

Press release

Business registration fees waived for one year from August 1

Wednesday, June 24, 2009

Business registration fees will be waived for one year from August 1 subject to the approval of the Legislative Council.

The Revenue (Reduction of Business Registration Fees) Order 2009, which seeks to implement the proposal, will be gazetted this Friday (June 26).

A Government spokesman explained that a package of relief measures, including the waiving of business registration fees, was announced by the Financial Secretary on May 26 to alleviate the burden of the people of Hong Kong and certain sectors that are most seriously affected by the economic downturn and human swine flu.

"Waiving of one-year business registration fees will help reduce the operating costs of businesses, particularly small and medium-sized enterprises, and provide timely relief to around 880,000 businesses. The measure will cost the Government \$1,700 million," the spokesman said.

Businesses applying for business registration or renewal of the business registration certificate with the commencement date falling within August 1, 2009, and July 31, 2010, will have their registration fees waived for one year.

The fees for business registration are levied at \$2,000 for a one-year certificate and \$5,200 for a three-year certificate. The proposed waiver will also apply to branch registration fees for which the fees for a one-year certificate and a three-year certificate are \$73 and \$189 respectively. Businesses are still required to pay the levy for the Protection of Wages on Insolvency Fund at \$450 per annum.

"In order that the business registration fee waiver can also benefit businesses which have paid the registration fees for the waiver period but are not required to renew their certificates in the waiver period, namely businesses holding three-year certificates with expiry dates on or after July 31, 2010; or businesses whose registration certificates expire in the waiver period but are not renewed because of cessation of business, concessionary refunds will be considered. These businesses can apply for a refund of the relevant amount of the registration fees paid for the waiver period," the spokesman added.

Details of the proposal are available on the Inland Revenue Department's website (www.ird.gov.hk).

Ends