

L.N. 2 of 2018

Exemption from Profits Tax (Non-Renminbi Sovereign Bonds) Order

(Made by the Chief Executive in Council under section 87 of the Inland Revenue Ordinance (Cap. 112))

1. Commencement

This Order comes into operation on 30 March 2018.

2. Interpretation

In this Order—

non-Renminbi sovereign bonds (非人民幣國債) means bonds—

- (a) denominated in any currency other than the Renminbi; and
- (b) issued in Hong Kong by the Central People's Government.

3. Exemption

- (1) A person is exempt from the payment of profits tax chargeable under Part 4 of the Ordinance in respect of sums received by, or accrued to, the person as—
 - (a) interest paid or payable on non-Renminbi sovereign bonds;
 - (b) profits on the sale, or other disposal, of non-Renminbi sovereign bonds; or
 - (c) profits on the redemption, on maturity or presentment, of non-Renminbi sovereign bonds.

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Section 3

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- (2) This section applies in relation to profits tax chargeable for the year of assessment commencing on 1 April 2017 and for all subsequent years of assessment.

Kinnie WONG
Clerk to the Executive Council

COUNCIL CHAMBER

28 November 2017

Explanatory Note

This Order exempts a person from the payment of profits tax chargeable under Part 4 of the Inland Revenue Ordinance (Cap. 112) in respect of sums received by, or accrued to, the person as interest or profits arising from non-Renminbi sovereign bonds.