

立法會
Legislative Council

LC Paper No. LS84/06-07

**Paper for the House Committee Meeting
on 8 June 2007**

**Legal Service Division Report on
Subsidiary Legislation Gazetted on 1 June 2007**

Date of tabling in LegCo : 6 June 2007

Amendment to be made by : 4 July 2007 (or the 1st meeting of next session if extended by resolution)

**Inland Revenue Ordinance (Cap. 112)
Exemption from Salaries Tax (International Finance Corporation) Order
(L.N. 101)**

By this Order made by the Chief Executive in Council under section 87 of the Inland Revenue Ordinance (Cap. 112), Chinese nationals and Hong Kong permanent residents employed by, or holding an office in, the International Finance Corporation (IFCorp) are exempted from the payment of salaries tax chargeable under section 8 of the Inland Revenue Ordinance (Cap. 112) in respect of their income arising in or deriving from Hong Kong from the IFCorp.

2. IFCorp is the private sector arm of the World Bank Group. Its purpose is to promote sustainable private sector investment in developing countries to reduce poverty and improve people's lives*. According to the LegCo Brief, the grant of exemption would facilitate the recruitment by IFCorp of local and Mainland Chinese staff and thus its continued presence and expansion in Hong Kong. Members may refer to the LegCo Brief (File Ref.: G10/24/6/1C) dated 1 June 2007 and issued by the Financial Services and the

* Members may find further information on International Finance Corporation at its website at <http://www.ifc.org/about>.

Treasury Bureau for background and further information.

3. This Order is to come into operation on 13 October 2007, but will apply to salaries tax chargeable for the year of assessment commencing on 1 April 2007 and for all subsequent years of assessment.

Bankruptcy Ordinance (Cap. 6)

Bankruptcy Ordinance (Amendment of Schedule 3) Notice 2007 (L.N. 102)

4. By this Notice made by the Secretary for Financial Services and the Treasury under section 12(1C) of the Bankruptcy Ordinance (Cap. 6) as amended by the Bankruptcy (Amendment) Ordinance 2005 (18 Of 2005)[†] (the principal Ordinance), Schedule 3 to the principal Ordinance is amended in paragraph(a)(iii) by repealing “Company” and substituting “Chartered”.

5. Schedule 3 to the principal Ordinance has listed the qualifications that render their holder eligible to be appointed as a provisional trustee in place of the Official Receiver under section 12(1A). Membership of The Hong Kong Institute of Company Secretaries was one of such qualifications. The name of that institution has been changed to The Hong Kong Institute of Chartered Secretaries. Accordingly, a corresponding amendment to the Schedule 3 is required to reflect that change of name.

6. This Notice is to come into operation on the day appointed for the commencement of the remaining sections of the Bankruptcy (Amendment) Ordinance 2005 (18 of 2005) that are not yet operative.

Tax Reserve Certificates (Fourth Series) Rules (Cap. 289 sub. leg. A)

Tax Reserve Certificates (Rate of Interest) (No. 3) Notice 2007 (L.N. 103)

7. This Notice is made by the Secretary for Financial Services and the Treasury under rule 7(2)(h) of the Tax Reserve Certificates (Fourth Series) Rules (Cap. 289 sub. leg. A). It has fixed the rate of interest payable on tax reserve certificates issued on or after 4 June 2007 at 2.6333% per annum. The Schedule to the Tax Reserve Certificates (Rate of Interest)(Consolidation) Notice (Cap. 289 sub. leg. B) is consequentially amended by inserting “and

[†] Schedule 3 is added by section 47 of the Bankruptcy (Amendment) Ordinance 2005 (18 Of 2005), which has yet to come into operation.

before 4 June 2007” in item 157 and adding the new rate as item 158.

Financial Reporting Council Ordinance (Cap. 588)

**Financial Reporting Council Ordinance (Commencement) (No. 2) Notice
2007 (L.N. 104)**

8. By this Notice made by the Secretary for Financial Services and the Treasury under section 1(2) of the Financial Reporting Council Ordinance (Cap. 588) (the Ordinance), 16 July 2007 has been appointed as the day on which those provisions of the Ordinance that have yet to come into operation (except section 64) are to come into operation.

9. The Notice commences sections 9(except (e) and (h)), 12, 21, 23 to 38, 40 to 50, 52, 55, 57, 58, 59, 62, 63, 66, 73 to 76, 85 of, and Schedule 6 to, the Ordinance. Section 64 relates to another version of the new section 336A of the Companies Ordinance (Cap. 32) (CO) (alternate to the version contained in section 63) which will be applicable after the amendments to section 336 of CO under Schedule 2 to the Companies (Amendment) Ordinance 2004 (30 of 2004) have come into operation.

Concluding Observations

10. Neither the public nor any Panel of the LegCo has been consulted on the subsidiary legislation reported. No difficulties relating to the legal and drafting aspects of the subsidiary legislation have been identified.

Prepared by

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