

**Newspaper Notice published by the Inland Revenue Department on 21 September 2015**

**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 regardless of the mode of business must register his business within 1 month of commencement of business. Businesses carried on through the Internet are required to be registered if the daily business operations are carried out in Hong Kong. On the other hand, the Inland Revenue Department (IRD) will not accept any applications for registration of businesses which have never existed or have yet to commence operation. Applications for business registration may be submitted in person to the Business Registration Office of IRD (BRO), by post or through the GovHK. For applications submitted in person to BRO, the Business Registration Certificate (BRC) will normally be issued within 30 minutes of receipt of the properly completed applications. Whereas for applications submitted by post or through the GovHK, the BRC will normally be issued within 2 working days of receipt of the properly completed applications.

Any person applying for incorporation of a local limited company or registration of a non-Hong Kong company under the Companies Ordinance (Cap. 622) is deemed to have applied for business registration at the same time. Applicant is not required to submit a separate application for business registration to BRO. Upon the approval of an application, the Companies Registry (CR) will issue a Certificate of Incorporation / Registration together with a BRC to the applicant in one go. For details, please browse CR's website ([www.cr.gov.hk](http://www.cr.gov.hk)).

Upon incorporation and before commencement of business by local limited companies, the nature of business is shown as "CORP" in their BRCs. Local limited companies are required to notify BRO in writing within 1 month of the date of actual commencement of the business their business name, description and nature of business carried on, 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 (BRC)**

BRO will issue business registration renewal demand notes to registered businesses about 1 month before their current BRCs 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 BRCs. IRD may impose penalties if renewal demand notes are overdue. Upon payment, a renewal demand note will become a valid BRC.

**Prescribed business registration fees or prescribed branch registration fees and levy**

For details of the total amount payable under a certificate, please browse IRD's website and refer to the business registration fee & levy table by clicking the link: [http://www.ird.gov.hk/eng/pdf/brfee\\_table.pdf](http://www.ird.gov.hk/eng/pdf/brfee_table.pdf).

## **Display of Business Registration Certificate**

The valid BRC 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 BRC 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 or corporate name under the Companies Ordinance, CR will notify BRO of the change after the "Certificate of Change of Name" is issued. If the business name is changed, the company must notify BRO separately.

Under the optional electronic one-stop notification service at the e-Registry portal ([www.eregistry.gov.hk](http://www.eregistry.gov.hk)) of CR, a company which reports a change of registered office address in an electronic Form NR1 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 NR1. 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, business operators may apply for exemption from payment of the fee and levy if:

- (a) their profits are mainly derived from the sale of services and their average monthly sales / receipts do not exceed \$10,000; or
- (b) in other cases, their 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. Application for exemption must be made in 'Form 3' and may be lodged either in person or by post to BRO. Applicant can also apply the exemption through the GovHK ([www.gov.hk/br](http://www.gov.hk/br))(Please visit the GovHK for more details). The deadline for application is as follows:

### **New Business**

Not later than 1 month after the application for the registration of the business. Application made through the GovHK can be made not later than 7 weeks after applying for business registration.

**Existing Business**

Not later than 1 month before the expiry of the current BRC. Application made through the GovHK can be made not later than 1 week before the date of expiry of the current BRC.

**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.

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Commissioner of Inland Revenue