



Inland Revenue Department
The Government of the Hong Kong Special Administrative Region
of the People's Republic of China

Annual Report on Performance Pledge 2023-24

Tax by the Law
Service from the Heart



Vision

We aim to be an excellent tax administration that plays an important part in promoting Hong Kong's prosperity and stability.

Mission

We are committed to -

- collecting revenue efficiently and cost-effectively;
- providing courteous and effective service to the taxpaying public;
- promoting compliance through rigorous enforcement of law, education and publicity programmes; and
- enabling staff to acquire the necessary knowledge, skills and attitude so that they can contribute their best to the achievement of our vision.



Values

Our core values are -



- Professionalism
- Efficiency
- Responsiveness
- Fairness
- Effectiveness
- Courtesy
- Teamwork



Motto

Tax by the Law,
Service from the Heart

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1 Message from the Commissioner

I am pleased to report that during the year ended 31 March 2024, the Inland Revenue Department has virtually achieved all, and exceeded a number, of the targets of our performance pledges, including the new pledge on processing applications for certificate of resident status. The result is very encouraging. I would like to thank my colleagues for their spirit in serving the taxpayers from the heart and endless efforts in improving our standard of service.

The Department commits to provide efficient and customer-centric services to taxpayers. We continue to enhance our services through the provision of electronic services and application of advanced information technology. By a single login to the eTAX Account, a taxpayer can, among other things, file tax returns through the Internet, receive e-Alerts concerning return-filing and tax payment due dates, receive electronic receipts after tax payments, and view the tax position in relation to returns, assessments and tax payable at any time. We are developing new platforms for electronic services. We hope we can provide better and more quality services to taxpayers in future.

During the year, the Department has launched the enhanced e-filing services for profits tax returns where taxpayers can e-file the returns together with the supporting documents in specified format. The Department and the Companies Registry have also jointly implemented the simultaneous business registration applications on registration of limited partnership funds.

To facilitate employers to file employer's annual returns and notifications under eTAX through the Internet, the IR56 Forms Preparation Tool is being enhanced to cover all notification forms IR56B/E/F/G/M. Employers can also start to use this tool to prepare IR56B records for annual filing in advance from 1 March each year.

I would like to thank taxpayers for their recognition, support and encouragement. My gratitude also goes to members of the Users' Committee who have offered valuable advice and constructive suggestions on our services. We will continue to keep up our efforts and provide highly effective services to the community.



TAM Tai-pang
Commissioner of Inland Revenue

2 Users' Committee

An independent Users' Committee monitors the Department's performance in relation to matters covered by the Performance Pledge.

The Committee meets quarterly to review the actual achievements of the Department and makes suggestions for improving the Department's services. Members visited the Department during the year to gain a better understanding of the work procedures on handling purchase and redemptions of tax reserve certificates, issuing receipts for tax payments made by electronic means, effecting tax refunds and handling notices of objection, and to seek the views of the staff on the pledges.

To ensure broad representation, members are drawn from different sectors, including legal practitioner, tax practitioners and academics professionals. Members of the Committee in 2023-24 were as follows:

Mr LEUNG Kin-wa (Chairman)	Ms Elizabeth LAW
Dr Derek CHAN	Mr K C LAW
Ms Frances CHAN Lai-fun	Dr Eric LI Ka-cheung
Ms Agnes CHAN Sui-kuen	Mr Percy WONG
Mr Joseph CHEUNG Wang-ngai	Ms Rosina LAU Kin
Mr Peter C W CHOY	Ms LAU Pui-yee (Secretary)
Mr Patrick HO Kin-wai	



3 Service Standards Committee



A Departmental Service Standards Committee is established and tasked to provide the Users' Committee with quarterly statistical reports on the Performance Pledge and to formulate plans to improve the Department's services. A sub-committee is formed each year to organize the Outstanding Customer Service Awards Competition. Members of the Committee in 2023-24, who represented different operating units and sections, were as follows:

Mr LEUNG Kin-wa (Chairman)	Mr Steven TSUI Chung-leung
Ms WONG Pui-ki	Mr Simon LO Yau-hung
Ms TO Yee-man	Ms LAU Pui-yee
Ms CHAN Ut-chun	Ms LAU Miu-yee
Mr CHAU Kin-wing	Ms WONG Miu-ying
Ms LAU Wai-sum	Ms Tina CHAN Ting-ting (Secretary)



4 Executive Summary

The results achieved were all within the targets of our performance pledges for the year 2023-24.

Services	Performance Targets	Actual Achievement	
		2023-24	2022-23
1 Counter enquiries			
<ul style="list-style-type: none"> attended to within 10 minutes (in peak times) 	95%	99.2%	98.0%
2 Telephone enquiries			
<ul style="list-style-type: none"> answered within 3 minutes (in peak period) 	80%	86.9%	89.6%
3 Written enquiries - simple matters			
<ul style="list-style-type: none"> replied within 7 working days 	96%	99.9%	99.9%
4 Written enquiries - technical matters			
<ul style="list-style-type: none"> replied within 21 working days 	98%	99.9%	99.9%
5 Returns processing			
Profits tax returns			
<ul style="list-style-type: none"> assessed within 9 months 	80%	81.1%	80.9%
Property tax returns			
<ul style="list-style-type: none"> assessed within 9 months 	96%	97.9%	97.2%
Composite tax returns			
<ul style="list-style-type: none"> assessed within 9 months 	96%	96.9%	96.7%
6 Tax Returns for first-time taxpayers			
Profits tax			
<ul style="list-style-type: none"> issued within 3 months 	98%	100%	100%
Salaries tax			
<ul style="list-style-type: none"> issued within 5 months 	98%	100%	100%
7 Requests for issuance of Notice of No Objection for Company / Limited Partnership Fund Deregistration			
<ul style="list-style-type: none"> processed within 21 working days 	98%	100%	100%
8 Tax reserve certificate transactions			
<ul style="list-style-type: none"> processed within 12 working days (in peak period) 	99%	99.9%	99.9%

