STAMPING PROCEDURES AND EXPLANATORY NOTES

Stock Borrowing Relief

Electronic Registration of Stock Borrowing and Lending Agreement

Background

Registration of a Stock Borrowing and Lending Agreement (“SBLA”) with the Stamp Office is a pre-requisite for obtaining stamp duty relief for stock borrowing and lending transactions. With effect from 23 April 2012, the Stamp Office will launch a new electronic service allowing online registration of SBLA via e-Tax (“e-Registration”) as an alternative to paper registration.

Scope of Services

2. The following services are available under the e-Registration platform:-

(a) Registration of SBLA;
(b) Filing of Notification by Stock Lender;
(c) Simultaneous submission of (a) and (b); and
(d) Download Approval Letter.

To enjoy the above services, users can simply click “Stock Borrowing Relief” under the heading of “Business” in the e-Tax Service Main Menu to select the services required (Appendix A). A step-by-step walkthrough of the process is available at the IRD web site (www.ird.gov.hk).

Authentication Means

3. After selecting the required service, users can input authentication by one of the following means:-

(a) E-Stamp Account;
(b) Taxpayer Identification Number and password; and
(c) Digital Certificate issued by Hongkong Post or the Digi-Sign Certification Services Ltd.

Special features

Simultaneous submission of registration and filing of Lender Notification

4. Registration of SBLA and filing of Lender Notification under the same SBLA can be done simultaneously without the need to make fresh application again.
Approved standard versions of SBLA

5. For commonly used standard versions of SBLA, users can just select the version instead of inputting agreement details. A list with samples of the approved SBLA are available at the IRD web site (www.ird.gov.hk). Users can upload soft copy of the SBLA during Registration instead of delivering the physical SBLA to the Stamp Office.

Payment of specified fee

6. Payment of specified fee for registration of SBLA, currently HK$270, can be made by the following means:-

   (a) **Online payment**

       By PPS, VISA and MasterCard.

   (b) **Set-off from deposit placed in IRD**

       This option is only available to e-Stamp Account holders. An e-Stamp Account holder who wishes to place a deposit for setting-off the specified fee payable upon registration of SBLA can submit the duly-completed Deposit Form in Appendix B together with the cheque payment to the Stamp Office.

Acknowledgment of Registration

7. After submission of registration and payment of specified fee, an acknowledgment (with transaction reference number (TRN) and SBLA number (SBA No.)) will be generated to the user for record purpose.

Issue of Approval Letter

8. An email will be sent to the user when the registration is approved. The Approval Letter can be downloaded from e-Registration (selecting “Download Approval Letter” service) by keying in the TRN or SBA No.

Enquiries

9. Any enquiry concerning the e-Registration can be directed to the Stamp Office at telephone numbers 2594 3159 or 2594 3165.
Submit Stamping Application

- Initial Stamping of Agreement / Assignment (Not applicable to cases with special stamp duty involved)
- Payment of Deferred Stamp Duty
- Subsequent Agreement / Assignment
- Tenancy Agreement

Upload Stamping Applications in Bulk (Please refer to the notes)

- Initial Stamping of Agreement / Assignment (Not applicable to cases with special stamp duty involved)
- Tenancy Agreement

Stamp Certificate

- Print
- Enquire

Stamp Duty Payment Notice

- Print

E-Stamp Account

- Apply
- Activate Account / Change Password

Stock Borrowing Relief

- Stock Borrowing and Lending Agreement Registration (You can also simultaneously file the Notification of Execution of Stock Borrowing and Lending Agreement by Lender)
- Notification of Execution of Stock Borrowing and Lending Agreement by Lender
- Download Approval Letter

Special Chinese Characters defined in Hong Kong Supplementary Character Set (HKSCS-2001) cannot be entered, displayed or processed if you have not installed the HKSCS kit. Please click here for details.
<table>
<thead>
<tr>
<th>Business Name</th>
<th>營業名稱：</th>
</tr>
</thead>
<tbody>
<tr>
<td>E-Stamp Account Number</td>
<td>印花易帳戶號碼：</td>
</tr>
<tr>
<td>(First 11 digits only)</td>
<td>(只須填寫首 11 個數字)</td>
</tr>
<tr>
<td>Cheque Deposit Details</td>
<td>支票存款資料：</td>
</tr>
<tr>
<td>(Please attach the cheque)</td>
<td>(請夾附支票)</td>
</tr>
<tr>
<td>Bank Name</td>
<td>銀行名稱</td>
</tr>
<tr>
<td>Cheque Number</td>
<td>支票號碼</td>
</tr>
<tr>
<td>Deposit Amount</td>
<td>存款金額</td>
</tr>
</tbody>
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Please read the important notes overleaf and return the completed form by post or in person to this office.

請細閱背頁的重要附註並將此填妥表格郵寄或親自交回本署.
**Important notes**

(1) **Use of deposit**
All the deposits placed in the “E-Stamp” Account are non-interest bearing. The money in the “E-Stamp” Account can only be applied to settle the specified fee for registration of Stock Borrowing and Lending Agreement submitted by the relevant E-Stamp Account holder (“User”) via the electronic registration platform.

(2) **Payment**
   a) The deposit must be paid by cheque or cashier order issued by a Licensed Bank in Hong Kong and payable to “The Government of the Hong Kong Special Administrative Region” or “The Government of the HKSAR”. Post-dated cheques will not be accepted;
   b) The cheque/cashier order must be for an amount in the multiple of the “specified fee” (HK$270). The specified fee is the amount specified under section 19(12A) of the Stamp Duty Ordinance, Cap 117.

(3) **No. of Deposits held by an “E-Stamp” Account**
A maximum of 3 deposits can be created and maintained concurrently under each “E-Stamp” Account Number at any time.

(4) **Non-Assignability of Rights and Benefits**
The deposit already placed in each of the “E-Stamp” Account Number is not assignable or transferable to other “E-Stamp” Account.

(5) **Setting-off specified fee**
For electronic registration of Stock Borrowing and Lending Agreement, the User may pay specified fee by way of deduction from his deposit(s). If the User has more than one deposit opened upon e-registration, the set-off will be made automatically against the deposits in first in first out basis.

(6) **Termination**
A deposit may be terminated where:-
   (a) the deposit has remained inactive for more than 12 months (it is intended for frequent users and ad hoc users can make online payment by Visa, Mastercard or PPS); or
   (b) the deposit is placed by dishonoured cheque.
Upon termination of the deposit, any balance thereof will be refunded to the User.

(7) **Personal information collection statement**
The Department will use the information provided by the User for tax purposes and may give some of the information to other parties authorized by law to receive it. Except where there is an exemption provided under the Personal Data (Privacy) Ordinance, the User has the right to request access to and correction of his personal data. Such request should be addressed to the Superintendent of Stamp Office.