

For Information

Legislative Council Panel on Financial Affairs

Proposed Revision of Fees under Schedule 3 to the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615)

PURPOSE

This paper briefs Members on the proposed revision of fees set out in Schedule 3 to the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615) (“AMLO”) relating to the licensing regime for money service operators (“MSOs”).

BACKGROUND

2. Under the AMLO, the Customs and Excise Department (“C&ED”) is the authority responsible for the licensing and supervision of MSOs. Persons who provide money services are required to pay application fees to C&ED for, among others, the grant/ renewal of a licence, approval of a person to become a licensee’s director/ ultimate owner/ partner, and approval to operate money service at certain premises. The amount of these fees, along with those for making copies of the relevant register maintained by the Commissioner of Customs and Excise (“CCE”), are set out in Schedule 3 to the AMLO.

3. As at 31 December 2025, there were 611 licensed MSOs in Hong Kong. In the 2024-25 financial year, C&ED processed 553 applications for the grant or renewal of licences. During the same period, C&ED processed 1 678 applications for the assessment of fit and proper persons, and 454 applications regarding the addition of business premises.

4. The fees above have remained unchanged since the implementation of the licensing regime for MSOs on 1 April 2012.

THE PROPOSAL

5. The Government sets and reviews various fees and charges according to the “cost recovery” and “user pays” principles. Fees charged by the Government should in general be set at levels adequate to recover the full cost of providing relevant goods or services.

6. C&ED has conducted a review of the fees set out in Schedule 3 to the AMLO. The review concluded that 11 fees set out in Schedule 3 to the AMLO have not yet achieved full cost recovery at 2026-27 price level, with cost recovery rates ranging from 60% to 76%, while one photocopying fee requires adjustment to align with the relevant government standard charge.

7. As steep fee increases might affect the business operations of the trade, it is considered impractical to recover full cost of all fees in one go. We thus propose increasing the 11 fees aforementioned by around 10% to 15%, with a view to achieving full-cost recovery gradually. Upon implementation of the fee revisions, the cost recovery rates of these 11 fees will be improved to 69% to 83%.

8. As regards the fee for providing an uncertified copy of an entry in, or extract from, the register under the licensing regime for MSOs (currently at \$1.0 per page), we propose aligning it with the government standard charge of \$1.5 per page.

9. Details of the fee revision proposal are at the Annex. In future fee revisions, full-cost recovery will continue to be our objective. The costs of these fee items will be reviewed regularly, and fee revision proposals will be submitted as and when necessary, having regard to the “cost recovery” and “user pays” principles.

FINANCIAL IMPLICATIONS

10. When the proposed fee revisions are implemented, the estimated additional revenue is about \$330,000 per annum.

EFFICIENCY INITIATIVE

11. C&ED regularly reviews and enhances its day-to-day operational procedures, including streamlining workflows and introducing measures to control service cost. The resulting efficiency savings have been factored into the calculation of the fees to be charged by C&ED for the provision of relevant services.

INDUSTRY ENGAGEMENT

12. C&ED has consulted the Hong Kong Money Service Operators Association and conducted survey with MSO licensees regarding the fee revision proposal. The industry generally expressed understanding on the need for fee revisions to uphold the “user pays” principle, and raised no objection to the proposed fee increases.

WAY FORWARD

13. Members are invited to note the proposed fee revisions as set out in paragraphs 5 to 9 above. We will proceed with making legislative amendments to implement the proposed fee revisions, by publishing in the Gazette a notice made by the CCE as stipulated in section 50 of the AMLO. We plan to implement the revised fees in May 2026.

Financial Services and the Treasury Bureau

Customs and Excise Department

January 2026

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Item	Particulars	Existing fee level (\$)	Cost recovery rate before proposed fee increase (Note 1)	Proposed fee level (\$)	Proposed amount of increase (\$) / (Percentage increase)	Cost recovery rate after proposed fee increase (Note 1)
2	For providing an uncertified copy of an entry in, or extract from, the register	1 per page or portion of a page	(Note 2)	1.5 per page or portion of a page	0.5/(50%)	(Note 2)
4	Application for the grant of a licence plus for each additional business premises plus for each person who is subject to the fit and proper person test	3,310 2,220 860	60% 76% 74%	3,810 2,440 945	500/(15%) 220/(10%) 85/(10%)	69% 83% 81%
5	Application for the renewal of a licence plus for each additional business premises plus for each person who is subject to the fit and proper person test	790 355 860	61% 70% 74%	910 410 945	120/(15%) 55/(15%) 85/(10%)	70% 81% 81%
6	Application for an approval to become a licensee's director	860 for each person in relation to whom the application is made	74%	945 for each person in relation to whom the application is made	85/(10%)	81%

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7	Application for an approval to become a licensee's ultimate owner	860 for each person in relation to whom the application is made	74%	945 for each person in relation to whom the application is made	85/(10%)	81%
8	Application for an approval to become a licensee's partner	860 for each person in relation to whom the application is made	74%	945 for each person in relation to whom the application is made	85/(10%)	81%
9	Application to add new business premises	2,220 for each new business premises	76%	2,440 for each new business premises	220/(10%)	83%
10	Application to operate a money service at particular premises	2,220 for each business premises	76%	2,440 for each business premises	220/(10%)	83%

Note 1 Calculated at 2026-27 price level.

Note 2 The fee for providing an uncertified copy of an entry in, or extract from, the register is proposed to be adjusted to align with the prevailing government standard charge for photocopying service of A4 size paper at \$1.5 per copy, which is set to recover the full cost for provision of the photocopying service.