



Legislative Amendments

The following legislations enacted during the year were concerned with matters administered by Inland Revenue Department.

Inland Revenue (Amendment) Ordinance 2009 (Ordinance No. 8 of 2009)

This Ordinance amended the Inland Revenue Ordinance to give effect to the government's proposals to reduce the amounts of salaries tax and tax under personal assessment payable for the year of assessment 2008-09.

Revenue (Reduction of Business Registration Fees) Order 2009 (Legal Notice No. 139 of 2009)

This Order reduced the fees payable in respect of business registration certificates and branch registration certificates that commence on or after 1 August 2009 but before 1 August 2010.

Exemption from Profits Tax (Renminbi Sovereign Bonds) Order (Legal Notice No. 246 of 2009)

This Order exempted a person from the payment of profits tax in respect of sums received by or accrued to the person as interest or profits arising from Renminbi sovereign bonds and came into operation on 5 February 2010.

Inland Revenue (Amendment) Ordinance 2010 and Inland Revenue (Disclosure of Information) Rules (Ordinance No. 1 of 2010; Legal Notice Nos. 25, 26 and 28 of 2010)

Inland Revenue (Amendment) Ordinance 2010 amended the Inland Revenue Ordinance to facilitate the collection and disclosure of information concerning tax of a territory outside Hong Kong under arrangements made with the government of that territory for the avoidance of double taxation, and to provide for related matters. Inland Revenue (Disclosure of Information) Rules were made under section 49 of the Inland Revenue Ordinance for carrying out the provisions of any arrangements having effect under that section. The Ordinance and the Rules came into operation on 12 March 2010.

Inland Revenue (Amendment) (No. 2) Ordinance 2010 (Ordinance No. 4 of 2010)

This Ordinance amended the Inland Revenue Ordinance:

- (a) to improve the operation of the Board of Review;
- (b) to provide for the deduction allowed for interest expenses incurred in the acquisition of prescribed fixed assets and specified machinery or plant;
- (c) to enable the Commissioner of Inland Revenue ("the Commissioner") to make a property tax assessment on persons who receive rent on any common parts of any land or building;
- (d) to empower an assessor to make an additional assessment of the tax payable in consequence of a taxpayer's revocation of a claim for deduction of home loan interest after the statutory period;

- (e) to extend the period within which a prosecution may be instituted for an offence relating to breach of secrecy;
 - (f) to enable the Commissioner to refund to a taxpayer the balance remaining in the Tax Reserve Certificates accounts without requiring the taxpayer to return the tax reserve certificate to the Commissioner; and
 - (g) to make minor and textual amendments,
- and to make consequential amendments.

Revenue (Reduction of Business Registration Fees) Order 2010 (Legal Notice No. 20 of 2010)

This Order reduced the fees payable in respect of business registration certificates and branch registration certificates that commence on or after 1 August 2010 but before 1 August 2011.



Inland Revenue (Double Taxation Relief and Prevention of Fiscal Evasion with respect to Taxes on Income) Order

Country / Region	Date of Order	Nature
Vietnam	21 April 2009	Double Taxation Relief and Prevention of Fiscal Evasion with Respect to Taxes on Income

Inland Revenue (Double Taxation Relief on Income from Aircraft Operations) Orders

Country / Region	Date of Order	Nature
Ethiopia	10 November 2009	Double Taxation Relief on Income From Aircraft Operations
Maldives	10 November 2009	Double Taxation Relief on Income From Aircraft Operations

Tax Reserve Certificates (Rate of Interest) Notices

Legal Notice No.	Periods in force	Annual rate of interest
19 of 2009	2 February 2009 to 31 May 2009	0.2667%
115 of 2009	1 June 2009 to 2 August 2009	0.1167%
172 of 2009	3 August 2009 to 6 December 2009	0.0833%
241 of 2009	7 December 2009 to 3 January 2010	0.0667%
264 of 2009	On or after 4 January 2010	0.0433%