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### 20AM.


### 20AN.

- **Certain profits of certain funds exempt from payment of profits tax**

### 20AO.

- **Certain profits of special purpose entities exempt from payment of profits tax**
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Inland Revenue (Profits Tax Exemption for Funds) (Amendment) Ordinance 2019

Section 1

HONG KONG SPECIAL ADMINISTRATIVE REGION
ORDINANCE NO. 5 OF 2019

An Ordinance to amend the Inland Revenue Ordinance to allow profits tax exemption for certain funds whether or not the central management and control of the funds is exercised in Hong Kong; and to provide for related matters.

Enacted by the Legislative Council.

1. Short title and commencement
(1) This Ordinance may be cited as the Inland Revenue (Profits Tax Exemption for Funds) (Amendment) Ordinance 2019.
(2) This Ordinance comes into operation on 1 April 2019.

2. Inland Revenue Ordinance amended
The Inland Revenue Ordinance (Cap. 112) is amended as set out in sections 3 to 12.

(1) Section 20AB, heading—
Section 4

Inland Revenue (Profits Tax Exemption for Funds) (Amendment) Ordinance 2019

Repeal everything after “20AD,”

Substitute “20AE and 20AF and Schedules 15, 15A and 16”.

(2) Section 20AB(1)—


Substitute “20AE and 20AF and Schedules 15, 15A and 16”.

4. Section 20AC amended (certain profits of non-resident persons exempt from tax)

In the section 20AC(1)—

Add “(1A) On and after 1 April 2019, a reference in this section to a non-resident person does not include a fund within the meaning of section 20AM.

(1B) Subsection (1A) applies only for any year of assessment commencing on or after 1 April 2019.”.

5. Sections 20AG to 20AL repealed

Sections 20AG, 20AH, 20AI, 20AJ, 20AK and 20AL—

Repeal the sections.

6. Sections 20AM to 20AY added

Before section 20B—

Add

(1)  In sections 20AN, 20AO, 20AP, 20AQ, 20AR, 20AS, 20AT, 20AU, 20AV, 20AW, 20AX and 20AY and Schedules 15C, 15D and 16C, *fund* (基金) has the meaning given to it by this section.

(2)  An arrangement in respect of any property is a fund for a year of assessment if at all times during the basis period for the year of assessment—

(a)  either or both of the following apply—

(i)  under the arrangement, the property is managed as a whole by, or on behalf of, the person operating the arrangement;

(ii)  the contributions of the persons participating in the arrangement (participating persons), and the profits or income from which payment is made to them, are pooled under the arrangement;

(b)  under the arrangement, the participating persons do not have day-to-day control over the management of the property (whether or not they have the right to be consulted on, or to give directions in respect of, the management); and

(c)  the purpose or effect (or pretended purpose or effect) of the arrangement is to enable the participating persons, whether by acquiring any right, interest, title or benefit in the property or any part of the property or otherwise, to participate in or receive—
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Inland Revenue (Profits Tax Exemption for Funds) (Amendment) Ordinance 2019

(i) profits, income or other returns represented to arise (or to be likely to arise) from the acquisition, holding, management or disposal of the property (or any part of the property), or sums represented to be paid (or to be likely to be paid) out of any such profits, income or other returns; or

(ii) a payment or other returns arising from the acquisition, holding or disposal of, the exercise of any right in, the redemption of, or the expiry of, any right, interest, title or benefit in the property or any part of the property.

(3) In subsection (2)—

property (財產) includes—

(a) money, goods, choses in action and land (whether in Hong Kong or elsewhere); and

(b) obligations, easements and every description of estate, interest and profit, present or future, vested or contingent, arising out of or incidental to property mentioned in paragraph (a).

(4) An arrangement (commonly known as a sovereign wealth fund) that is established and funded by a state or government (or any political subdivision or local authority of a state or government) for the purposes of—

(a) carrying out financial activities; and

(b) holding and managing a pool of assets, for the benefit of the state or government (or the political subdivision or local authority) is also a fund.

(5) A fund does not include an arrangement if—
(a) 該安排是某人以並非營業業務的方式營辦的；
(b) 參加該安排的人（參與者）中的每一人，均屬法團，並均與該安排的營辦者在同一公司集團之中；
(c) 該安排的每名參與者均是——
   (i) 某法團的真正僱員或前僱員，而該法團與該安排的營辦者在同一公司集團之中；或
   (ii) 該等僱員或前僱員的配偶、長嫂、錦夫、親生或領養的未成年子女，或未成年繼子女；
(d) 該安排屬符合以下説明的專營權安排：專營權授予者或獲授專營權者根據該安排，藉利用該安排所賦予的權利，使用某一商標名稱、設計或其他知識產權，或附於其中的商譽，而賺取利潤或收益；
(e) 在日常執業過程中以其專業身分行事的律師，收取該安排之下的金錢（不論是從其客戶收取，或是以保證金保存人身分收取）；
(f) 該安排是為了某基金或計劃而作出的，而該基金或計劃是由——
   (i) 《證券及期貨條例》（第 571 章）所指的證券及期貨事務監察委員會；或

(a) the arrangement is operated by a person otherwise than by way of business;
(b) each of the persons participating in the arrangement (participating persons) is a corporation in the same group of companies as the operator of the arrangement;
(c) each of the participating persons of the arrangement is—
   (i) a bona fide employee or former employee of a corporation in the same group of companies as the operator of the arrangement; or
   (ii) a spouse, widow, widower, minor child (natural or adopted) or minor step-child of such employee or former employee;
(d) the arrangement is a franchise arrangement under which the franchisor or franchisee earns profits or income by exploiting a right conferred by the arrangement to use a trade name or design or other intellectual property or goodwill attached to it;
(e) money under the arrangement is taken by a solicitor (whether from his or her client or as a stakeholder) acting in his or her professional capacity in the ordinary course of practice;
(f) the arrangement is made for the purposes of a fund or scheme maintained by—
   (i) the Securities and Futures Commission within the meaning of the Securities and Futures Ordinance (Cap. 571); or
(ii) a recognized exchange company, a recognized clearing house, a recognized exchange controller or a recognized investor compensation company, within the meaning of that Ordinance, under that Ordinance for providing compensation in the event of default by an exchange participant, or a clearing participant, within the meaning of that Ordinance;

(g) the arrangement is made by a credit union registered under the Credit Unions Ordinance (Cap. 119) in accordance with the objects of the credit union;

(h) the arrangement is made for the purposes of any chit-fund permitted to operate under the Chit-Fund Businesses (Prohibition) Ordinance (Cap. 262); or

(i) the arrangement is a mutual fund, unit trust or similar investment scheme falling within the descriptions in section 26A(1A)(a)(i) and (ii).

(6) Also, a business undertaking for general commercial or industrial purposes is not a fund.

(7) In subsection (6), the reference to a business undertaking for general commercial or industrial purposes includes a business undertaking that directly engages in any one or more of the following—

(a) a commercial activity that involves—

(i) any purchase, sale or exchange of goods or commodities; or

(ii) any supply of services;
(b) an industrial activity that involves any production of goods or construction of immovable property as defined by section 20AP(4);

(c) property development or property holding;

(d) finance, including—
   (i) banking;
   (ii) providing capital (other than providing capital to a special purpose entity, or an investee private company, as defined by section 20AO(4));
   (iii) leasing;
   (iv) factoring;
   (v) securitization; and
   (vi) money-lending;

(e) insurance business;

(f) construction or direct acquisition of infrastructure as defined by section 20AP(4);

(g) making direct investments that derive rent, royalties or lease payments.

