



立法會秘書處 法律事務部
LEGAL SERVICE DIVISION
LEGISLATIVE COUNCIL SECRETARIAT

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By Fax (3020 9849)

9 November 2018

Hon Kenneth LEUNG
Room 918
Legislative Council Complex
1 Legislative Council Road
Central, Hong Kong

Dear Mr LEUNG,

Professional Accountants (Amendment) Bill 2018

We are scrutinizing the legal and drafting aspects of the abovementioned Bill. We have the following observation for your consideration.

As set out in its long title, the Bill seeks to amend the Professional Accountants Ordinance (Cap. 50) to tighten up restrictions on the use of misleading descriptions by individuals, firms and companies that are not certified public accountants or practice units. Section 42 of Cap. 50 sets out the offences and penalties under Cap. 50. The Bill proposes to amend section 42(1)(h) and (ha) respectively to add new descriptions (e.g. "professional accounting", "certified accounting", "certified public accounting") to the existing offences against the use of certain descriptions by a person who is not a certified public accountant and a body corporate which is not a corporate practice registered under Cap. 50. Clause 3(12) and (14) of the Bill proposes to respectively amend section 42(1)(i) and (ii) to increase the level of fine payable for breaches of section 42(1) of Cap. 50, except for breaches of section 42(1)(l), from level 4 to level 5. As such, Clause 3(12) and (14) of the Bill, as presently drafted, seeks to raise the penalty level for offences under section 42(1)(h) and (ha) as well as other offences under section 42(1) (except the offence

under section 42(1)(l)) which are not related to the prohibited use of misleading descriptions (e.g. the offence under section 42(1)(a) relating to failure to attend proceedings before the Disciplinary Committee and the offence under section 42(1)(j) relating to non-compliance with a condition attached to the practice's registration). Please clarify whether it is the legislative intent of the Bill.

We would be grateful if you would let us have your response in bilingual form at your earliest convenience, preferably before 14 November 2018.

Yours sincerely,

A handwritten signature in blue ink, appearing to be 'Clara TAM', with a stylized, flowing script.

(Clara TAM)
Assistant Legal Adviser

cc. LA
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