Services	Performance Targets	Actual Achievement	
		2023-24	2022-23
9 Replies to notices of objection			
<ul style="list-style-type: none"> processed within 18 working days (in peak period) 	98%	99.8%	99.8%
10 Processing of objections			
<ul style="list-style-type: none"> processed within 4 months 	98%	99.9%	99.9%
11 Applications for holdover of provisional tax			
<ul style="list-style-type: none"> processed within 12 working days 	98%	99.9%	99.9%
12 Issue paper receipts for tax payments made through electronic means by corporations, partnerships and jointly-owned property owners			
<ul style="list-style-type: none"> issued within 4 working days 	99%	100%	100%
13 Refunds arising from overpayment of tax			
<ul style="list-style-type: none"> made within 18 working days 	98%	99.9%	100%
14 Refunds arising from revision of assessment			
<ul style="list-style-type: none"> made within 10 working days 	98%	100%	100%
15 Tax audit and investigation			
<ul style="list-style-type: none"> processed within 2 years 	80%	88.9%	88.1%
16 Stamping of assignments, sale and purchase agreements, lease agreements, contract notes and instruments of transfer through GovHK			
Payment by on-line mode			
<ul style="list-style-type: none"> Stamp certificate issued instantly through GovHK after receipt of stamp duty 	99%	100%	100%
Payment by off-line mode			
<ul style="list-style-type: none"> Stamp certificate issued within 2 working days through GovHK after receipt of stamp duty 	99%	100%	100%
17 Requests for stamping of assignments and sale and purchase agreements			
<ul style="list-style-type: none"> stamped within 5 working days 	98%	99.9%	99.9%
18 Requests for stamping of contract notes and lease agreements			
<ul style="list-style-type: none"> stamped on the same day 	98%	99.3%	99.4%
19 Claims for stamp duty exemption (for transfers between group companies)			
<ul style="list-style-type: none"> processed within 3 months 	85%	99.0%	88.6%

Services	Performance Targets	Actual Achievement	
		2023-24	2022-23
20 New business registration certificates*			
Applications over the counter			
• issued within 30 minutes	99%	100%	99.9%
Applications by post or through GovHK			
• issued within 2 working days	99%	100%	100%
21 Certified extracts of information on business register			
• issued within the next working day	99%	100%	100%
22 Change of business registration particulars			
Notifications over the counter			
• updated within 30 minutes [#]	97%	99.8%	100%
Notifications by post or through GovHK			
• updated within 5 working days	99%	99.9%	100%
23 Issue of Access Code Notice			
Applications through GovHK			
• issued within 2 working days	98%	100%	100%
24 Issue electronic receipts to eTAX Account holders for tax payments made by electronic means			
• issued within 2 working days	99%	100%	100%
25 Certificate of Resident Status			
• Certificates / Notifications of decision by Assessing Officer issued within 21 working days after receipt of properly completed applications	70%	99.1%	N/A [^]
26 Handling of complaints			
• Interim replies made within 7 working days	99%	100%	100%
• Substantive replies made within 15 working days	99%	100%	100%

* Not applicable to applications submitted to the Companies Registry.

Not applicable to notifications submitted in bulk over the counter.

^ This performance pledge has been introduced since 1 April 2023.

5 Enquiry Service



Description of Service

The Enquiry Service Office is located on the ground and first floors of Inland Revenue Centre. It handles general counter and telephone enquiries received through the general enquiry hotline number 187 8088. The Office also handles enquiries received through the eTAX help desk hotline number 183 2011.

The Office is equipped with a computer network linked to the Department's Knowledge Database and aims to provide, as far as possible, a "one-stop" service.

For the convenience of callers, the Office has installed an electronic queuing system, so that taxpayers can be served in the order of their arrival time.

The Office operates an Interactive Telephone Enquiry System with 144 telephone lines. Callers can have access, on a 24-hour basis, to a wide range of tax information by listening to recorded messages and obtaining facsimile copies of leaflets and forms. Callers can choose to speak to operators during office hours. A "Leave-and-call-back" facility for recording requests and a "Fax-in enquiry" service are also available.

Information leaflets on topics of general interest are available for collection on the ground floor of the Inland Revenue Centre. The public may also obtain general tax information and download forms from the Department's website at <www.ird.gov.hk>.