20AN. Certain profits of certain funds exempt from payment of profits tax

(1) This section applies subject to section 20AS.

(2) If, in respect of a fund, a condition specified in subsection (3) is met at all times during the basis period for a year of assessment, the fund is, subject to sections 20AP and 20AQ, exempt from the payment of tax otherwise chargeable under this Part.
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in respect of its assessable profits for the basis period earned from—

(a) transactions in assets of a class specified in Schedule 16C (qualifying transactions);
(b) subject to subsection (4), transactions incidental to the carrying out of qualifying transactions (incidental transactions); and
(c) if the fund is an open-ended fund company—transactions in assets of a class that is not specified in Schedule 16C.

(3) The condition is—

(a) that the qualifying transactions of the fund are—
   (i) carried out in Hong Kong by or through a specified person; or
   (ii) arranged in Hong Kong by a specified person; or
(b) that the fund is a qualified investment fund.

(4) The exemption under subsection (2) does not apply to assessable profits earned from incidental transactions if the percentage calculated according to the following formula exceeds 5%—

$$\frac{A}{B} \times 100\%$$

where—

A = the fund’s trading receipts from incidental transactions in the basis period;
B = the total of the fund’s trading receipts from qualifying transactions and incidental transactions in the basis period.
(5) The Commissioner may by notice published in the Gazette amend Schedule 16C.

(6) In this section—

aggregate capital commitment (資本認繳總額), in relation to a qualified investment fund, means the total of the capital commitments made by the investors, the originator and the originator’s associates;

associate (相聯者)—

(a) in relation to a natural person, means—

(i) a relative of the person;

(ii) a partner of the person;

(iii) if a partner of the person is a natural person—a relative of the partner;

(iv) a partnership in which the person is a partner;

(v) a corporation controlled by—

(A) the person;

(B) if the person is a natural person—a relative of the person;

(C) a partner of the person;

(D) if a partner of the person is a natural person—a relative of that partner; or

(E) a partnership in which the person is a partner; or

(vi) a director or principal officer of a corporation mentioned in subparagraph (v);

(b) in relation to a corporation, means—

(i) a person who controls the corporation;
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(ii) a partner of the person mentioned in subparagraph (i);
(iii) if the person mentioned in subparagraph (i) is a natural person—a relative of the person;
(iv) if the partner mentioned in subparagraph (ii) is a natural person—a relative of the partner;
(v) a director or principal officer of—
(A) the corporation; or
(B) an associated corporation of the corporation;
(vi) a relative of the director or principal officer mentioned in subparagraph (v);
(vii) a partner of the corporation;
(viii) if a partner of the corporation is a natural person—a relative of the partner;
(ix) a partnership in which the corporation is a partner; or
(x) an associated corporation of the corporation;
(c) in relation to a partnership, means—
(i) a partner in the partnership;
(ii) if a partner in the partnership is a natural person—a relative of the partner;
(iii) if a partner in the partnership is another partnership—
(A) a partner in the other partnership (Partner A); or
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(B) a partner with the other partnership in any other partnership (Partner B);

(iv) if Partner A is a partnership—a partner in Partner A (Partner C);

(v) if Partner B is a partnership—a partner in Partner B (Partner D);

(vi) if Partner A, Partner B, Partner C or Partner D is a natural person—a relative of the partner;

(vii) a corporation controlled by—

(A) the partnership;

(B) a partner in the partnership;

(C) if a partner in the partnership is a natural person—a relative of the partner; or

(D) a partnership in which the partnership is a partner;

(viii) a director or principal officer of the corporation mentioned in subparagraph (vii);

(ix) a corporation of which a partner in the partnership is a director or principal officer; or

(x) an associated partnership of the partnership;

associated corporation (相聯法團), in relation to a corporation, means—

(a) another corporation over which the corporation has control;
(i) another corporation that has control over the corporation; or

(c) another corporation that is under the control of the same person as is the corporation;

associated partnership (相聯合夥), in relation to a partnership, means—

(a) another partnership over which the partnership has control;

(b) another partnership that has control over the partnership; or

(c) another partnership that is under the control of the same person as is the partnership;

capital commitment (資本認繳), in relation to a qualified investment fund, means a commitment—

(a) in the form of an amount of money payable by an investor, the originator or the originator’s associate to the fund under an agreement governing the operation of the fund; and

(b) in respect of which the originator may make capital calls from time to time according to the terms of the agreement;

control (控制)—

(a) in relation to a corporation, means the power of a person to secure—

(i) by means of the holding of shares or the possession of voting power in or in relation to the corporation or any other corporation; or

(ii) by virtue of any powers conferred by the articles of association or other document
Section 6

regulating the corporation or any other corporation, that the affairs of the corporation are conducted in accordance with the wishes of the person;

(b) in relation to a partnership, means the power of a person to secure—

(i) by means of the holding of interests or the possession of voting power in or in relation to the partnership or any other partnership; or

(ii) by virtue of any powers conferred by the partnership agreement or other document regulating the partnership or any other partnership, that the affairs of the partnership are conducted in accordance with the wishes of the person;

final closing of sale of interests (權益出售最終截止日), in relation to a qualified investment fund, means the date on which the originator last accepts subscriptions from investors for making capital commitments;

investor (投資者), in relation to a qualified investment fund, means a person, other than the originator or the originator’s associates, who makes capital commitment to the fund;

net proceeds (淨收益), in relation to a qualified investment fund at a particular time, means an amount calculated by—

(a) adding together—

(i) the sum of the cumulative distributions received by the investors, the originator...
Part B of Schedule 1 to the Inland Revenue (Profits Tax Exemption for Funds) (Amendment) Ordinance 2019

(i) 持有該合夥或任何其他合夥的權益，或持有與該合夥或任何其他合夥有關的權益，或擁有該合夥或任何其他合夥的投票權，或擁有與該合夥或任何其他合夥有關的投票權；或

(ii) 憑藉規管該合夥或任何其他合夥的合夥協議或其他文件所賦予的權力；

淨收益 (net proceeds) 就處於某特定時間的合資格投資基金而言，指藉以下方式計算所得的數額——

(a) 將以下項目相加——

(i) 截至該特定時間為止，投資者、發起人及發起人的相聯者自該基金收取的累積派發的總和；及

(ii) 在該特定時間，該基金所持有的所有資產 (如有的話) 的價值；及

(b) 減去截至該特定時間為止，投資者、發起人及發起人的相聯者的累積投放資本；

發起人 (originator) 就某合資格投資基金而言，指符合以下說明的人——

(a) 直接或間接發起或保薦該基金；及

(b) 直接或間接具有權力，代該基金作出投資決定；

and the originator’s associates from the fund by the particular time; and

(ii) the value at the particular time of all assets, if any, held by the fund; and

