

# Weekly Alert

## 2020 ISSUE 8

## RSM TAX ADVISORY (HONG KONG) LIMITED

### 羅 申 美 稅 務 諮 詢 有 限 公 司

Welcome to 2020 issue 8 of Weekly Alert covering technical development in taxation around the globe.

### TAX – Hong Kong

#### 1. Latest Arrangements for Public Services of Inland Revenue Department

In view of the latest situation of COVID-19, from 23 March 2020, the Inland Revenue Department (“IRD”) has suspended its public services except for central enquiry counter (only for enquiries relating to tax clearance for taxpayers leaving Hong Kong), business registration office and stamp office.

The deadlines for tax payments, lodgement of objections and holdover applications as well as submission of tax returns and information fall between 23 March and 3 April 2020 will be automatically extended to 6 April 2020.

The IRD will review the situation and make further announcements as necessary.

#### Latest Arrangements for Public Services of Inland Revenue Department

<https://www.ird.gov.hk/eng/ppr/archives/20032201.htm>

#### 2. Limited Partnership Fund Bill Gazetted

On 20 March 2020, the Limited Partnership Fund Bill was gazetted. The Bill proposes a new registration regime for limited partnership funds in order to attract more investment funds to be set up in Hong Kong.

The new limited partnership fund regime will be an opt-in registration scheme administered by the Companies Registry. The Bill will be introduced into the Legislative Council for first reading on 25 March 2020.

#### Limited Partnership Fund Bill Gazetted

<https://www.info.gov.hk/gia/general/202003/20/P2020031900607.htm>

# TAX – International

## 1. Tax in the Time of COVID-19

The Organisation for Economic Co-operation and Development (“OECD”) has published a range of tax policy and tax administration measures which could be considered by governments in response to the COVID-19 pandemic. The tax measures highlighted by OECD include:

- ✧ Temporarily providing more generous welfare payments and income support
- ✧ Providing additional time for dealing with tax affairs
- ✧ Waiving or deferring employer and self-employed social security contributions, as well as payroll related taxes
- ✧ Providing tax concessions for workers in health and other emergency-related sectors
- ✧ Deferring payments of value-added tax (“VAT”), customs or excise duties for imported items
- ✧ Simplifying procedures for claiming relief from VAT on bad debts
- ✧ Deferring or waiving taxes that are levied on a tax base that does not vary with the immediate economic cycle
- ✧ Speeding up refunds of excess input VAT
- ✧ Increasing the generosity of loss carry-forward provisions

### Tax in the Time of COVID-19

<https://www.oecd-forum.org/users/369395-pascal-saint-amans/posts/63721-tax-in-the-time-of-covid-19>

## RSM Tax Advisory (Hong Kong) Limited

RSM Hong Kong's dedicated and experienced tax specialists can:

- Advise on tax efficient holding and operational structures for new cross-border investment, including the formation of Hong Kong and Chinese business entities.
- Review existing cross-border investment structures, advise on identified deficiencies, quantify any potential exposure from such deficiencies, and further advise on restructuring approach and procedures.
- Assist clients to discuss and clarify matters with tax officials, including transfer pricing and advance rulings.
- Act as client representative in tax audits and tax investigations.
- Provide transaction support services on mergers and acquisitions, including tax due diligence, deal structure advice, tax health checks, related human resources arrangements and other tax compliance and consultation services.
- Advise on human resources and structuring employment arrangements in a tax-efficient manner.
- Advise on tax equalization schemes.
- Provide tax compliance services for individual and corporate clients in Hong Kong and China.

The aim of Weekly Alert is to alert readers to recent developments. The information is general in nature and it is not to be taken as a substitute for specific advice. Accordingly RSM Hong Kong accepts no responsibility for any loss that occurs to any party who acts on information contained herein without further consultation with us. If you have any comments or require further information please contact:

**Mr. Eric Chen**

T +852 2583 1259

E [ericchen@rsmhk.com](mailto:ericchen@rsmhk.com)

**Mr. Samuel Chan**

T +852 2583 1242

E [samuelchan@rsmhk.com](mailto:samuelchan@rsmhk.com)

**Ms. Lilian Poon**

T +852 2583 1241

E [lilianpoon@rsmhk.com](mailto:lilianpoon@rsmhk.com)

**Mr. Patrick Ho**

T +852 2583 1258

E [patrickho@rsmhk.com](mailto:patrickho@rsmhk.com)

**Mr. Caesar Wong**

T +852 2508 2851

E [caesarwong@rsmhk.com](mailto:caesarwong@rsmhk.com)

**Ms. Catherine Tsang**

T +852 2583 1256

E [catherinetsang@rsmhk.com](mailto:catherinetsang@rsmhk.com)

**Mr. Chan Ka Ho**

T +852 2583 1249

E [khchan@rsmhk.com](mailto:khchan@rsmhk.com)

**Ms. Joanna Lee**

T +852 2583 1317

E [joannalee@rsmhk.com](mailto:joannalee@rsmhk.com)

**Ms. Dorothy Ng**

T +852 2583 1366

E [dorothyng@rsmhk.com](mailto:dorothyng@rsmhk.com)

**Mr. Alan Chow**

T +852 2583 1378

E [alanchow@rsmhk.com](mailto:alanchow@rsmhk.com)

**Ms. Catherine Wong**

T +852 2583 1396

E [catherinewong@rsmhk.com](mailto:catherinewong@rsmhk.com)

### RSM Tax Advisory (Hong Kong) Limited

29th Floor, Lee Garden Two  
28 Yun Ping Road  
Causeway Bay, Hong Kong

T: +852 2598 5123

F: +852 2598 7230

E: [solutions@rsmhk.com](mailto:solutions@rsmhk.com)

[rsm.global/hongkong](http://rsm.global/hongkong)

RSM Tax Advisory (Hong Kong) Limited is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network.

Each member of the RSM network is an independent accounting and consulting firm, each of which practices in its own right. The RSM network is not itself a separate legal entity of any description in any jurisdiction.

The RSM network is administered by RSM International Limited, a company registered in England and Wales (company number 4040598) whose registered office is at 50 Cannon Street, London EC4N 6JJ.

The brand and trademark RSM and other intellectual property rights used by members of the network are owned by RSM International Association, an association governed by article 60 et seq of the Civil Code of Switzerland whose seat is in Zug.

© RSM International Association, 2020