Performance for the 12 months ending 31 March 2024

	Targets	Performance	
		2023-24	2022-23
1 Counter enquiries			
<i>Performance evaluation</i>			
Peak times (10:30 a.m. to 5:00 p.m.)			
• Waiting time within 10 minutes	95%	99.2%	98.0%
Outside peak times			
• Waiting time within 10 minutes	99%	99.8%	99.8%
Number of counter enquiries		348,523	368,599
2 Telephone enquiries			
<i>Performance evaluation</i>			
July to April			
• Connected telephone calls answered by staff within 3 minutes	90%	94.8%	93.6%
• Connected telephone calls answered by staff within 4 minutes	95%	99.1%	98.6%
• Number of telephone calls answered by staff		388,033	428,811
May and June			
• Connected telephone calls answered by staff within 3 minutes	80%	86.9%	89.6%
• Connected telephone calls answered by staff within 4 minutes	90%	97.0%	97.1%
• Number of telephone calls answered by staff		142,969	121,140
Full year			
• Average waiting time		1.3 minutes	1.2 minutes
• Number of telephone calls			
- answered by system		920,892	887,545
- answered by staff		531,002	549,951
• Number of fax requests		1,905	2,154
• Number of leave-and-call-back requests		67,665	73,832

6 Written Enquiries

Description of Service

Enquiries are classified into enquiries on “simple matters” or “technical matters” depending on the level of complexity. Enquiries on simple matters can usually be handled without reference to the specific files as in most cases the information is available from the Department’s database. They include questions related to the lodgement of returns, requests for duplicate returns or copies of notices of assessment, eligibility for personal assessment and tax payment status. All other enquiries are classified as technical matters.

Performance for the 12 months ending 31 March 2024

	Targets	Performance	
		2023-24	2022-23
1 Enquiries - simple matters			
<i>Performance evaluation</i>			
• Replied within 7 working days	96%	99.9%	99.9%
• Replied within 9 working days	99%	99.9%	99.9%
• Number of replies		477,178	432,195
2 Enquiries - technical matters			
<i>Performance evaluation</i>			
• Replied within 21 working days	98%	99.9%	99.9%
• Replied within 42 working days	99%	99.9%	99.9%
• Number of replies		566,556	356,969

7 Returns Processing

Description of Service

The bulk of the tax return was issued to individuals in May 2023 whereas the bulk of the profits tax return (corporations and partnership businesses) and property tax return (jointly owned properties) was issued in April 2023. Apart from these bulk issues, returns are also issued periodically as and when necessary.

The Department will examine the returns filed by the taxpayers and issue notices of assessment. Cases assessed per return in the first instance may be selected for audit later. In some cases, further information may be sought before assessments are made. Where returns are not submitted, the Department may raise estimated assessments on the taxpayers concerned.

Performance for the 12 months ending 31 March 2024

	Targets	Performance	
		2023-24	2022-23
1 Profits tax returns (Corporations and partnership businesses)			
<i>Performance evaluation</i>			
• From the date of issue of tax returns, assessments made within:			
- 9 months	80%	81.1%	80.9%
- 12 months	95%	98.8%	98.7%
- 15 months	100%	100%	100%
• Number of tax returns issued during April 2022 to June 2023		531,351	527,591
2 Property tax returns (Jointly owned properties)			
<i>Performance evaluation</i>			
• From the date of issue of tax returns, assessments made within:			
- 6 months	85%	92.0%	89.9%
- 9 months	96%	97.9%	97.2%
- 12 months	99.5%	99.7%	99.7%
• Number of tax returns issued during April 2022 to September 2023		274,974	283,191
3 Composite tax returns			
<i>Performance evaluation</i>			
• From the date of issue of tax returns, assessments made within:			
- 6 months	85%	91.2%	91.4%
- 9 months	96%	96.9%	96.7%
- 12 months	99.5%	99.6%	99.6%
• Number of tax returns issued during April 2022 to September 2023		5,406,260	5,552,221

8 Tax Returns for First-time Taxpayers

Description of Service

Profits Tax

Notifications of chargeability to profits tax are received from new businesses from time to time. Profits tax returns will be issued within 3 months upon receipt of such notifications.

Salaries Tax

Notifications of chargeability to tax for first-time salaries taxpayers are normally given to the Department either by the employees in a letter or by the employers on a specified form (IR56E).

Responses to the notifications include:

- the issue of a return for provisional or final tax to the employee if he is liable to tax;
- the issue of a reply to the employee advising that a tax return will be issued to him in the next annual bulk issue if the date of notification is close to the bulk issue date;
- the issue of a reply to the employee advising that a tax return will not be issued to him as he is not liable to tax.

Performance for the 12 months ending 31 March 2024

	Targets	Performance	
		2023-24	2022-23
1 Profits Tax			
<i>Performance evaluation</i>			
• After receiving notifications of chargeability from taxpayers, replies made within 3 months	98%	100%	100%
• Number of replies		103	160
2 Salaries Tax			
Non-taxable Cases			
<i>Performance evaluation</i>			
• After receiving notifications of employment from employees, replies made within 21 working days	98%	100%	100%
• Number of replies		1	3
Taxable Cases			
<i>Performance evaluation</i>			
April to November			
• In response to notifications, tax returns issued within 3 months	98%	100%	100%
December to March			
• In response to notifications, tax returns issued within 5 months	98%	100%	100%
Number of tax returns issued		19,736	6,318

9 Company / Limited Partnership Fund Deregistration

Description of Service

Section 88B of the Inland Revenue Ordinance provides that on a request made by a person who is entitled to apply for the deregistration of a company under the Companies Ordinance or the deregistration of a limited partnership fund (LPF) under the Limited Partnership Fund Ordinance, the Commissioner of Inland Revenue may issue a notice of no objection to the deregistration. The Commissioner of Inland Revenue will issue a notice of no objection to a company / a LPF applying for deregistration if the company / LPF has no outstanding tax matters or liabilities. Otherwise, the Commissioner will issue a letter to the company / LPF stating the matters or liabilities that are outstanding. Upon clearance of all outstanding matters or liabilities, the applicant can re-submit the request by completing the lower portion of the letter. No further fee is payable on the re-submission.