(b) subtracting the cumulative capital contributions of the investors, the originator and the originator’s associates by the particular time;

originator (發起人), in relation to a qualified investment fund, means a person who directly or indirectly—

(a) originates or sponsors the fund; and

(b) has the power to make investment decisions on behalf of the fund;

principal officer (主要職員), in relation to a corporation, means—

(a) a person employed by the corporation who, either alone or jointly with one or more other persons, is responsible, under the immediate authority of the directors of the corporation, for the conduct of the business of the corporation; or

(b) a person so employed who, under the immediate authority of a director of the corporation or a person to whom paragraph (a) applies, exercises managerial functions in respect of the corporation;

qualified investment fund (合資格投資基金) means a fund in relation to which—

(a) at all times after the final closing of sale of interests—

(i) the number of investors exceeds 4; and
Section 6

(ii) the capital commitments made by investors exceed 90% of the aggregate capital commitments; and

(b) an agreement governing the operation of the fund provides that not more than 30% of the net proceeds arising out of the transactions of the fund are to be received by the originator and the originator's associates, after deducting the portion attributable to their capital contributions (which is proportionate to that attributable to the investors’ capital contributions);

relative (親屬), in relation to a person, means the spouse, parent, child, brother or sister of the person, and, in deducing such a relationship—

(a) an adopted child is to be regarded as a child of both the natural parents and any adoptive parent; and

(b) a step child is to be regarded as a child of both the natural parents and any step parent;

specified person (指明人士) means a corporation licensed under Part V of the Securities and Futures Ordinance (Cap. 571) to carry on, or an authorized financial institution registered under that Part for carrying on, a business in any regulated activity as defined by Part 1 of Schedule 5 to that Ordinance.

(7) Section 21 of Schedule 17A (specified alternative bond scheme and its tax treatment) provides for modifications to this section.
20AO. Certain profits of special purpose entities exempt from payment of profits tax

(1) This section applies to a special purpose entity owned by a fund that is exempt from the payment of tax under section 20AN in respect of its assessable profits for a year of assessment.

(2) The special purpose entity is, subject to sections 20AP and 20AQ, exempt to the extent provided by subsection (3) from the payment of tax chargeable under this Part in respect of its assessable profits for the year of assessment earned from—

(a) transactions in shares, stocks, debentures, loan stocks, funds, bonds or notes (specified securities) of, or issued by, an investee private company or an interposed special purpose entity;

(b) transactions in rights, options or interests (whether described as units or otherwise) in, or in respect of, the specified securities; and

(c) transactions in certificates of interest or participation in, temporary or interim certificates for, receipts for, or warrants to subscribe for or purchase, the specified securities.

(3) The extent of exemption under subsection (2) is the percentage equal to the percentage of the fund's ownership of the special purpose entity in the year of assessment.

(4) In this section—

*interposed special purpose entity* (中間特定目的實體) means—

---

20AO. 特定目的實體的某些利潤獲豁免免繳付利得稅

(1) 凡某基金根據第 20AN 條，獲豁免免付就某課稅年度內的應評稅利潤而徵收的稅款，而該基金擁有某特定目的實體，本條適用於該實體。

(2) 除第 20AP 及 20AQ 條另有規定外，有關特定目的實體，在第 (3) 條規定的範圍內，獲豁免繳付根據本部須就有關利潤而徵收的稅款，上述有關利潤，是指該實體在有關課稅年度內從以下交易賺取的應評稅利潤——

(a) 獲投資私人公司或中間特定目的實體的 (或該等公司或實體發行的) 股份、股額、債權證、債權股額、基金、債券或票據 (指明證券) 的交易；

(b) 指明證券中的權利、期權或權益 (不論以單位或其他方式描述) 的交易，或關乎指明證券的權利、期權或權益 (不論以單位或其他方式描述) 的交易及

(c) 以下項目的交易：指明證券的權益證明書、參與證明書、臨時證明書、中期證明書、收據，或認購或購買指明證券的權證。

(3) 第 (2) 款所指的豁免範圍是一個百分率，該百分率相等於在有關課稅年度內，有關基金對有關特定目的實體的擁有權的百分率。

(4) 在本條中——

*中間特定目的實體 (interposed special purpose entity)*——
(a) in relation to a special purpose entity that has an indirect beneficial interest in an investee private company through an interposed person that is a special purpose entity—the interposed person;

(b) in relation to a special purpose entity that has an indirect beneficial interest in an investee private company through a series of 2 or more interposed persons each of which is a special purpose entity—any of the interposed persons;

investee private company (獲投資私人公司), in relation to a fund, means a private company held by a special purpose entity or an interposed special purpose entity as a shareholder on behalf of the fund;

private company (私人公司) means a company (whether incorporated in or outside Hong Kong) that is not allowed to issue any invitations to the public to subscribe for any shares or debentures of the company;

special purpose entity (特定目的實體) means a corporation, partnership, trustee of a trust estate or any other entity that—
(a) is wholly or partially owned by a fund;

(b) is established solely for the purpose of holding (whether directly or indirectly) and administering one or more investee private companies;

(c) is incorporated, registered or appointed in or outside Hong Kong;
(d) 除了為持有 (不論是直接或間接持有) 和管理一間或多於一間獲投資私人公司而進行買賣或活動之外，沒有進行任何買賣或活動；及
(e) 本身不屬基金或獲投資私人公司；

獲投資私人公司 (investee private company) 就某基金而言，指由特定目的實體或中間特定目的實體以股東身份分代該基金持有的私人公司。

20AP. 第 20AN 或 20AO 條的豁免，何時不適用於透過另一公司持有不動產的指明團體

(1) 除第 20AR 條另有規定外，本條在以下情況下適用：
在某課稅年度的評稅基期內——
(a) 某指明團體進行以下項目的交易：某私人公司 (有關公司) 的 (或該公司發行的) 股份、股額、債權證、債權股額、基金、債券或票據 (指明證券)；及
(b) 有關公司直接或間接持有——
(i) 在香港的不動產；或
(ii) 另一私人公司的股本 (不論如何描述)，而該私人公司直接或間接持有在香港的不動產。

(2) 如上述不動產及有關公司持有的股本的總價值——
(a) 超過該公司的資產價值的 10%——上述指明團體不得獲豁免繳付根據本條就其在上述期間內從上述交易賺取的應評稅利潤而徵收的稅款；或

(d) does not carry on any trade or activities except for the purpose of holding (whether directly or indirectly) and administering one or more investee private companies; and
(e) is not itself a fund or an investee private company.

20AP. When does exemption under section 20AN or 20AO not apply to specified body holding immovable property through another company

(1) Subject to section 20AR, this section applies if, during the basis period for a year of assessment—
(a) a specified body carries out transactions in shares, stocks, debentures, loan stocks, funds, bonds or notes (specified securities) of, or issued by, a private company (relevant company); and
(b) the relevant company holds (whether directly or indirectly)—
(i) immovable property in Hong Kong; or
(ii) share capital (however described) in another private company that holds (whether directly or indirectly) immovable property in Hong Kong.

(2) If the aggregate value of the immovable property and share capital held by the relevant company—
(a) exceeds 10% of the value of its assets—the specified body is not exempt from the payment of tax under this Part in respect of its assessable profits for the period earned from the transactions; or
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(b) does not exceed 10% of the value of its assets—the specified body is not, unless a condition specified in subsection (3) is met in good faith by the specified body, exempt from the payment of tax under this Part in respect of its assessable profits for the period earned from the transactions.

