



HONG KONG

- Offshore profits tax free
- Major international trade, commercial and banking centre

INTRODUCTION

Hong Kong is a former British Department Territory which became a Special Administrative Region of the People's Republic of China with effect from 1 July 1997. Hong Kong continues to have high autonomy in the running of its affairs under a one country, two systems concept. Hong Kong remains a relative powerhouse in world trade and with a comparatively small population of more than 7 million, is one of the top twenty trading economies, the world's third largest financial centre, and vies with Singapore as the largest container port by volume. Hong Kong remains the most significant gateway into Southern China.

LAW AND TAXATION

Hong Kong's corporate law is strongly based on the British common law. Local businesses are regulated and Hong Kong regards itself as a low tax centre rather than a tax haven. Taxes are levied on profits, salaries and property with varying rates. Estate duty was completely abolished on 11 February 2006. Only profits derived in Hong Kong are assessable for taxation and genuine offshore transactions are not subject to Hong Kong tax, although the Inland Revenue Department (IRD) is extremely diligent in its determination of onshore and offshore profits.

Due to Hong Kong's role as a major trading and entry point to the mainland and Asia, the bulk of companies formed in Hong Kong are for trading purposes generally.

CORPORATE REQUIREMENTS

- Chinese names are permitted and can be included on a company's Certificate of Incorporation.
- Each Hong Kong company must have a local secretary and a local registered office which must be a physical address and not just a Post Office box.
- Each company must have at least one director and corporate directors are permitted for companies that are not subsidiaries of public listed companies.
- The company should have at least one shareholder. Details of the company's directors, shareholders and secretary must be filed at the Companies Registry and are on public record.
- Each year the company must submit an annual return and penalties apply for late filings and there is an ever increasing vigilance by the Companies Registry for this purpose.
- All companies must obtain a Business Registration Certificate from the IRD and are required to file a set of audited accounts with the IRD annually.
- Company names may be expressed in both English and Chinese characters.



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Certified Public Accountants (Practising)

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LOCAL INFRASTRUCTURE

There are in excess of 1 million companies incorporated in Hong Kong. With implementation of the Integrated Companies Registry Information System (ICRIS) on 28 February 2005, the new Companies Registry Electronic Search Services became available for checking company information. Numerous banks, stockbrokers and finance house as well as all the major international legal and accounting firms are present in Hong Kong. Hong Kong is also well-served by local secretarial, corporate management and trust companies, and has an efficient modern and dynamic banking system that is designed to assist the international business community.

OUR SERVICES

We offer a large stock of companies with English and/or Chinese character names that are immediately available for purchase. We can also incorporate a company with your choice of name and can also check the availability of names in advance. All companies are provided with a complete company kit, including share certificates, 20 copies of the Memorandum and Articles of Association, statutory registers, common seal and company chop. We do not provide any ongoing services for Hong Kong companies, however, we can introduce clients to corporate management companies that will provide a full range of services to enable clients in fully utilizing Hong Kong's business advantages.

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