The applicant can expect to receive a reply within 21 working days after the date of lodgement of a valid application and the payment of the prescribed fee.

Performance for the 12 months ending 31 March 2024

	Target	Performance	
		2023-24	2022-23
Processing of requests for issuance of Notice of No Objection for Company / LPF Deregistration			
<i>Performance evaluation</i>			
• Processed within 21 working days	98%	100%	100%
• Number of requests processed		139,075	89,837

10 Tax Reserve Certificates

Description of Service

Taxpayers may purchase tax reserve certificates to save up for meeting their future tax liabilities. Interest is payable on the tax reserve certificates when they are redeemed to pay tax.

Taxpayers lodging an objection against their assessments may be required to purchase tax reserve certificates to cover, in whole or in part, the tax in dispute. They will earn interest on the tax reserve certificates so purchased if they succeed in their objection.

Performance for the 12 months ending 31 March 2024

	Targets	Performance	
		2023-24	2022-23
Purchase & redemptions			
<i>Performance evaluation</i>			
July to December			
• Processed within 9 working days	99%	99.9%	99.9%
• Number of transactions		44,359	45,421
January to June			
• Processed within 12 working days	99%	99.9%	99.9%
• Number of transactions		131,658	123,855

11 Objections

Description of Service

Any taxpayer aggrieved by an assessment can exercise his right of objection by giving a written notice of objection to the Commissioner of Inland Revenue within one month after the date of the notice of assessment.

An acknowledgement letter will be issued upon receipt of the objection.

After examining the objection, the Assessing Officer will issue a “notice of settlement of objection” or a “notice of decision by Assessing Officer”.

A “notice of settlement of objection” refers to a notice of revised assessment, a notification of refund, or a letter notifying the settlement of objection.

If the objection cannot be settled right away, a “notice of decision by Assessing Officer” will be issued to the taxpayer to seek further information, propose a basis of settlement of the objection, invite the taxpayer to withdraw the objection, or notify the taxpayer that the case has been referred to the Commissioner for determination.

Performance for the 12 months ending 31 March 2024

		Targets	Performance	
			2023-24	2022-23
1	Replies to notices of objection			
	<i>Performance evaluation</i>			
	May to August			
	• Issued within 12 working days	98%	99.8%	99.7%
	• Issued within 18 working days	99%	99.9%	99.9%
	• Number of replies		27,157	21,647
	September to April			
	• Issued within 18 working days	98%	99.8%	99.8%
	• Issued within 24 working days	99%	99.9%	99.9%
	• Number of replies		88,674	68,464
2	Processing of objections			
	<i>Performance evaluation</i>			
	• Processed within 4 months	98%	99.9%	99.9%
	• Number of cases processed		110,751	87,975

12 Holdover of Provisional Tax

Description of Service

Taxpayers can apply in writing to have the whole or part of their provisional tax held over for specified reasons stipulated in the Inland Revenue Ordinance. The application must be lodged not later than 28 days before the date on which the provisional tax is due to be paid or 14 days after the date of the notice for payment of provisional tax, whichever is the later.

After examining the validity of each application, the Department will provide a reply to the taxpayer:

- confirming the amount of provisional tax to be held over; or
- requesting further information

Performance for the 12 months ending 31 March 2024

	Targets	Performance	
		2023-24	2022-23
Holdover of provisional tax			
<i>Performance evaluation</i>			
• Replied within 12 working days	98%	99.9%	99.9%
• Replied within 18 working days	99%	99.9%	100%
• Number of replies		62,861	60,051

13 Paper Receipts for Tax Payments made by Electronic Means

Description of Service

Tax can be paid by electronic means, by post or in person. Currently, we are offering five electronic payment channels to the public: the telephone, bank automated teller machines, e-Cheque, Faster Payment System and the Internet. Electronic payments are safe and convenient to taxpayers and cost-efficient to the Department. Paper receipts are issued for tax payments made through electronic means by corporations, partnerships and jointly-owned property owners, whereas electronic receipts are issued through eTAX Accounts to taxpayers for Salaries Tax, Profits Tax for sole proprietorship businesses, Property Tax for solely owned properties and Tax under Personal Assessment paid through electronic means.

Performance for the 12 months ending 31 March 2024

	Target	Performance	
		2023-24	2022-23
Paper Receipts for tax payments made by electronic means			
<i>Performance evaluation</i>			
• Issued within 4 working days	99%	100%	100%
• Number of cases processed		114,263	112,245

14 Refunds of Tax

Description of Service

Any tax overpaid will be refunded to the taxpayer within 18 working days after the date of receipt of the overpayment.

Refund arising from a revision of assessment (as a result of allowing an objection, or a claim) will be made to the taxpayer within 10 working days after the date of notification to revise the assessment.

