

Publications and Press Releases > **Press Releases**

Publications and Press Releases

Press Releases

13 May 2012

Capital duty to be abolished from June

The capital duty currently levied on Hong Kong companies under the Companies Ordinance will be abolished from June 1 this year, the Registrar of Companies, Ms Ada L L Chung, said today (May 13).

The scope of the abolition relates to the amount of nominal share capital for registration of a company, an increase in the nominal share capital after incorporation and the amount of premiums for an issue of shares at a premium.

"The abolition of the capital duty aims to enhance Hong Kong's attractiveness as a company domicile and our competitiveness as an international business centre. We are pleased that the legislative process has been completed and local companies will benefit from the initiative," Ms Chung said.

The abolition of the capital duty is implemented by the Companies Ordinance (Amendment of Eighth Schedule) Order 2012. The Order was made by the Secretary for Financial Services and the Treasury, Professor K C Chan, to implement the Financial Secretary's proposal in the 2012-13 Budget to abolish capital duty levied on local companies.

The amendments will be applicable to companies which lodge the relevant specified forms with the Companies Registry on or after June 1.

Members of the public can read or download Companies Registry External Circular No. 3/2012 on the subject at the Registry's website: www.cr.gov.hk.