

**Subcommittee on the Three Orders Made under Section 49(1A) of the
Inland Revenue Ordinance and Gazetted on 4 October 2013**

**List of follow-up actions arising from the discussion
at the meeting on 22 October 2013**

1. In order to allow members to better understand the benefits brought by the comprehensive avoidance of double taxation agreement ("CDTA") signed between Hong Kong and Guernsey to Hong Kong people and companies, the Administration is requested to provide concrete information on such benefits, including the number of Hong Kong residents living in Guernsey and the number of Hong Kong companies doing business through a permanent establishment in Guernsey.
2. In respect of the exchange of information ("EoI") mechanism under a CDTA, the Administration is requested to provide information on: (a) the Government's policy and legal considerations regarding disclosing information of the relevant jurisdiction or tax authority which has made the EoI request to a third party which is required by Inland Revenue Department ("IRD") to supply the information for the EoI request; and (b) the international standard/practice in the disclosure of information in this regard.
3. Given the Administration's advice on the importance to protect confidentiality of information exchanged in implementing EoI requests under CDTAs, in particular its views that the taxpayer (which is the subject of an EoI request) may be unwilling to reveal information on the jurisdiction or tax authority (which has made the EoI request) to a third party, the Administration is requested to consider members' suggestion to formulate a mechanism for IRD to consult the taxpayer concerned on whether there is objection to the disclosure of such information to the third party if it considers that the information can be disclosed.