

**Bills Committee on Stamp Duty (Amendment) Bill 2017**

**List of follow-up actions arising from the discussion  
at the meeting on 5 June 2017**

The Administration was requested to provide a written response to the following views and enquiries raised at the meeting:

- (a) how the Administration could plug the loopholes of evasion of New Residential Stamp Duty ("NRSD") payment by buyers who acquired a second residential property or onwards by way of transfer of shares of a property-holding company;
- (b) the Administration was requested to reconsider the view of the Legal Adviser to the Bills Committee (LC Paper No. CB(1)603/16-17(03)) that the drafting of the proposed amended sections 29AI(b) and 29BA(b) of the Stamp Duty Ordinance (Cap. 117) ("SDO") be revised by stating "if the property concerned is residential property" instead of "in any other case" to facilitate better comprehension of the said provisions;
- (c) in respect of using a single instrument to effect exchange between two parties of a number of properties comprising both residential and non-residential properties owned respectively by the parties concerned which was taken as an exchange of residential properties in accordance with the relevant Practice Note of the Inland Revenue Department ("IRD"), the Administration was requested to explain whether there would be any implication for underpaid stamp duty in such cases and the legal basis for taking such cases as an exchange of residential properties in IRD's Practice Note;
- (d) the Administration should consider deleting the phrase "and all other persons executing" (以及所有其他簽立人) from the proposed amended Part 1(C) of Scale 1 of head 1(1) in the First Schedule to SDO, to the effect that parties other than buyers and sellers of the residential property concerned, e.g. estate agents, would not be liable for payment of NRSD given that under the IRD's practice note, estate agents might be regarded as "all other persons executing" the relevant instrument if he/she had presented the instrument to the court in law suits, and thus be liable to payment of stamp duty;

- (e) whether a purchaser would be liable to payment of NRSD pursuant to the proposed amended Part 1 (C) of Scale 1 of head 1(1A) in the First Schedule to SDO under the following circumstance:

the purchaser who signed a provisional agreement for sales and purchase ("Provisional Agreement") on a property transaction in advance unilaterally before 5 November 2016 (i.e. the effective date of NRSD) but the relevant Provisional Agreement was subsequently signed by the vendor on or after 5 November 2016 where the purchaser had not been notified of the vendor's signing date of the Provisional Agreement by the estate agent concerned.

Council Business Division 1  
Legislative Council Secretariat  
7 June 2017