(3) The condition is—

(a) that the specified body disposes of, through a transaction or a series of transactions, the specified securities not less than 2 years after they are acquired (whether or not the specified body has control over the relevant company); or

(b) that the specified body disposes of, through a transaction or a series of transactions, the specified securities less than 2 years after they are acquired and—

(i) the specified body does not have control over the relevant company; or

(ii) if the specified body has control over the relevant company—the relevant company holds (whether directly or indirectly) short-term assets the aggregate value of which does not exceed 50% of the value of the relevant company’s assets.

(4) In this section—

control (控制) has the meaning given by section 20AN(6);

immovable property (不動產) means—

(a) land (whether covered by water or not);

(b) any estate, right, interest or easement in or over any land; and
(c) things attached to land or permanently fastened to anything attached to land, but does not include infrastructure;

*infrastructure* (基礎設施) means any publicly or privately owned facility providing or distributing services for the benefit of the public, and includes any water, sewage, energy, fuel, transportation or communication facility;

*private company* (私人公司) has the meaning given by section 20AO(4);

*short-term asset* (短期資產), in relation to a private company the shares, stocks, debentures, loan stocks, funds, bonds or notes of, or issued by, which are being disposed of by a fund, means an asset—

(a) that is of a class not specified in Schedule 16C;

(b) that is not immovable property in Hong Kong; and

(c) that has been held by the company for less than 3 consecutive years before the date of disposal;

*special purpose entity* (特定目的實體) has the meaning given by section 20AO(4);

*specified body* (指明團體) means a fund or a special purpose entity.

### 20AQ. When does exemption under section 20AN or 20AO not apply to specified body not holding immovable property through another company

1. Subject to section 20AR, this section applies if, during the basis period for a year of assessment—

   (a) a specified body carries out transactions in shares, stocks, debentures, loan stocks, funds,
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The specified body is not, unless a condition specified in subsection (3) is met in good faith by the specified body, exempt from the payment of tax chargeable under this Part in respect of its assessable profits for the period earned from the transactions.

(2) The condition is—

(a) that the specified body disposes of, through a transaction or a series of transactions, the specified securities not less than 2 years after they are acquired (whether or not the specified body has control over the relevant company); or

(b) that the specified body disposes of, through a transaction or a series of transactions, the specified securities less than 2 years after they are acquired and—

(i) the specified body does not have control over the relevant company; or

(ii) if the specified body has control over the relevant company—the relevant company holds (whether directly or indirectly) short-term assets the aggregate value of which...
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does not exceed 50% of the value of the relevant company’s assets.

(4) In this section—
control (控制) has the meaning given by section 20AN(6); immovable property (不動產) has the meaning given by section 20AP(4); private company (私人公司) has the meaning given by section 20AO(4); short-term asset (短期資產) has the meaning given by section 20AP(4); special purpose entity (特定目的實體) has the meaning given by section 20AO(4); specified body (指明團體) has the meaning given by section 20AP(4).

20AR. Supplementary provision to sections 20AP and 20AQ

(1) Sections 20AP and 20AQ do not apply to a partner fund carrying on a trade, profession or business that involves transactions in shares of an investee company during the basis period for a year of assessment.

(2) In this section—
investee company (獲投資公司) means—
(a) a corporation that has ITVFC and a partner fund as shareholders under the ITVF Scheme; or
(b) a corporation that—
(i) had, at any time, ITVFC and a partner fund (Fund A) as shareholders under the ITVF Scheme; and

20AR. 第 20AP 及 20AQ 條的補充條文

(1) 如有以下情況，第 20AP 及 20AQ 條並不適用於某夥伴基金：該基金在某課稅年度的評稅基期內經營的行業、專業或業務，涉及某獲投資公司的股份的交易。

(2) 在本條中——
創基公司 (ITVFC) 指根據《公司條例》(第 622 章) 成立為法團的創科創投基金公司；
創基計劃 (ITVF Scheme) 指創新科技署設立的創科創投基金計劃；
夥伴基金 (partner fund) 指屬符合以下說明的協議的一方的某基金——
(a) 創基公司亦屬該協議的一方；
(b) 就創基公司及該基金參與創基計劃，訂定它們的整體權利及義務；及
(c) 是有效和正在生效的，
而不論該基金是否透過代理人而屬該協議的一方；

獲投資公司 (investee company)——
(a) 凡創基公司及某夥伴基金根據創基計劃，屬某法團的股東——指該法團；或
(b) 指符合以下說明的法團——
   (i) 創基公司及某夥伴基金 (甲基金) 由某時，根據創基計劃屬該法團的股東；及
   (ii) 自當時起，持續有夥伴基金 (不論是甲基金或另一夥伴基金) 屬該法團的股東。

20AS. 第 20AN 條的豁免，何時不適用於開放式基金型公司

20AS. When does exemption under section 20AN not apply to open-ended fund companies

儘管有第 20AN 條的規定，如在某課稅年度的評稅稅基期內，某開放式基金型公司——

(a) 在香港經營不屬附表 16C 指明的類別的資產的直接貿易，或在香港經營該等資產經營的直接業務實體；或

(b) 持有用作產生入息的、不屬附表 16C 指明的類別的資產，

則該公司不得獲豁免繳付根據本部須就其在該評稅稅基期內從上述貿易、業務實體或資產運用賺取的應評稅利潤而徵收的稅款。

(ii) has, since that time, continued to have a partner fund (whether Fund A or another partner fund) as a shareholder;

*ITVF Scheme* （創基計劃） means the Innovation and Technology Venture Fund Scheme established by the Innovation and Technology Commission;

*ITVFC* (創基公司) means The Innovation and Technology Venture Fund Corporation incorporated under the Companies Ordinance (Cap. 622);

*partner fund* (夥伴基金) means a fund that is a party (whether or not through an agent) to an agreement—
(a) to which ITVFC is also a party;
(b) that stipulates the overall rights and obligations of ITVFC and the fund in respect of their participation in the ITVF Scheme; and
(c) that is valid and in force.

20AS. When does exemption under section 20AN not apply to open-ended fund companies

Despite section 20AN, if, during the basis period for a year of assessment, an open-ended fund company—

(a) carries on a direct trading or direct business undertaking in Hong Kong in assets of a class that is not specified in Schedule 16C (non-Schedule 16C class); or

(b) holds assets of a non-Schedule 16C class that are utilized to generate income,

the company is not exempt from the payment of tax chargeable under this Part in respect of its assessable profits for the basis period earned from the trading, business undertaking or utilization.
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Sub-funds of open-ended fund companies

1. This section applies in relation to an open-ended fund company.

2. If the instrument of incorporation of the company (main company) provides for the division of its scheme property into separate parts (each of which is a sub-fund), then, when applying section 14 to the main company—

(a) a reference to assessable profits in that section is a reference to the total of the assessable profits of all of its sub-funds; and

(b) for computing the assessable profits of the sub-funds—

(i) each sub-fund is to be regarded as an open-ended fund company;

(ii) the main company is to be regarded as not being an open-ended fund company; and

(iii) the provisions of this Part apply to a sub-fund as if it were an open-ended fund company.

