scope

"Business" means any form of trade, commerce, craftsmanship, profession, calling or other activity carried on for the purpose of gain and also means a club. Every company incorporated in Hong Kong or non-Hong Kong company registered under the Companies Ordinance is deemed to be a person carrying on business and is required to be registered under the BRO. Besides, every non-Hong Kong corporation that has a representative or liaison office in Hong Kong, or has let out its property situated in Hong Kong is required to be registered under the BRO.

Business exempt from registration

However, the BRO provides that the following activities or businesses are exempted from registration:

- (a) the activities of approved charitable institutions;
- (b) the business of agriculture, market gardening, breeding or rearing livestock or fishing (exemption not applicable to companies incorporated in Hong Kong or non-Hong Kong companies that are required to be registered under the Companies Ordinance);

- (c) the business of a bootblack; and
- (d) business carried on by hawkers who are required to have licences under the Hawker Regulation, except businesses carried on inside the main structure of a building.

Application for business registration

In general, an application for business registration must be made **within 1 month of the commencement of business**. The application must be made in a prescribed form [Form 1(a), 1(b), 1(c) or 1(d)] and accompanied by the required supporting documents and full payment of the appropriate business registration fee and levy¹. Any person who applies for incorporation of a local company or registration of a non-Hong Kong company under the Companies Ordinance is deemed to have made a simultaneous application for business registration. The Notice to Business Registration Office (i.e. IRBR1 and IRBR2 for local and non-Hong Kong companies respectively) must be delivered together with the prescribed business registration fee and levy at the time when an application for incorporation of a local company or registration of a non-Hong Kong company is made with the Companies Registry.

Display of certificate

The valid business/branch registration certificate must be displayed in a conspicuous place at the address where the business/branch is carried on and should be produced for official inspection on demand. Where the registration certificate is issued in the form of an electronic record, a printed copy of the registration certificate shall be displayed.

Exemption from payment of business registration fee and levy

Any person carrying on a business may apply for exemption from payment of business registration fee and levy where:

¹ For the amount of the business registration fee and levy, please refer to the Business Registration Fee and Levy Table in the Department's web site <www.ird.gov.hk>.

- (a) for business whose profits are derived primarily from the sale of services, and the average monthly sales or receipts does not exceed \$10,000; or
- (b) for other businesses, the average monthly sales does not exceed \$30,000.

However, exemption from payment of business registration fee and levy is not applicable to companies incorporated in Hong Kong or non-Hong Kong companies required to be registered under the Companies Ordinance. Besides, if two or more businesses are carried on by the same proprietor or partners, none of those businesses is entitled to the exemption.

Application for exemption should be made on a Form 3. For a new business, the application has to be made with the Business Registration Office **not later than 1 month after the application for the registration** of the business. For an existing business, the application for exemption from payment of business registration fee and levy for the following year has to be made with the Business Registration Office **not later than 1 month before the expiry of the current business registration certificate**. If exemption is granted, an “exempt business registration certificate” valid for 12 months will be issued. Fresh application for exemption must be made for each subsequent year in accordance with the exemption conditions and the application procedures then in force.

Change of business registration particulars

Any change in the business particulars or cessation of a business must be notified **within 1 month of such change or cessation** to the Commissioner of Inland Revenue (“the Commissioner”) in writing or by completing the following forms as appropriate:

- (a) IRC3110A Notification of Change of Business Name
- (b) IRC3111A Notification of Change of Business Address
- (c) IRC3113 Notification of Cessation of Business
- (d) IRBR64 Notification of Change of Partners
- (e) IRBR193 Notification of Change of Business Nature
- (f) IRBR200 Notification of Commencement of Business by Corporation

All newly incorporated local companies registered under the one-stop company and business registration service are required to notify the Commissioner of the business particulars in writing **within 1 month of the date of commencement of the business**. The business particulars include 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. On the other hand, companies are no longer required to notify the Commissioner separately of changes of the following particulars:

For Hong Kong companies

- corporate name
- address of registered office

For non-Hong Kong companies

- corporate name
- address of principal place of business in Hong Kong
- name and address of the authorized representative

After the related notice or return of changes of the above particulars is registered or recorded under the Companies Ordinance, the Registrar of Companies will transmit such particulars to the Commissioner.

A company can report changes of its registered office address and business address in one go at the e-Registry of the Companies Registry. The company can request the Companies Registry to notify the Inland Revenue Department on its behalf that its business address as registered under the BRO has changed to its new registered office address with effect from the effective date of change as stated in e-Form NR1.

Apart from business registration

The issue of business registration certificate or branch registration certificate in respect of any business does not mean that such business has complied with the relevant law and regulations. Apart from business registration, the business operator may need to apply for licences or obtain the recognised professional qualifications for operating the business. If anything is in doubt, the business operator should contact the relevant authorities for assistance.

Important tips

Any person who fails to comply with the provisions of the BRO is liable to a maximum fine of \$5,000 and to imprisonment for 1 year.

Persons who carry on businesses but are exempt from business registration are still required to comply with the provisions under the Inland Revenue Ordinance (Cap. 112). In particular, the Inland Revenue Ordinance requires every person who is chargeable to tax for any year to inform the Commissioner in writing 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.

Form 1(a), 1(b), 1(c) or 1(d) for application for business registration and Form 3 for application for exemption from payment of business registration fee and levy can be obtained from the Inland Revenue Department at The Receipt & Despatch Counter, 1/F or the Business Registration Office at 4/F of the Revenue Tower, 5 Gloucester Road, Wan Chai, Hong Kong. Moreover, Form 3 may also be downloaded from our web site <www.ird.gov.hk> or obtained from our Fax-A-Form service by calling 2598 6001.

All application forms must be completed in either English or Chinese and may be lodged either to the Business Registration Office or by post to “P.O. Box 29015, Gloucester Road Post Office, Wan Chai, Hong Kong”. Any application or notification sent by fax will not be accepted.

For more details on business registration, please visit our web site <www.ird.gov.hk> or call 187 8088.

Business Registration Office
Inland Revenue Department
May 2014