

Weekly Alert

2022 ISSUE 15

RSM TAX ADVISORY (HONG KONG) LIMITED 羅 申 美 稅 務 諮 詢 有 限 公 司

Welcome to 2022 issue 15 of Weekly Alert covering technical development in taxation around the globe.

TAX – Hong Kong

1. Stamp Duty Statistics (March 2022)

On 12 April 2022, the Inland Revenue Department (“IRD”) released the statistics on Special Stamp Duty (“SSD”), Buyer’s Stamp Duty (“BSD”) and Doubled Ad Valorem Stamp Duty (“DSD”) / New Residential Stamp Duty (“NRSD”) collected in March 2022. The SSD, BSD and DSD/NRSD collected during the month are HK\$13.9 million, HK\$208.8 million and HK\$274.5 million respectively.

Stamp Duty statistics (March 2022)

<https://www.ird.gov.hk/eng/pdf/2022/3d032022.pdf>

2. IRD reminds employers to complete Employer’s Return for the year ended 31 March 2022

On 14 April 2022, the IRD announces that Employer’s Returns of Remuneration and Pensions (Form BIR56A) for the year ended 31 March 2022 were issued on 1 April 2022. The filing deadline is extended to 1 June 2022.

Employers who have not received a Form BIR56A may obtain this form by completing the request form and sent to the IRD by post or fax.

Inland Revenue Department Notice (Apr 2022)

https://www.ird.gov.hk/eng/pdf/2022/notice_apr.pdf

1. First penalty order issued for breaches of FATA

On 11 April 2022, the Australian Taxation Office (“ATO”) announced that the first penalty order for breaches of the *Foreign Acquisitions and Takeover Act 1975* (“FATA”) has been issued by the Federal Court of Australia, attracting AUD250,000 in penalties. The foreign investor has been penalised for purchasing multiple properties in outer Melbourne without receiving permission from the Foreign Investment Review Board.

Foreign investors are limited in the type of residential property they can acquire in Australia and must apply before doing so. Foreign investors found to be in breach of the FATA face civil penalties to enable the government to recapture capital gain or 25% of value of the property, whichever is greater.

Residential real estate purchases by foreign investor attract AUD250,000 penalty

[https://www.ato.gov.au/Media-centre/Media-releases/Residential-real-estate-purchases-by-foreign-investor-attract-\\$250,000-penalty/](https://www.ato.gov.au/Media-centre/Media-releases/Residential-real-estate-purchases-by-foreign-investor-attract-$250,000-penalty/)

2. IRS dispels new and common myths about tax refunds; key information available to help people

With the tax-filing deadline approaching, the Internal Revenue Services (“IRS”) clarify some of the common myths about tax refunds on 12 April 2022. The IRS also reminds taxpayers the easiest way to check on a refund is through the online tool available on IRS.gov and the IRS2Go mobile app. Taxpayers should only call the IRS tax help hotline to talk to a representative if it has been more than 21 days since their tax return was 2-filed, or more than six weeks since mailing their return.

IRS dispels new and common myths about tax refunds; key information available to help people

<https://www.irs.gov/newsroom/irs-dispels-new-and-common-myths-about-tax-refunds-key-information-available-to-help-people>

3. OECD published the public comments received on the Implementation Framework of the global minimum tax

On 13 April 2022, the OECD published the public comments received from public consultation on the Implementation Framework of the global minimum tax ended on 11 April 2022. The public consultation meeting will be held virtually on 25 April 2022 to discuss the input provided and consider the mechanisms to put in place in order to ensure that tax administrations and MNEs can implement and apply the global minimum tax in a consistent and co-ordinated manner.

Public comments received on the Implementation Framework of the global minimum tax

<https://www.oecd.org/tax/beps/public-comments-received-on-the-implementation-framework-of-the-global-minimum-tax.htm>

RSM Tax Advisory (Hong Kong) Limited

RSM Hong Kong's dedicated and experienced tax specialists can:

- Advise on tax efficient holding and operational structures for new cross-border investment, including the formation of Hong Kong and Chinese business entities.
- Review existing cross-border investment structures, advise on identified deficiencies, quantify any potential exposure from such deficiencies, and further advise on restructuring approach and procedures.
- Assist clients to discuss and clarify matters with tax officials, including transfer pricing and advance rulings.
- Act as client representative in tax audits and tax investigations.
- Provide transaction support services on mergers and acquisitions, including tax due diligence, deal structure advice, tax health checks, related human resources arrangements and other tax compliance and consultation services.
- Provide tax expert witness services at Courts.
- Act as tax advisor on transfer pricing and tax compliance reviews for IPO applications.
- Advise on human resources and structuring employment arrangements in a tax-efficient manner.
- Advise on tax equalization schemes.
- Provide tax compliance services for individual and corporate clients in Hong Kong and China.

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Mr. Eric Chen

T +852 2583 1259

E ericchen@rsmhk.com

Mr. Samuel Chan

T +852 2583 1242

E samuelchan@rsmhk.com

Ms. Lilian Poon

T +852 2583 1241

E lilianpoon@rsmhk.com

Mr. Patrick Ho

T +852 2583 1258

E patrickho@rsmhk.com

Mr. Caesar Wong

T +852 2508 2851

E caesarwong@rsmhk.com

Ms. Catherine Tsang

T +852 2583 1256

E catherinetsang@rsmhk.com

Ms. Joanna Lee

T +852 2583 1317

E joannalee@rsmhk.com

Mr. Alan Chow

T +852 2583 1378

E alanchow@rsmhk.com

Ms. Catherine Wong

T +852 2583 1396

E catherinewong@rsmhk.com

Ms. Shirley Lo

T +852 2583 1211

E shirleylo@rsmhk.com

RSM Tax Advisory (Hong Kong) Limited

29th Floor, Lee Garden Two
28 Yun Ping Road
Causeway Bay, Hong Kong

T: +852 2598 5123

F: +852 2598 7230

E: solutions@rsmhk.com

rsm.global/hongkong

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