3. The part of the profits tax chargeable on the main company that is attributable to the assessable profits of one of the sub-funds may only be paid out of the assets of the sub-fund.

4. If the condition for exemption from payment of tax under section 20AN is met in respect of a sub-fund, the sub-fund is exempt under that section even if the condition is not met in respect of another sub-fund of the main company.
(5) Any loss sustained by a sub-fund is not available for set off against any assessable profits of another sub-fund of the main company.

(6) In this section—

scheme property (計劃財產) has the meaning given by section 112A of the Securities and Futures Ordinance (Cap. 571).

20AU. Losses sustained by funds (other than open-ended fund companies) and special purpose entities

(1) This section applies in relation to a fund (other than an open-ended fund company) and a special purpose entity.

(2) If a fund is exempt from the payment of tax under section 20AN in respect of its assessable profits for a year of assessment, any loss sustained by the fund from a transaction referred to in section 20AN(2)(a) or (b) in the year of assessment is not available for set off against any of its assessable profits for the year of assessment or any subsequent year of assessment.

(3) If a special purpose entity is exempt from the payment of tax under section 20AO in respect of its assessable profits for a year of assessment, any loss sustained by the entity from a transaction referred to in section 20AO(2) in the year of assessment is not available for set off against any of its assessable profits for the year of assessment or any subsequent year of assessment.

(4) In this section—

special purpose entity (特定目的實體) has the meaning given by section 20AO(4).
20AV. Losses sustained by open-ended fund companies

(1) This section applies in relation to an open-ended fund company.

(2) If the company is exempt from the payment of tax under section 20AN in respect of its assessable profits for a year of assessment, any loss sustained by the company from a transaction referred to in section 20AN(2)(a), (b) or (c) in the year of assessment is not available for set off against any of its assessable profits for the year of assessment or any subsequent year of assessment.

(3) Any loss sustained by the company from a specified activity in respect of which there is not an exemption from the payment of tax for assessable profits under section 20AN or 20AS for a year of assessment is only available for set off against any assessable profits of the company earned from the specified activity for the year of assessment or any subsequent year of assessment.

(4) In this section—

specified activity (指明活動) means a transaction, a direct trading, a direct business undertaking or utilization of assets.

20AW. Interpretation of sections 20AX and 20AY and Schedules 15C and 15D

(1) This section applies to the interpretation of sections 20AX and 20AY and Schedules 15C and 15D.

(2) In relation to any year of assessment, a person is to be regarded as a resident person if—

(a) where the person is a natural person who is not a trustee of a trust estate, the person—
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(i) ordinarily resides in Hong Kong in the year of assessment; or
(ii) stays in Hong Kong for a period or a number of periods amounting to—
   (A) more than 180 days during the year of assessment; or
   (B) more than 300 days in 2 consecutive years of assessment one of which is the year of assessment;
(b) where the person is a corporation that is not a trustee of a trust estate—the central management and control of the corporation is exercised in Hong Kong in the year of assessment;
(c) where the person is a partnership that is not a trustee of a trust estate—the central management and control of the partnership is exercised in Hong Kong in the year of assessment; or
(d) where the person is a trustee of a trust estate—the central management and control of the trust estate is exercised in Hong Kong in the year of assessment.

(3) In relation to any year of assessment, a person is a non-resident person if the person is not a resident person in relation to the year of assessment.

(4) A person (the person) is to be regarded as having a direct beneficial interest in another person (the other person) if—
(a) where the other person is a corporation that is not a trustee of a trust estate—the person holds any of the issued share capital (however described) of the corporation;

(b) where the other person is a partnership that is not a trustee of a trust estate—the person, as a partner in the partnership, is entitled to any of the profits of the partnership;

(c) where the other person is a trustee of a trust estate, the person—
   (i) benefits under the trust estate; or
   (ii) not being a trustee of the trust estate or, if the trustee is a corporation, a director of the trustee—is able (or might reasonably be expected to be able) to control the activities of the trust estate or the application of its corpus or income, otherwise than through the other person; or

(d) where the other person is an entity that does not fall within any of paragraphs (a), (b) and (c)—the person has any of the ownership interests in the entity.

(5) A person (the person) is to be regarded as having an indirect beneficial interest in another person (the other person) if—

(a) where the other person is a corporation that is not a trustee of a trust estate—the person is interested in any of the issued share capital (however described) of the corporation;
(b) where the other person is a partnership that is not a trustee of a trust estate—the person is entitled to any of the profits of the partnership;

(c) where the other person is a trustee of a trust estate, the person—
   (i) benefits under the trust estate; or
   (ii) not being a trustee of the trust estate or, if the trustee is a corporation, a director of the trustee—able (or might reasonably be expected to be able) to control the activities of the trust estate or the application of its corpus or income; or

(d) where the other person is an entity that does not fall within any of paragraphs (a), (b) and (c)—the person has any of the ownership interests in the entity, through a third person (interposed person), or through a series of 2 or more interposed persons, who is or are related to the person and the other person in the way described in subsections (6) and (7).

(6) If there is one interposed person—

(a) the person has a direct beneficial interest in the interposed person; and

(b) the interposed person has a direct beneficial interest in the other person.

(7) If there is a series of 2 or more interposed persons—

(a) the person has a direct beneficial interest in the first interposed person in the series;
(b) each interposed person (other than the last interposed person) in the series has a direct beneficial interest in the next interposed person in the series; and

(c) the last interposed person in the series has a direct beneficial interest in the other person.

(8) If the partners in a partnership are not entitled to its profits but are only entitled to a distribution of its assets on its dissolution—a reference to an entitlement to the profits of a partnership is taken to be a reference to an entitlement to a distribution of the assets of the partnership on its dissolution.

(9) A reference to the issued share capital of a corporation does not include the shares comprised in the issued share capital that do not entitle their holders to receive dividends (whether in cash or in kind) and a distribution of the corporation's assets on its dissolution other than a return of capital.

20AX. Assessable profits of funds regarded as assessable profits of resident persons

(1) If, in a year of assessment commencing on or after 1 April 2019—

(a) a resident person has, during any period of time, a beneficial interest (whether direct or indirect or both) in a fund to the extent set out in subsection (2); and

(b) the fund is exempt from the payment of tax under section 20AN,

the assessable profits of the fund for the period of time that would have been chargeable to tax under this Part but for that section are to be regarded as
從該居港者在香港經營某行業、專業或業務中，於香港產生或得自香港的該居港者的應評稅利潤。

(2) 第 (1) 款提述的某居港者（有關居港者）對某基金享有實益權益的程度如下——

(a) 如該基金是並非受託人受託人的法團——有關居港者持有（不論是單獨持有，或是聯同其不論是否居港者的任何相聯者持有）該法團不少於 30% 的已發行股本（不論如何描述），或有關居港者（不論是單獨，或是聯同其不論是否居港者的任何相聯者）對該法團不少於 30% 的已發行股本（不論如何描述）享有權益；

(b) 如該基金是並非受託人受託人的合夥——有關居港者（不論是單獨，或是聯同其不論是否居港者的任何相聯者）有權享有該合夥不少於 30% 的利潤；

(c) 如該基金是受託人受託人——有關居港者（不論是單獨，或是聯同其不論是否居港者的任何相聯者）對該受託產業不少於 30% 價值享有權益；或

(d) 如該基金屬不符合 (a)、(b) 及 (c) 段中任何一段描述的實體——有關居港者（不論是單獨，或是聯同其不論是否居港者的任何相聯者）對該基金享有不少於 30% 的擁有權益。

(3) 有关於在 2019 年 4 月 1 日當日或之後開始的課稅年度——

(a) 某居港者於某段期間，對某基金享有實益權益（不論是直接實益權益，或間接實益權益，或兩者兼有）；

(b) 該基金根據第 20AN 條，獲豁免繳付稅款；及

(c) 該基金是該居港者的相聯者，

the assessable profits arising in, or derived from, Hong Kong of the resident person for the year of assessment from a trade, profession or business carried on by the resident person in Hong Kong.