Performance for the 12 months ending 31 March 2024

	Targets	Performance	
		2023-24	2022-23
1 Overpayment of tax			
<i>Performance evaluation</i>			
• Refunds issued within 18 working days	98%	99.9%	100%
• Number of refunds issued		46,099	42,396
2 Revision of assessment			
<i>Performance evaluation</i>			
• Refunds issued within 10 working days	98%	100%	100%
• Number of refunds issued		104,819	98,389

15 Tax Audit and Investigation

Description of Service

The Field Audit and Investigation Unit combats tax evasion and avoidance and promotes voluntary compliance through conducting tax audits and investigations on businesses and individuals.

To ascertain the correctness of tax returns filed by businesses, tax audits are conducted through visits to their business premises and examination of their accounting records. Tax investigation involves in-depth inquiries into the affairs of taxpayers where tax evasion is suspected.

With a view to improving taxpayers' service and increasing transparency in the conduct of field audits and tax investigation, the Department has published its penalty policy. It is available on the Department's website at <www.ird.gov.hk> as well as through our Fax-A-Form service. Where a penalty in the form of additional tax is imposed on a taxpayer, the notice of additional tax assessment shall show the basis for computing the penalty.

Performance for the 12 months ending 31 March 2024

	Targets	Performance	
		2023-24	2022-23
Field Audit and Tax Investigation			
<i>Performance evaluation</i>			
Processed within:			
• 6 months	60%	75.0%	72.4%
• 1 year	70%	83.9%	81.7%
• 2 years	80%	88.9%	88.1%
• 3 years	90%	92.1%	93.2%
• Number of cases processed		1,802	1,805

16 Document Stamping



Description of Service

Instruments chargeable with stamp duty (e.g. assignments, sale and purchase agreements of landed properties, lease agreements, contract notes and transfer deeds of Hong Kong stock etc.) are examined and assessed by the Stamp Office. Upon payment of stamp duty, the instruments will be stamped and returned to the applicants. Additional processing time is normally required if values of the properties transferred under the instruments have to be ascertained.

Under the Stamp Duty Ordinance, transfers of landed properties and Hong Kong stocks between group companies are exempted from payment of stamp duty. Applications for such exemption have to be made to the Stamp Office by way of statutory declarations. The applicants will be notified of the result of the applications in writing.

A stamp certificate has the same legal status as a stamp imprinted on an instrument. Duty payers can apply for stamp certificates in respect of assignments, sale and purchase agreements of landed properties, lease agreements, contract notes and transfer deeds of Hong Kong stock by using the e-Stamping service under GovHK <www.gov.hk/estamping>. After payment of stamp duty, duty payers can print the stamp certificates from their own printers.



Performance for the 12 months ending 31 March 2024

	Targets	Performance	
		2023-24	2022-23
1 Stamping of assignments, sale and purchase agreements, lease agreements, contract notes and instruments of transfer through GovHK			
<i>Performance evaluation</i>			
Payment by on-line mode			
• Stamp certificate issued instantly	99%	100%	100%
• Number of documents		2,928,451	3,018,720
Payment by off-line mode			
• Stamp certificate issued within 2 working days	99%	100%	100%
• Number of documents		3,590,381	2,792,936
2 Requests for stamping of assignments and sale and purchase agreements			
<i>Performance evaluation</i>			
• Stamped within 5 working days	98%	99.9%	99.9%
• Number of documents		24,456	26,814
3 Requests for stamping of contract notes and lease agreements			
<i>Performance evaluation</i>			
• Stamped within the same day	98%	99.3%	99.4%
• Number of documents		721,452	902,021
4 Claims for stamp duty exemption (for transfers between group companies)			
<i>Performance evaluation</i>			
• Processed within 3 months	85%	99.0%	88.6%
• Processed within 12 months	95%	100%	99.6%
• Number of claims processed		777	695

17 Business Registration

Description of Service

A person carrying on a business is required to apply to the Business Registration Office for the registration of that business within one month of its commencement. All applications for registration must be submitted together with the appropriate business registration fee and levy. On completion of the registration procedures, a valid business registration certificate for the business will be issued.

Under the one-stop company and business registration service, companies are only required to lodge one single application for company and business registration with the Companies Registry. An applicant for incorporation of a local company or registration of a non-Hong Kong company under the Companies Ordinance is deemed to have applied for business registration simultaneously, and is no longer required to apply separately to the Business Registration Office for registration.

The one-stop company and business registration service is not applicable to branches and other types of businesses such as sole proprietorship and partnership.

Starting from 27 December 2023, the Companies Registry and the Department have jointly implemented the simultaneous business registration applications on registration of LPFs. An LPF applicant is only required to lodge one single application for both LPF registration under the Limited Partnership Fund Ordinance and business registration. The applicant is deemed to have made a simultaneous application for business registration.



Where there are any changes to the particulars of a registered business, such changes must be reported to the Business Registration Office within one month, whereupon the Business Register will be updated accordingly. Under the one-stop notification service, the companies or the LPFs are no longer required to notify the Business Registration Office separately of changes of the following particulars:

For local companies

- company name
- registered office address

For non-Hong Kong companies

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

For LPFs (Note: One-stop notification service commenced on 27 December 2023)

- LPF name
- address of registered office or principal place of business
- withdrawal, removal or replacement of the general partner
- particulars in respect of the general partner, including name and Hong Kong identity card number, passport number or business registration number

After the notice or return of changes of the particulars of companies or LPFs is registered or recorded under the Companies Ordinance or the Limited Partnership Fund Ordinance, the Companies Registry will transmit such particulars to the Department.

