

Press release

Inland Revenue (Disclosure of Information) Rules submitted to Legco

Wednesday, February 10, 2010

The Government today (February 10) submitted the Inland Revenue (Disclosure of Information) Rules to the Legislative Council (Legco).

"Legco passed the Inland Revenue (Amendment) (No 3) Bill 2009 on January 6 to enable Hong Kong to adopt the latest international standard for exchange of information (EoI) in a comprehensive avoidance of double taxation agreement (CDTA)," a government spokesman said.

"The rules put in place domestic safeguards in addition to those provided by individual CDTAs to protect privacy and confidentiality of the information exchanged. The Government has taken into account the suggestions of Legco Members and the business and professional sectors when finalising the rules," he said.

The rules, made pursuant to section 49 of the Inland Revenue Ordinance (Cap 112), require that, unless exceptional circumstances exist, the Inland Revenue Department (IRD) must notify a subject person before any information relating to that person is disclosed. The person may request a copy of the information and request IRD to amend any information that the person considers factually incorrect. The rules stipulate that an EoI request can be approved only by a directorate officer of IRD, and set out the information that a treaty partner has to provide to ensure that the EoI requests are justified, specific and relevant. The rules also prevent IRD from disclosing any information that relates to a period before the effective date of the relevant CDTA.

The rules are subject to the approval of Legco under positive vetting procedures.

Ends