(2) The extent of a resident person's beneficial interest in a fund referred to in subsection (1) is that the person, either alone or jointly with any of the person's associates (whether a resident person or not)—

(a) if the fund is a corporation that is not a trustee of a trust estate—holds or is interested in not less than 30% of the issued share capital (however described) of the corporation;

(b) if the fund is a partnership that is not a trustee of a trust estate—is entitled to not less than 30% of the profits of the partnership;

(c) if the fund is a trustee of a trust estate—is interested in not less than 30% in value of the trust estate; or

(d) if the fund is an entity that does not fall within any of paragraphs (a), (b) and (c)—has not less than 30% of the ownership interests in the fund.

(3) If, in a year of assessment commencing on or after 1 April 2019—

(a) a resident person has, during any period of time, a beneficial interest (whether direct or indirect or both) in a fund;

(b) the fund is exempt from the payment of tax under section 20AN; and

(c) the fund is an associate of the resident person,
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the assessable profits of the fund for the period of time that would have been chargeable to tax under this Part but for that section are to be regarded as the assessable profits arising in, or derived from, Hong Kong of the resident person for the year of assessment from a trade, profession or business carried on by the resident person in Hong Kong.

(4) Subsections (1) and (3) apply in relation to a resident person irrespective of whether the person has received or will receive (whether directly or indirectly) from the fund concerned any money or other property representing the profits of the fund for the relevant year of assessment.

(5) A resident person who has a direct or indirect beneficial interest in a trustee of a trust estate because of the fact that the resident person is able (or might reasonably be expected to be able) to control the activities of the trust estate or the application of its corpus or income is, for the purposes of this section, to be regarded as being interested in 100% of the value of the trust estate.

(6) The extent of a resident person’s beneficial interest in a fund is to be determined in accordance with Part 2 of Schedule 15C.

(7) The amount regarded as the assessable profits of a resident person for a year of assessment under subsection (1) or (3) is to be ascertained in accordance with Schedule 15C.

(8) Subsections (1) and (3) do not apply in relation to a resident person who has a direct or indirect beneficial interest in a fund if the Commissioner is satisfied that the beneficial interests in the fund are bona fide widely held.
(9) 如——
(a) 某居港者因為透過某中間人 ( 或透過由多於一名中間人串成的一系列中間人 ) 對某基金享有間接實益權益，因而基於第 (1) 或 (3) 款的施行，有法律責任就該基金的利潤課稅；及
(b) 該中間人 ( 或該系列中間人中任何一人 )，即使是居港者，亦基於第 (1) 或 (3) 款的施行，而有法律責任就該筆利潤課稅，則 (a) 段所述的居港者就該筆利潤課稅的法律責任，即予解除。

(10) 在本條中——
相聯者 (associate) 具有第 20AN(6) 條所給予的涵義。

20AY. 基金持有的特定目的實體的應評稅利潤，視為居港者的應評稅利潤
(1) 如於在 2019 年 4 月 1 日當日或之後開始的課稅年度——
(a) 某居港者於某段期間，對某基金享有實益權益 ( 不論是直接實益權益，或是間接實益權益，或兩者兼有 )，而程度達到第 20AX(2) 條所列者；
(b) 該基金根據第 20AN 條，獲豁免繳付稅款；
(c) 該基金於該段期間，對某特定目的實體享有實益權益 ( 不論是直接實益權益，或是間接實益權益，或兩者兼有 )；及

(9) If——
(a) a resident person is liable to tax in respect of the profits of a fund by the operation of subsection (1) or (3) because the person has an indirect beneficial interest in the fund through an interposed person (or through a series of 2 or more interposed persons); and
(b) the interposed person (or any of the interposed persons) is a resident person who is also liable to tax in respect of the profits by the operation of subsection (1) or (3),
the resident person mentioned in paragraph (a) is discharged from the person’s liability to tax in respect of the profits.

(10) In this section——
associate (相聯者) has the meaning given by section 20AN(6).

20AY. Assessable profits of special purpose entities held by funds regarded as assessable profits of resident persons
(1) If, in a year of assessment commencing on or after 1 April 2019——
(a) a resident person has, during any period of time, a beneficial interest (whether direct or indirect or both) in a fund to the extent set out in section 20AX(2);
(b) the fund is exempt from the payment of tax under section 20AN;
(c) the fund has, during the period of time, a beneficial interest (whether direct or indirect or both) in a special purpose entity; and
(d) the special purpose entity is exempt from the payment of tax under section 20AO, the assessable profits of the special purpose entity for the period of time that are chargeable to tax under this Part and in respect of which tax would have been payable but for section 20AO are to be regarded as the assessable profits arising in, or derived from, Hong Kong of the resident person for the year of assessment from a trade, profession or business carried on by the resident person in Hong Kong.

(2) If, in a year of assessment commencing on or after 1 April 2019—

(a) a resident person has, during any period of time, a beneficial interest (whether direct or indirect or both) in a fund;

(b) the fund is exempt from the payment of tax under section 20AN;

(c) the fund is an associate of the resident person;

(d) the fund has, during the period of time, a beneficial interest (whether direct or indirect or both) in a special purpose entity; and

(e) the special purpose entity is exempt from the payment of tax under section 20AO, the assessable profits of the special purpose entity for the period of time that are chargeable to tax under this Part and in respect of which tax would have been payable but for section 20AO are to be regarded as the assessable profits arising in, or derived from, Hong Kong of the resident person for the year of assessment from a trade, profession or business carried on by the resident person in Hong Kong.
(3) Subsections (1) and (2) apply in relation to a resident person irrespective of whether the person has received or will receive (whether directly or indirectly) from the special purpose entity concerned any money or other property representing the profits of the special purpose entity for the relevant year of assessment.

(4) A resident person who has a direct or indirect beneficial interest in a trustee of a trust estate because of the fact that the resident person is able (or might reasonably be expected to be able) to control the activities of the trust estate or the application of its corpus or income is, for the purposes of this section, to be regarded as being interested in 100% of the value of the trust estate.

(5) The extent of a fund’s beneficial interest in a special purpose entity is to be determined in accordance with Part 2 of Schedule 15D.

(6) The amount regarded as the assessable profits of a resident person for a year of assessment under subsection (1) or (2) is to be ascertained in accordance with Schedule 15D.