Besides, by using the electronic one-stop service at the e-Services Portal of the Companies Registry, a company which reports a change of registered office address can opt to request the Companies Registry to notify the Department 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 e-Form NR1. Therefore, the company can amend its registered office address and its business address in one go.

Any person may, on payment of the prescribed fee, apply to the Business Registration Office for the supply of extracts of information on the Business Register in respect of a specified registered business.

Performance for the 12 months ending 31 March 2024

	Targets	Performance	
		2023-24	2022-23
1 New certificates*			
<i>Performance evaluation</i>			
Applications over the counter			
• Issued within 30 minutes	99%	100%	99.9%
• Number of new certificates issued		29,319	35,847
Applications by post or through GovHK			
• Issued within 2 working days	99%	100%	100%
• Number of new certificates issued		9,212	15,301
Total number of new certificates issued		38,531	51,148
2 Certified extracts of information			
<i>Performance evaluation</i>			
• Issued within the next working day	99%	100%	100%
• Number of certified extracts of information issued		149,286	155,970
3 Change of business registration particulars			
<i>Performance evaluation</i>			
Notifications over the counter			
• To be updated within 30 minutes [#]	97%	99.8%	100%
• Number of business registration records updated		296,992	253,058
Notifications by post or through GovHK			
• To be updated within 5 working days	99%	99.9%	100%
• Number of business registration records updated		178,354	168,277
Total number of business registration records updated		475,346	421,335

* Excluding the new certificates issued by the Companies Registry.

Excluding notifications submitted in bulk over the counter.

18 eTAX Account



Open eTAX Account

Need an eTAX Account? Visit our dedicated service desk on G/F and 2/F of Inland Revenue Centre for quick and easy signups with the assistance of our staff.

Description of Service

A taxpayer can open an eTAX Account at anytime to enjoy a range of electronic tax services. By a single login to the eTAX Account, the taxpayer can file tax returns through the Internet, receive e-Alerts concerning return-filing and tax-paying due dates, receive electronic receipts after tax payments, view the tax position in relation to returns, assessments and tax payable, etc.

A taxpayer has to input an Access Code for opening an eTAX Account. He can apply for an Access Code through eTAX. An Access Code Notice will be sent to him within the next 2 working days. Upon receipt of the Access Code Notice, he can login eTAX and go through a simple registration process to create his own eTAX Password. If a taxpayer forgets his eTAX Password and has not registered a password hint in his eTAX Account, he has to apply for a new Access Code. Application can be made through eTAX. eTAX Account holder can also login eTAX Account through “iAM Smart” or access eTAX services directly through his MyGovHK account by registering for a MyGovHK account and linking up with his eTAX Account.

Performance for the 12 months ending 31 March 2024

	Targets	Performance	
		2023-24	2022-23
1 Issue of Access Code Notice			
<i>Performance evaluation</i>			
• Applications through GovHK			
- Issued within 2 working days	98%	100%	100%
• Number of Access Code Notices issued		186,165	181,716
2 Issue electronic receipts for tax payments made by electronic means			
<i>Performance evaluation</i>			
• Issued within 2 working days	99%	100%	100%
• Number of electronic receipts issued		1,334,020	1,185,252

19 Certificate of Resident Status

Description of Service

The Hong Kong Special Administrative Region (Hong Kong) has entered into comprehensive avoidance of double taxation agreements / arrangements (DTAs) with a number of jurisdictions. They prevent double taxation and fiscal evasion, and foster cooperation between Hong Kong and other tax administrations. A person will only be affected by a DTA if the person is a resident of Hong Kong or the other DTA jurisdiction.

For the purposes of claiming tax benefits under a DTA, a Hong Kong resident may apply to the competent authority of Hong Kong for a Certificate of Resident Status (CoR).

After examination of the information, the competent authority of Hong Kong will issue a CoR to the Hong Kong resident. If a CoR cannot be issued, the assessing officer will issue to the applicant a notification of decision either seeking further information or informing the applicant that the application cannot be accepted.

Performance for the 12 months ending 31 March 2024

	Target	Performance	
		2023-24	2022-23
Processing of applications			
<i>Performance evaluation</i>			
<ul style="list-style-type: none">Certificates / Notifications of decision by Assessing Officer issued within 21 working days after receipt of properly completed applications	70%	99.1%	N/A*
<ul style="list-style-type: none">Number of cases processed		10,854	N/A*

* This performance pledge has been introduced since 1 April 2023.

20 Complaints and Compliments



Description of Service

Taxpayers dissatisfied with the services provided by the Department may contact the Complaints Officer –

Telephone : 2594 5000
Address : 15/F, Inland Revenue Centre, 5 Concorde Road, Kai Tak, Kowloon, Hong Kong
Post : GPO Box 11234, Hong Kong
Fax : 2802 7625, or
E-mail : taxinfo@ird.gov.hk

If taxpayers feel that complaints have not been dealt with adequately or needs further review, they may write to the Department's Complaints Liaison Officer by the following channels –

Post : GPO Box 11234, Hong Kong
Fax : 2802 7625, or
E-mail : taxinfo@ird.gov.hk

Complaints are dealt with immediately if the required information is available on the computer. In other cases, a written response is provided within 15 working days after receipt of the respective complaint. Interim replies are issued within 7 working days.

