

GUIDE HONG KONG

Hong Kong is one of the leading financial centers in the world. This special administrative region of the People's Republic of China is characterized by having a significantly open economy, simple tax system, and a strategic location providing companies a gateway into mainland China and the Asia-Pacific region.



FUNDS

Hong Kong is often described as the center of the funds industry in Asia. Due to the city's regulatory framework, there is a degree of transparency and stability it provides that few other places, especially in Asia, can match. Additionally, the city's free flow of capital, its links to mainland China and a pool of highly qualified local talent, makes Hong Kong attractive to investors.

HONG KONG REGISTERED COMPANIES

At the end of 2018, there were over 1.4 million companies registered in Hong Kong. The easy and minimal time it takes to set up a company, the excellent infrastructure and intellectual property protections, draws investors to this city.

INTERNATIONAL BANKING

Hong Kong is the third largest banking center in the world, behind London and New York. The city's government works to maintain a stable and business-friendly environment with minimal barriers for businesses and no restrictions on capital flows.

CAPITAL MARKETS

The recent U.S./China trade disagreements and the possible passage of an unpopular extradition law, could lead many companies to choose other jurisdictions in the region and affect the city's ability to raise capital.

TRADE AND LOGISTICS

Trade and logistics is the largest industry among the four economic pillars in Hong Kong. The city's strategic location and world-class infrastructure, continuously rank Hong Kong in the top for world trade.



Geography



Location: Hong Kong is located on the south-eastern tip of mainland China. Its territory covers Hong Kong Island, Lantau Island, the Kowloon Peninsula and 250+ outlying islands.

Area: 1,106 sq. km

Time zone: Hong Kong Standard Time (GMT+8)



Population

7.39 Million



Language(s)

Chinese and English



Economy

Financial services, tourism, trading & logistics, and professional and producer services



Currency

Hong Kong Dollar (HKD)



Political Structure

Stable



Legal System

Based on English Common Law. Autonomous Special Administrative Region of the People's Republic of China.

This information is not intended to provide legal advice or serve as a substitute for legal research to address specific situations.

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Main Types of Legal Entities

	HK PRIVATE LIMITED COMPANY (PLC)	LIMITED PARTNERSHIPS	REPRESENTATIVE OFFICE
Share capital			
Minimum paid-up	No minimum	Not required	N/A
Maximum authorized	N/A	N/A	N/A
Usual currency	HKD	HKD	N/A
Permitted currencies	No restrictions	No restrictions	N/A
Domiciliation			
Registered address	Local registered office required	Local registered office required	Local registered address required
Directors			
Minimum number	One	Two or more	A local representative must be appointed.
Minimum local	Not required	Not required	N/A
Corporate directors	Not allowed	N/A	N/A
Statutory			
Annual filing	Annual returns	Annual return	N/A
Company secretary	Required	N/A	N/A
Annual general meeting (AGM)	Not a required	Required	N/A
Beneficial owner reporting	Required. Shareholders and directors can appoint a nominee shareholder/director to act on their behalf.	Required	Not required
Re-domiciliation	Not allowed	Not allowed	The foreign entity is not allowed to re-domicile.
Financial administration			
Audit required	Companies must file audited financial statements.	Not required	N/A
Filing of Annual Return	Annual tax returns are filed with the Inland Revenue Department (IRD).	Annual tax returns are filed with the Inland Revenue Department (IRD).	N/A
Tax			
Tax rates	16.5% corporate rate	15% corporate rate	N/A
VAT	0%	0%	N/A
Tax treaties	Negotiated with 30+ countries	Negotiated with 30+ countries	N/A
Other taxes	N/A	N/A	N/A
Government fees			
Registry fee	HK\$105 paid annually to Hong Kong Companies Registry	HK\$340 paid annually, plus an additional fee for every HK\$1000 contributed by each partner	N/A
License fee	HK\$2,250 paid annually for Business Registration Certificate	N/A	HK\$2,000 paid annually for Business Registration Certificate
Incorporation process			
Summary	<ul style="list-style-type: none"> ➤ Incorporation Form (Form NNC1 for company limited by shares) ➤ A copy of the company's Articles of Association ➤ A Notice to Business Registration Office (IRBR1) 	<ul style="list-style-type: none"> ➤ Establish a place of business. ➤ Apply for a Business Registration Certificate. 	<ul style="list-style-type: none"> ➤ Establish a place of business. ➤ Apply for a Business Registration Certificate.
Time	One week	One week	1-2 days
Other			
Are shelf corporations available?	Yes	N/A	N/A

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CT Service Offerings – Hong Kong



Global Transactional Services

- Due diligence searches
 - Certificate of Good Standing (or equivalent)
 - Health check services
 - Liens/Charges
 - Litigation
 - Bankruptcy
- Document retrieval
 - Articles of Incorporation
 - Memorandum of Association
 - Chamber of Commerce Extract
- Authentications and legalizations
- Board changes
- Company searches
- Incorporations
- Liquidation of entities
- Process agent appointments
- Translation services

Global Entity Management

- Corporate Secretarial Services
- Annual Compliance
 - Statutory filings
 - Annual board resolution drafting
 - Corporate minute book management
- Domiciliation/Registered Address
- Director Services and Legal Representation

To learn more about how CT can help you better manage your **global compliance needs**, contact a CT representative at **855.444.5358** (toll-free U.S.).

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