(7) Subsections (1) and (2) do not apply in relation to a resident person who has a direct or indirect beneficial interest in a fund if the Commissioner is satisfied that the beneficial interests in the fund are bona fide widely held.
(8) If—

(a) a resident person is liable to tax in respect of the profits of a special purpose entity by the operation of subsection (1) or (2) because the person has an indirect beneficial interest in the special purpose entity through an interposed person (or through a series of 2 or more interposed persons); and

(b) the interposed person (or any of the interposed persons) is a resident person who is also liable to tax in respect of the profits by the operation of subsection (1) or (2),

the resident person mentioned in paragraph (a) is discharged from the person’s liability to tax in respect of the profits.

(9) In this section—

associate (相聯者) has the meaning given by section 20AN(6);

special purpose entity (特定目的實體) has the meaning given by section 20AO(4).”.

7. Schedule 15B repealed (provisions for ascertaining amount of assessable profits of resident person under section 20AK)

Repeal the Schedule.

8. Schedules 15C and 15D added

Add
Provisions for Ascertaining Amount of Assessable Profits of Resident Person under Section 20AX

Part 1

1. The amount regarded as the assessable profits of a resident person for a year of assessment is the total sum arrived at by adding up the assessable profits of the fund that are chargeable to tax under Part 4 and in respect of which tax would have been payable but for section 20AN (exempt profits) for each day in the period in the year of assessment during which the resident person has a direct or indirect beneficial interest in the fund.

2. For the purposes of section 1 of this Part, the exempt profits of a fund for a particular day in a year of assessment are to be ascertained in accordance with the following formula—

\[
A = \frac{B \times C}{D}
\]

where: A means the exempt profits of the fund for a particular day in a year of assessment;
B means the extent of the resident person's beneficial interest in the fund on the particular day, expressed as a percentage determined in accordance with Part 2 of this Schedule;

C means the exempt profits of the fund for the accounting period of the fund in which the particular day falls;

D means the total number of days in the accounting period of the fund in which the particular day falls.

**Part 2**

1. For a resident person having a direct beneficial interest in a fund, the extent of the beneficial interest of the resident person in the fund is—

   (a) if the fund is a corporation that is not a trustee of a trust estate—the percentage of the issued share capital (however described) of the corporation held by the resident person;

   (b) if the fund is a partnership that is not a trustee of a trust estate—the percentage of the profits of the partnership to which the resident person is entitled;

   (c) if the fund is a trustee of a trust estate—the percentage in value of the trust estate in which the resident person is interested; or
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2. For a resident person having an indirect beneficial interest in a fund, the extent of the beneficial interest of the resident person in the fund is—

(a) if there is only one interposed person—the percentage arrived at by multiplying the percentage representing the extent of the beneficial interest of the resident person in the interposed person by the percentage representing the extent of the beneficial interest of the interposed person in the fund; or

(b) if there is a series of 2 or more interposed persons—the percentage arrived at by multiplying the percentage representing the extent of the beneficial interest of the resident person in the first interposed person in the series by—

(i) the percentage representing the extent of the beneficial interest of each interposed person (other than the last interposed person) in the series in the next interposed person in the series; and

(ii) the percentage representing the extent of the beneficial interest of the last interposed person in the series in the fund.
3. For the purposes of section 2 of this Part—

(a) section 1 of this Part applies in determining the extent of the beneficial interest of a resident person in an interposed person as if the references to a fund in that section were references to an interposed person;

(b) section 1 of this Part applies in determining the extent of the beneficial interest of an interposed person in a fund as if the references to a resident person in that section were references to an interposed person; and

(c) section 1 of this Part applies in determining the extent of the beneficial interest of an interposed person (Interposed Person A) in another interposed person (Interposed Person B) as if—

(i) the references to a resident person in that section were references to Interposed Person A; and

(ii) the references to a fund in that section were references to Interposed Person B.
Part 1

1. The amount regarded as the assessable profits of a resident person for a year of assessment is the total sum arrived at by adding up the assessable profits of the special purpose entity that are chargeable to tax under Part 4 and in respect of which tax would have been payable but for section 20AO (exempt profits) for each day in the period in the year of assessment during which the resident person has an indirect beneficial interest in the special purpose entity.

2. For the purposes of section 1 of this Part, the exempt profits of a special purpose entity for a particular day in a year of assessment are to be ascertained in accordance with the following formula—

$$A = \frac{B1 \times B2 \times C}{D}$$

where: $A$ means the exempt profits of the special purpose entity for a particular day in a year of assessment;
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B1 means the extent of the resident person’s beneficial interest in the fund on the particular day, expressed as a percentage determined in accordance with Part 2 of Schedule 15C;

B2 means the extent of the fund’s beneficial interest in the special purpose entity on the particular day, expressed as a percentage determined in accordance with Part 2 of this Schedule;

C means the exempt profits of the special purpose entity for the accounting period of the special purpose entity in which the particular day falls;

D means the total number of days in the accounting period of the special purpose entity in which the particular day falls.

3. In this Part—

special purpose entity (特定目的實體) has the meaning given by section 20AO(4).

Part 2

1. For a fund having a direct beneficial interest in a special purpose entity, the extent of the beneficial interest of the fund in the special purpose entity is—

(a) if the special purpose entity is a corporation that is not a trustee of a trust estate—the percentage of the issued share capital (however described) of the corporation held by the fund;
(b) if the special purpose entity is a partnership
that is not a trustee of a trust estate—the
percentage of the profits of the partnership to
which the fund is entitled;
(c) if the special purpose entity is a trustee of a
trust estate—the percentage in value of the trust
estate in which the fund is interested; or
(d) if the special purpose entity is an entity that
does not fall within any of paragraphs (a), (b)
and (c)—the percentage of ownership interests
that the fund has in the entity.

2. For a fund having an indirect beneficial interest in a
special purpose entity, the extent of the beneficial interest
of the fund in the special purpose entity is—

(a) if there is only one interposed person—the
percentage arrived at by multiplying the
percentage representing the extent of the
beneficial interest of the fund in the interposed
person by the percentage representing the extent
of the beneficial interest of the interposed
person in the special purpose entity; or

(b) if there is a series of 2 or more interposed
persons—the percentage arrived at by
multiplying the percentage representing the extent
of the beneficial interest of the fund in the first interposed
person in the series by—

(i) the percentage representing the extent of
the beneficial interest of each interposed
person (other than the last interposed
person) in the series in the next interposed
person in the series; and
(ii) the percentage representing the extent of
the beneficial interest of the last interposed
person in the series in the special purpose
entity.

3. For the purposes of section 2 of this Part—
(a) section 1 of this Part applies in determining the
extent of the beneficial interest of a fund in an
interposed person as if the references to a
special purpose entity in that section were
references to an interposed person;
(b) section 1 of this Part applies in determining the
extent of the beneficial interest of an interposed
person in a special purpose entity as if the
references to a fund in that section were
references to an interposed person; and
(c) section 1 of this Part applies in determining the
extent of the beneficial interest of an interposed
person (Interposed Person A) in another
interposed person (Interposed Person B) as if—
(i) the references to a fund in that section were
references to Interposed Person A; and
(ii) the references to a special purpose entity in
that section were references to Interposed
Person B.