Performance for the 12 months ending 31 March 2024

	Targets	Performance	
		2023-24	2022-23
Handling of complaints			
<i>Performance evaluation</i>			
• Interim replies made within 7 working days	99%	100%	100%
• Substantive replies made within 15 working days	99%	100%	100%
• Number of complaints		147	133

Analysis of complaints

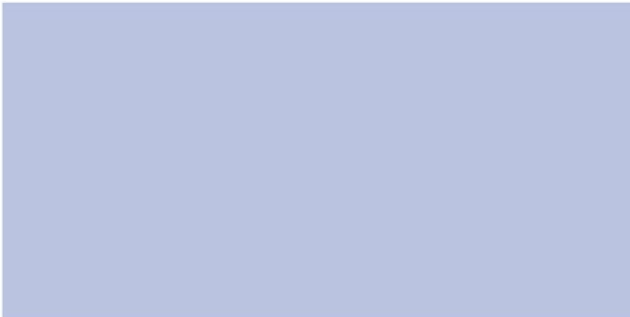
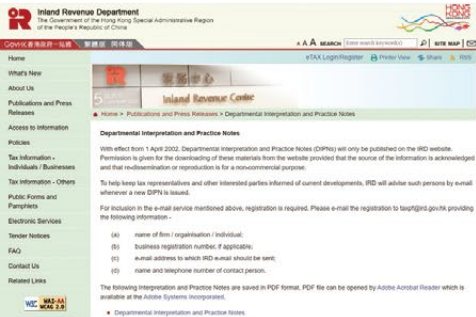
	Number	%
• Profits Tax (Corporations and Partnership Businesses)	10	7%
• Profits Tax (Sole Proprietorship Businesses), Salaries Tax, Property Tax and Personal Assessment	94	64%
• Tax Collection, Business Registration and Stamp Duty	30	20%
• Field Audit and Tax Investigation	5	3%
• General Enquiries and Appeals	8	6%
Total	147	100%

Findings

	Number	%
• Substantiated	3	2%
• Partially substantiated	52	35%
• Not Substantiated	92	63%
Total	147	100%

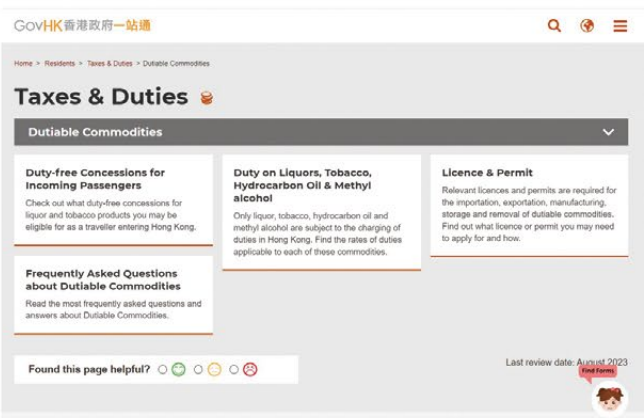
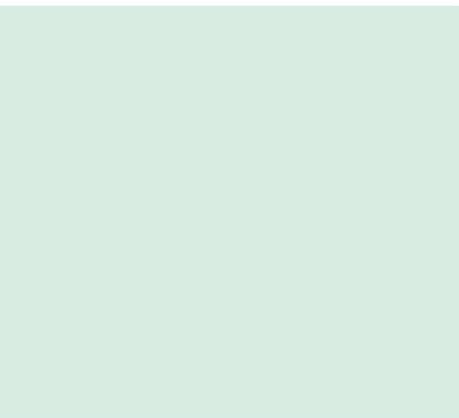
	Performance	
	2023-24	2022-23
1. Number of Ombudsman complaint cases	18	16
2. Number of Letters of Compliments received from taxpayers	160	306

21 Tax Education and Information



The Department firmly believes that taxpayer education can help in promoting voluntary compliance by employers and taxpayers. To enable taxpayers to access tax information provided by the Department around the clock, topics of common interest to taxpayers are uploaded to the Department's website at <www.ird.gov.hk>. The information uploaded includes a series of Departmental Interpretation and Practice Notes [DIPNs], Tax Representatives' Corner and e-Seminars. The DIPNs contain the Department's interpretation of certain tax provisions of the Inland Revenue Ordinance and the relevant practices it would adopt. They serve to enhance the public's understanding of both the Department's views and operations. Similarly, Tax Representatives' Corner and e-Seminars provide detailed guidance to tax representatives, employers, property owners and individual taxpayers on how to complete tax returns and fulfill their tax obligations. To assist the taxpayers further, the Department uploads the frequently asked questions (FAQs) for their ready reference.

The Department has also uploaded to the "Taxes & Duties" cluster under the GovHK tax information and articles specially written for taxpayers such as their rights and obligations under the tax law, what income is chargeable / non-chargeable to tax and what allowances / deductions they may claim.



22 Electronic Filing of Tax Returns



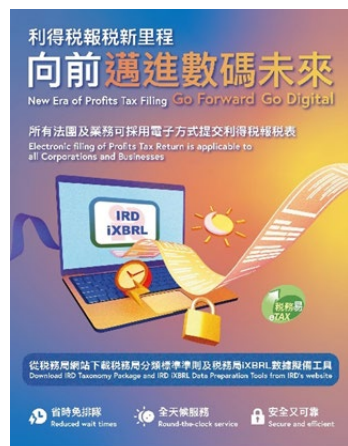
In line with its customer-oriented service strategy, the Inland Revenue Department continues to enhance its electronic services. Individuals tax returns, profits tax returns, property tax returns and employer's returns can be submitted on-line through the eTAX platform.

