

Legislative Council Panel on Home Affairs

Estate Beneficiaries Support Services

Purpose

This paper informs Members of the arrangements that the Home Affairs Department (HAD) has made in preparation for the provision of support services for estate beneficiaries with effect from 1 April 2007.

Background

2. Before the abolition of estate duty on 11 February 2006, the Commissioner of Inland Revenue (CIR) or her officers were empowered under the Estate Duty Ordinance (Cap. 111) to perform the following functions to facilitate duty collection or revenue protection –

- (a) authorizing the release of money from an estate for burial of the deceased or for the maintenance of the former dependants of the deceased; and
- (b) authorizing representatives to inspect the contents of a deceased person's bank safe deposit box.

3. After the abolition of estate duty, there is no revenue protection reason for CIR to retain such powers. However, to ensure that the family and dependants of a deceased person are not adversely affected by the change, the Secretary for Home Affairs (SHA) has been empowered under the Probate and Administration Ordinance (Cap. 10) to provide, upon application, the following support services for estate beneficiaries of persons who passed away on or after 11 February 2006 -

- (i) for the administration of a small estate made up of money not exceeding \$50,000 in aggregate value, to issue a Confirmation Notice exempting persons dealing with such

small estates from the intermeddling provisions;

- (ii) to issue a Certificate for Necessity for Release of Money to meet funeral expenses of the deceased person or maintenance of former dependants of the deceased person;
- (iii) if the deceased person rented a bank deposit box, to issue a Certificate for Necessity of Inspection of Bank Deposit Box and to send officers to witness the inspection of the safe deposit box and preparation of a signed inventory by the estate beneficiary; and
- (iv) to issue an Authorization for Removal from Bank Deposit Box to enable the estate beneficiaries or the surviving renters to remove specified documents and/or articles from the bank deposit box.

To ensure that services afforded to the public remain essentially unchanged for a period of time upon the abolition of estate duty while preparation is made by HAD for assuming the responsibilities, SHA has, as an interim arrangement, delegated the authority to deliver the above services to CIR since 11 February 2006.

Support Services for the Estate Beneficiaries to be provided by HAD

4. Under the authority delegated by SHA, HAD will take over from the Inland Revenue Department (IRD) the delivery of the various support services for estate beneficiaries with effect from 1 April 2007 through the establishment of a dedicated “Estate Beneficiaries Support Unit” (EBSU). The Unit will be set up on the 3rd floor of Southorn Centre, Wan Chai.

5. For the convenience of the bereaved who have to visit various Government offices in Wu Chung House, Wan Chai, to obtain the death certificate and make funeral arrangements, HAD will also set up an enquiry counter on the 22nd floor of Wu Chung House to provide information on the support services provided by EBSU and answer enquiries. The need for the service of the enquiry counter will be reviewed a few months after commencement of service in the light of actual experience.

6. In addition to the services outlined in paragraph 3, HAD will offer further assistance by making the necessary referrals if the family members of the deceased person appear to be in need of the services of the Social Welfare Department or the Housing Department. In the case where the deceased person died in an accident and if his next of kin has financial hardship, staff of the Unit will assist him or her to apply for a cash grant from the General Chinese Charities Fund or the Special Aid Fund as appropriate.

Latest Position

7. The Department is now working out all the necessary plans in preparing for the delivery of the support services for the estate beneficiaries effective from 1 April 2007. A publicity plan, including Radio Announcement in the Public Interest and display of posters, will be mounted prior to April to inform the public of HAD's takeover of the support services for estate beneficiaries from IRD. In addition, pamphlets on the support services will be placed at all HAD Public Enquiry Service Centres, IRD's Estate Duty Office, the Probate Registry, relevant service centres of the Social Welfare Department, and public hospitals. The information about the various services to be provided by EBSU, together with the application forms, will also be made available on HAD website.

Home Affairs Department

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