

## **Press Release**

### **Hong Kong exchanges notes with Japan regarding comprehensive agreement on avoidance of double taxation**

Wednesday, December 10, 2014

The Government of the Hong Kong Special Administrative Region today (December 10) exchanged notes with the Government of Japan regarding the Exchange of Information (EoI) Article in the Agreement between the Government of the Hong Kong Special Administrative Region of the People's Republic of China and the Government of Japan for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (the Agreement).

"The purpose of the exchange of notes with Japan is to expand the coverage of tax types under the EoI arrangement of the Agreement, so as to fulfil our international obligation to meet global standards for enhancing tax transparency," the Secretary for Financial Services and the Treasury, Professor K C Chan, said.

Since the passage of the Inland Revenue (Amendment) Bill 2013 in July 2013, the EoI arrangement under comprehensive avoidance of double taxation agreements and tax information exchange agreements in terms of tax types has been enhanced. The scope of tax types under the EoI article can now cover tax types other than income tax.

The exchange of notes will come into force after the completion of ratification procedures and notification by both sides. In the case of Hong Kong, an order is required to be made by the Chief Executive in Council under the Inland Revenue Ordinance. The order is subject to negative vetting by the Legislative Council.

Details of the exchange of notes concerning the Agreement can be found on the Inland Revenue Department website at ([www.ird.gov.hk/eng/pdf/HK\\_Japan\\_EN\\_2014.pdf](http://www.ird.gov.hk/eng/pdf/HK_Japan_EN_2014.pdf)).

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