

**Press release**

**Inland Revenue and Stamp Duty Legislation (Alternative Bond Schemes)  
(Amendment) Ordinance 2013 commenced operation**

Friday, July 19, 2013

The Inland Revenue and Stamp Duty Legislation (Alternative Bond Schemes) (Amendment) Ordinance 2013 (the Amendment Ordinance) was gazetted and came into operation today (July 19).

The Amendment Ordinance principally seeks to amend the Inland Revenue Ordinance and Stamp Duty Ordinance to provide a comparable taxation framework for some common types of Islamic bonds (sukuk) vis-a-vis conventional bonds, with a view to promoting the development of a sukuk market in Hong Kong.

"The Amendment Ordinance represents the joint efforts of the Government and the market to remove a previous impediment to developing a sukuk market in Hong Kong," the Secretary for Financial Services and the Treasury, Professor K C Chan, said.

"This will help establish a conducive platform for the development of Islamic finance in Hong Kong, thereby diversifying the types of products and services available to our financial markets, and consolidating Hong Kong's status as an international financial centre and asset management centre," said Professor Chan.

The tax measures contained in the Amendment Ordinance will apply to qualified sukuk issued, and the relevant instruments executed, on or after today.

The Inland Revenue Department will publish the related Departmental Interpretation and Practice Notes and Stamp Office Interpretation and Practice Notes shortly to provide implementational guidance.

Ends