Individuals, profits tax and property tax returns

Currently, the main features of the Internet filing function for individuals tax returns include 'Pre-filing of data', 'Estimation of salaries tax payable', 'Saving of data' and 'Viewing and Printing'. For the 'Pre-filing of data' feature, income details supplied by employers for the year of assessment 2023/24, if applicable, will be pre-filled under "Salaries Tax" of the relevant taxpayers' electronic returns. In addition, from August 2022 onwards taxpayers can keep records for deductions (e.g. approved charitable donations) under Salaries Tax and Personal Assessment in their eTAX accounts in advance. Such records will be used for subsequent automatic pre-filing in their electronic returns. These will save taxpayers' time in completing the tax returns.

The Department also updated its tax computation function to take into account the tax relief measures proposed in the 2024-25 Budget. Before submitting the individuals tax return through the Internet filing, a taxpayer can calculate the amount of tax payable by him.

As for the filing of profits tax returns, the Department has launched the enhanced e-filing services for profits tax returns where taxpayers can e-file the returns together with the supporting documents (including financial statements and profits tax computations) in inline eXtensible Business Reporting Language (iXBRL) format. To facilitate taxpayers in preparing the required iXBRL data files, the Department provides the IRD Taxonomy Package and the IRD iXBRL Data Preparation Tools which are available for download from the Department's website (www.ird.gov.hk/ixbri) free of charge. All corporations and partnerships can e-file profits tax returns under eTAX for the year of assessment 2022/23. The e-filing process involves three steps, namely uploading of data files for required forms and supporting documents to profit tax return, completion and submission of the return. Tax representatives can first upload the data files for required forms and supporting documents and complete a simplified e-return for their clients on-line, and then send the electronic records to their clients



for checking. The filers, who can be the precedent partners of partnerships; or the directors, secretaries or managers of corporations, can then sign and submit the completed returns using their own eTAX Password, MyGovHK Password, personal digital certificate issued by a recognized certification authority or “iAM Smart” account with digital signing function. The system will issue an instant acknowledgement for each successful submission. From 1 April 2022 onwards, profits tax returns may also be signed and submitted by service providers for or on behalf of the taxpayers. Other than the aforesaid signing methods, service providers may also use their own organizational certificate issued by a recognized certification authority.

Taxpayers can also choose to file profits tax returns in semi-electronic filing mode, which is a mix of paper and electronic form. A taxpayer can upload the completed required forms and the supporting documents prepared in iXBRL format through eTAX, complete and print a simplified profits tax return generated by eTAX for signature and submission in paper form.

To encourage taxpayers opening eTAX Accounts and filing tax returns on-line, the Department will grant an extension of time to all e-filers for filing their tax returns. E-filers of individuals tax returns will have one-month automatic extension and e-filers of property tax returns, 2-week automatic extension. For profits tax returns, in addition to the normal extension granted according to their accounting date, e-filers or their tax representatives can apply for one-month's extra extension.

Employer's Return

Authorized Signer of Employer's Returns can complete and directly submit the annual Employer's Returns (BIR56A), IR6036B and up to 30 sets of Notifications (i.e. forms IR56B/E/F/G/M) through his / her eTAX account via Online Mode to the Department.



Alternatively, employers can upload or submit a data file containing up to 5,000 sets of IR56B or IR56F records in XML format generated from the web-based IR56 Forms Preparation Tool or approved self-developed software via the Mixed Mode or the Online Mode to the Department.

If the IR56B or IR56F data file is submitted via the Mixed Mode, logging in an eTAX account is not required. The employer can designate a person to upload the data file of IR56B (Original / Additional / Replacement / Supplementary) or IR56F (Original / Additional / Replacement) to the Department. The Authorized Signer only needs to sign the paper form BIR56A (if for annual submission) and the 1-page Control List generated from the system and submit both documents to the Department to complete the submission process.

Fast and easy, intact and secure, e-filing of Employer's Returns via eTAX is also environment friendly.

23 The Taxpayer's Charter

Your Rights as a Taxpayer

1. Tax Liability

You only have to pay the amount of tax due under the law.

2. Courteous Treatment

You are entitled to courteous treatment in your dealings with us.

3. Professional Service

You are entitled to receive our service in a timely manner in accordance with our pledged standards. You can expect assistance from us to help you understand and meet your tax obligations. You can expect us to act in an impartial, professional and fair manner.

4. Privacy and Confidentiality

You are entitled to expect that the information you provide us will be used only for purposes the law allows; that it will not be disclosed to anyone, except as authorized by law.

5. Access to Information

You are entitled access to your own tax information held by us as permitted by the law.

6. Bilingual Service

You are entitled to our service in Chinese or English, at your choice.

7. Complaints and Appeals

If you are not satisfied with our service, you have the right to give comments and complain to us or to the Ombudsman. If you disagree with the amount of your tax assessment, you have the right of objection and appeal.



Your Obligations as a Taxpayer

1. Honesty

You should be honest in your dealings with us.

2. Lodgement of Returns, Documents and Information

You should file correct returns and documents and provide complete and accurate information within time limits specified.

3. Tax Payment

You should pay your tax due on time.

4. Record Keeping

You should keep sufficient records to enable your tax liability to be ascertained accurately.

5. Keeping IRD Posted

You should keep us informed upon change of business or correspondence address.