4. In this Part—

*special purpose entity* (特定目的實體) has the meaning
given by section 20AO(4).”.

9. Schedule 16 amended (specified transactions)

Schedule 16—
10. 廢除附表 16A 及 16B
附表 16A 及 16B——
廢除該等附表。

11. 加入附表 16C
在附表 17 之前——
加入

附表 16C

為施行第 20AN 條而就交易指明的資產類別

第 1 部

1. 證券
2. 私人公司的（或私人公司發行的）股份、股額、債權證、
債權股額、基金、債券或票據
3. 期貨合約

Classes of Assets Specified for Transactions for Purposes of Section 20AN

Part 1

1. Securities
2. Shares, stocks, debentures, loan stocks, funds, bonds or notes of, or issued by, a private company
3. Futures contracts
4. Foreign exchange contracts under which the parties to the contracts agree to exchange different currencies on a particular date

5. Deposits other than those made by way of a money-lending business

6. Deposits (as defined by section 2(1) of the Banking Ordinance (Cap. 155)) made with a bank (as defined by Part 1 of Schedule 1 to the Securities and Futures Ordinance (Cap. 571))

7. Certificates of deposit (as defined by Part 1 of Schedule 1 to the Securities and Futures Ordinance (Cap. 571))

8. Exchange-traded commodities

9. Foreign currencies

10. OTC derivative products (as defined by Part 1 of Schedule 1 to the Securities and Futures Ordinance (Cap. 571))

11. An investee company’s shares co-invested by a partner fund and ITVFC under the ITVF Scheme

Part 2

1. In this Schedule—

   collective investment scheme (集體投資計劃) means an arrangement in respect of any property—

   (a) under which either or both of the following apply—
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(i) the property is managed as a whole by, or on behalf of, the person operating the arrangement;

(ii) the contributions of the persons participating in the arrangement (participating persons) and the profits or income from which payments are made to them are pooled;

(b) under which the participating persons do not have day-to-day control over the management of the property (whether or not they have the right to be consulted on, or to give directions in respect of, the management); and

(c) the purpose or effect (or pretended purpose or effect) of which is to enable the participating persons (whether by acquiring any right, interest, title or benefit in the property or any part of the property or otherwise) to participate in or receive—

(i) profits, income or other returns represented to arise (or to be likely to arise) from the acquisition, holding, management or disposal of the property (or any part of the property), or sums represented to be paid (or to be likely to be paid) out of any such profits, income or other returns; or

(ii) a payment or other returns arising from the acquisition, holding or disposal of, the exercise of any right in, the redemption of, or the expiry of, any right, interest, title or benefit in the property (or any part of the property);
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contract for differences (差價合約) means an agreement the purpose or effect of which is to obtain a profit or avoid a loss by reference to fluctuations in the value or price of property of any description or in an index or other factor designated for that purpose in the agreement;

debenture (債權證) includes debenture stocks, bonds, and other debt securities of a corporation (whether constituting a charge on the assets of the corporation or not);

deposit (存款) means a loan of money—
(a) at interest; or
(b) repayable at a premium or repayable with any consideration in money or money's worth;

exchange-traded commodity (交易所買賣商品) means gold or silver traded on a commodity exchange in Hong Kong to which the Commodity Exchanges (Prohibition) Ordinance (Cap. 82) does not apply by virtue of section 3(d) of that Ordinance;

futures contract (期貨合約) means—
(a) a contract or an option on a contract made under the rules or convention of a futures market; or
(b) any other contract for differences—
(i) that is listed on a specified stock exchange, or traded on a specified futures exchange, within the meaning of section 1 of Part 1 of Schedule 1 to the Securities and Futures Ordinance (Cap. 571);
(ii) that an authorized institution within the meaning of the Banking Ordinance (Cap.
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155) may enter into under that Ordinance; or

(iii) the transaction in respect of which is regulated by or under, or is carried out in compliance with, the Securities and Futures Ordinance (Cap. 571);

futures market (期貨市場) has the meaning given by section 1 of Part 1 of Schedule 1 to the Securities and Futures Ordinance (Cap. 571);

Investee company (獲投資公司) has the meaning given by section 20AR(2);

ITVF Scheme (創基計劃) has the meaning given by section 20AR(2);

ITVFC (創基公司) has the meaning given by section 20AR(2);

Partner fund (夥伴基金) has the meaning given by section 20AR(2);

Private company (私人公司) has the meaning given by section 20AO(4);

Property (財產) has the meaning given by section 20AM(3);

Securities (證券) means—

(a) subject to section 21(6) of Schedule 17A (specified alternative bond scheme and its tax treatment), shares, stocks, debentures, loan stocks, funds, bonds or notes of, or issued by, a body (including a special purpose entity), whether incorporated or unincorporated, or a government or municipal government authority;
Section 12

(b) 上述股份、股額、債權證、債權股額、基金、
債券或票據中的(或關乎該等項目的)權利、
期權或權益(不論以單位或其他方式描述)；

(c) 上述股份、股額、債權證、債權股額、基金、
債券或票據的權益證明書、參與證明書、臨時
證明書、中期證明書、收據，或認購或購買該
等項目的權證；

(d) 集體投資計劃中的權益；

(e) 通常稱為證券的權益，權利或財產(不論屬文
書或其他形式)；或

(f) 符合以下說明的結構性產品：就該產品發出
的、載有請公眾作出《證券及期貨條例》(第
571章)第103(1)(a)條指出的作為的邀請(或
屬該等邀請)的廣告、邀請或文件，已根據該
條例第105(1)條獲認可，或須如此獲認可。”。

12. 修訂附表17A（指明另類債券計劃及其稅務處理）
(1) 附表17A——
廢除

12. Schedule 17A amended (specified alternative bond scheme and its
tax treatment)
(1) Schedule 17A——
Repeal
Section 12

“26A(2) 及 (4)、40AB、51C(5)、60(4)、64(11)、79(4)、80(6) 及 82A(8) 條及附表 6、16”

代以
“20AN(7)、26A(2) 及 (4)、40AB、51C(5)、60(4)、64(11)、79(4)、80(6) 及 82A(8) 條及附表 6、16、16C”。

(2) 附表 17A：第 21(6) 條，在“20AC”之後——
加入
“及 20AN”。

(3) 附表 17A：第 21(6) 條，在“附表 16”之後——
加入
“及 16C”。

(4) 附表 17A：第 21(6) 條，在“附表中”之前——
加入
“等”。

“26A(2) 及 (4)、40AB、51C(5)、60(4)、64(11)、79(4)、80(6) 及 82A(8) & Schs. 6, 16”

Substitute
“20AN(7), 26A(2) & (4), 40AB, 51C(5), 60(4), 64(11), 79(4), 80(6) & 82A(8) & Schs. 6, 16, 16C”。

(2) Schedule 17A，section 21(6)—
Repeal
“Section 20AC”

Substitute
“Sections 20AC and 20AN”.

(3) Schedule 17A，section 21(6)—
Repeal
“Schedule 16”

Substitute
“Schedules 16 and 16C”.

(4) Schedule 17A，section 21(6)—
Repeal
“that Schedule”

Substitute
“those Schedules”.

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