

立法會
Legislative Council

LC Paper No. LS47/19-20

**Legal Service Division Report on
Subsidiary Legislation Gazetted on 6 March 2020**

Tabling in LegCo : Council meeting of 18 March 2020

Amendment to be made by : Council meeting of 1 April 2020 (or that of 6 May 2020 if extended by resolution)

Rating (Exemption) Order 2020 **(L.N. 21)**

L.N. 21 is made by the Chief Executive ("CE") in Council under section 36(2) of the Rating Ordinance (Cap. 116) to give effect to the rates concession proposed in paragraphs 27(c) and 33(b) of the 2020-2021 Budget Speech. Details of the rates concession are provided below:

- (a) all domestic tenements are exempted from the payment of rates up to a maximum of \$1,500 for each quarter in the financial year starting on 1 April 2020 and ending on 31 March 2021 ("2020-2021 financial year");
- (b) all non-domestic tenements are exempted from the payment of rates up to a maximum of \$5,000 for each of the first quarter and the second quarter, and up to a maximum of \$1,500 for each of the third quarter and the fourth quarter, in the 2020-2021 financial year; and
- (c) the maximum amount of rates concession is reduced proportionately if rates are payable for only part of any quarter in the 2020-2021 financial year.

**Revenue (Reduction of Business Registration Fees and Branch
Registration Fees) Order 2020** **(L.N. 22)**

2. L.N. 22 is made by CE under section 39A(a) of the Public Finance Ordinance (Cap. 2) after consultation with the Executive Council to give effect to the waiver of the business registration fees proposed in paragraph 27(d) of the 2020-2021 Budget Speech.

3. L.N. 22 reduces the fees payable under the Business Registration Ordinance (Cap. 310) in respect of a business registration certificate or branch registration certificate that is endorsed with a date of commencement that falls within the 2020-2021 financial year.

4. In relation to a one-year business registration certificate, the fee is reduced by a sum of \$2,000 to nil and a one-year branch registration fee is reduced by a sum of \$73 to nil. In relation to a three-year business registration certificate (i.e. where an election is made under section 6(5C) of Cap. 310 for the expiry date to be endorsed on the applicable business registration certificates to be the date of expiration of 3 years from the date of commencement thereon), the fee is reduced by a sum of \$2,000 to \$3,200 and a three-year branch registration fee is reduced by a sum of \$73 to \$116.

5. Where business registration fee is payable under section 5A(1)(a) of Cap. 310 in relation to an incorporation submission made for the purpose of forming a company under section 67 of the Companies Ordinance (Cap. 622) or incorporating an open-ended fund company under section 112C of the Securities and Futures Ordinance (Cap. 571), the reduction by a sum of \$2,000 also applies if the incorporation submission is made within the 2020-2021 financial year.

6. According to paragraph 13 of the Legislative Council ("LegCo") Brief (File Ref: TsyB R 183/535-1/4/0 (20-21) (C)) issued by the Financial Services and the Treasury Bureau in March 2020, owing to the confidentiality of the Budget, the Administration has not carried out prior consultation for the proposed concessions in L.N. 21 and L.N. 22. However, the Administration has formulated the proposal after taking into account views received from LegCo Members and other stakeholders during the Budget consultation process.

7. As advised by the Clerk to the Panel on Financial Affairs, the Panel has not been consulted on L.N. 21 and L.N. 22.

8. L.N. 21 and L.N. 22 come into operation on 1 April 2020.

Concluding observations

9. No difficulties have been identified in the legal and drafting aspects of the above items of subsidiary legislation.

Prepared by

Mark LAM
Assistant Legal Adviser
Legislative Council Secretariat
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