

A BILL

To

Amend the Inland Revenue Ordinance to expand the list of reportable jurisdictions for the more effective implementation of the arrangement relating to automatic exchange of financial account information in tax matters.

Enacted by the Legislative Council.

1. Short title and commencement

- (1) This Ordinance may be cited as the Inland Revenue (Amendment) (No. 3) Ordinance 2017.
- (2) This Ordinance comes into operation on 1 July 2017.

2. Inland Revenue Ordinance amended

The Inland Revenue Ordinance (Cap. 112) is amended as set out in sections 3 and 4.

3. Section 50A amended (interpretation)

Section 50A(1), definition of *reportable jurisdiction*—

Repeal

everything after “Hong Kong”

Substitute

“that is specified in column 1 of Part 1 of Schedule 17E;”.

4. **Schedule 17E amended (reportable jurisdictions and participating jurisdictions)**

Schedule 17E, Part 1—

Repeal everything after the heading and before the Note

Substitute

“Column 1	Column 2
Reportable jurisdiction	Reporting year
Antigua and Barbuda	2018
Argentina, Republic of	2018
Australia, Commonwealth of	2018
Austria, Republic of	2018
Bahamas, Commonwealth of the	2018
Belgium, Kingdom of	2018
Brazil, Federative Republic of	2018
Brunei Darussalam	2018
Bulgaria, Republic of	2018
Canada	2018
Cayman Islands	2018
Chile, Republic of	2018
China, Mainland of	2018
Colombia, Republic of	2018
Costa Rica, Republic of	2018
Croatia, Republic of	2018
Curacao, Country of	2018
Cyprus, Republic of	2018
Czech Republic	2018

Column 1	Column 2
Reportable jurisdiction	Reporting year
Denmark, Kingdom of	2018
Estonia, Republic of	2018
Faroës	2018
Finland, Republic of	2018
French Republic	2018
Germany, Federal Republic of	2018
Gibraltar	2018
Greenland	2018
Grenada	2018
Guernsey	2018
Hellenic Republic (Greece)	2018
Hungary, Republic of	2018
Iceland, Republic of	2018
India, Republic of	2018
Indonesia, Republic of	2018
Ireland	2018
Isle of Man	2018
Israel, State of	2018
Italian Republic	2018
Japan	2018
Jersey	2018
Korea, Republic of	2018
Kuwait, State of	2018

Column 1	Column 2
Reportable jurisdiction	Reporting year
Latvia, Republic of	2018
Lebanon, Republic of	2018
Liechtenstein, Principality of	2018
Lithuania, Republic of	2018
Luxembourg, Grand Duchy of	2018
Malaysia	2018
Malta	2018
Mauritius, Republic of	2018
Montserrat	2018
Netherlands, Kingdom of the	2018
New Zealand	2018
Norway, Kingdom of	2018
Poland, Republic of	2018
Portuguese Republic	2018
Qatar, State of	2018
Romania	2018
Russian Federation	2018
Saint Vincent and the Grenadines	2018
Saudi Arabia, Kingdom of	2018
Seychelles, Republic of	2018
Singapore, Republic of	2018
Slovak Republic	2018
Slovenia, Republic of	2018

Column 1	Column 2
Reportable jurisdiction	Reporting year
South Africa, Republic of	2018
Spain, Kingdom of	2018
Sweden, Kingdom of	2018
Swiss Confederation	2018
United Arab Emirates	2018
United Kingdom of Great Britain and Northern Ireland	2018
United Mexican States	2018
Uruguay, Oriental Republic of	2018
Vanuatu, Republic of	2018”.

Explanatory Memorandum

Under Part 8A of the Inland Revenue Ordinance (Cap. 112) (*Ordinance*), a financial institution is required to conduct due diligence procedures to identify financial accounts held by tax residents of reportable jurisdictions, collect the required information in respect of the accounts, and furnish the Inland Revenue Department with the information for exchange with the relevant reportable jurisdictions. Those reportable jurisdictions, as defined in section 50A of the Ordinance, are territories outside Hong Kong that are parties to arrangements having effect under section 49(1A) of the Ordinance and requiring disclosure of information concerning tax of the territories (*arrangements*), and that are specified in Part 1 of Schedule 17E to the Ordinance.

2. This Bill seeks to amend section 50A of, and Schedule 17E to, the Ordinance.
3. Clause 3 amends the definition of *reportable jurisdiction* in section 50A so that reportable jurisdictions can include territories outside Hong Kong irrespective of whether they are parties to the arrangements.
4. Clause 4 amends Part 1 of Schedule 17E to add 72 jurisdictions to the list of reportable jurisdictions (in addition to the 2 jurisdictions already included in the current list).