

Hong Kong Tax Incentive for Funds

Profits tax exemption

Fund

irrespective of the location of central management and control

HK limited partnership funds

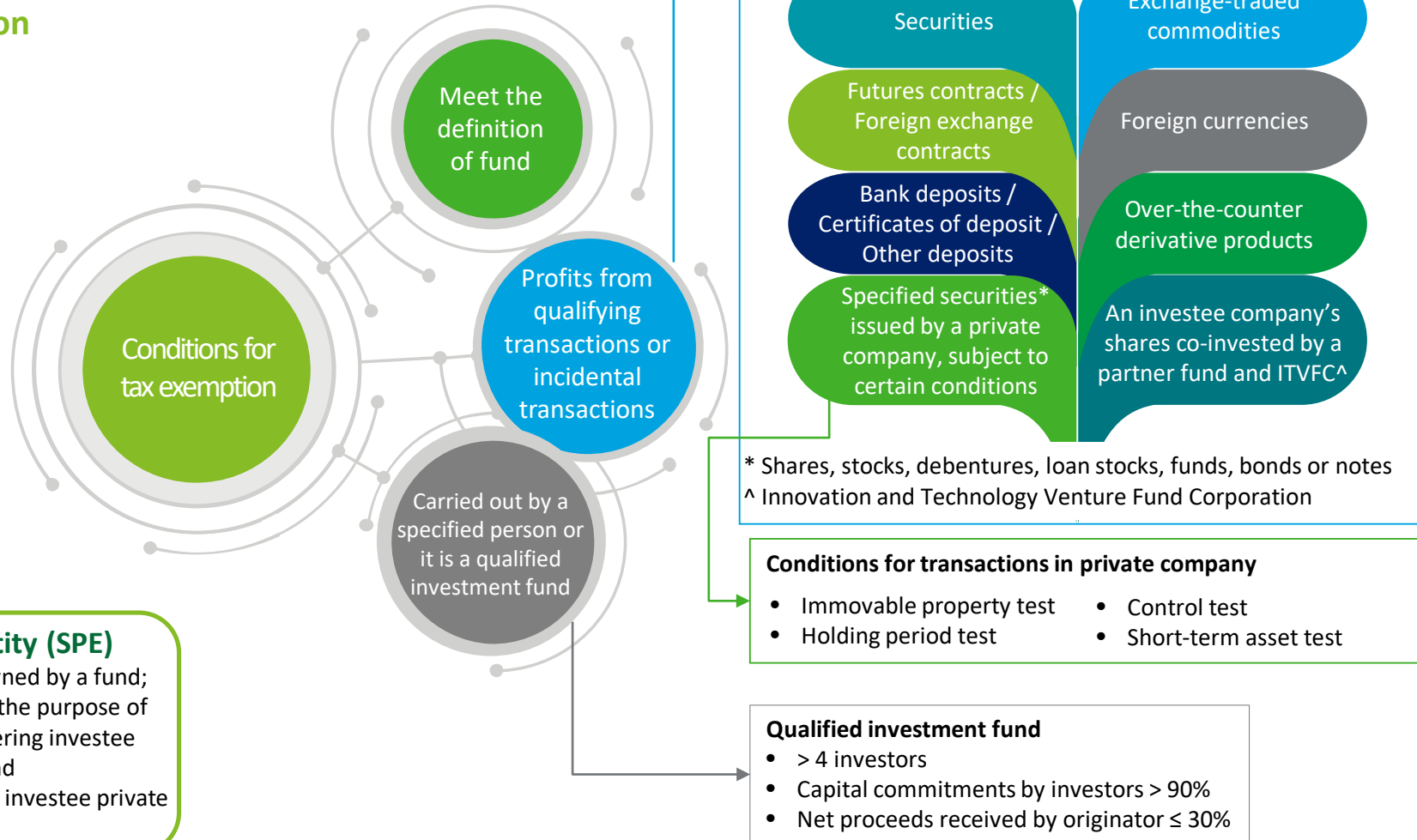
HK open-ended funds

Non-HK resident funds

SFC regulated funds

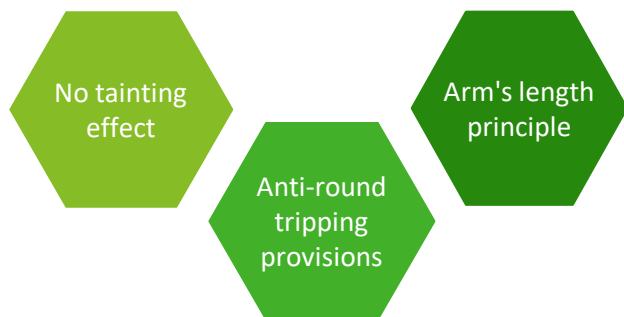
Special Purpose Entity (SPE)

- Wholly or partially owned by a fund;
- Established solely for the purpose of holding and administering investee private companies; and
- Not itself a fund or an investee private company.



* Shares, stocks, debentures, loan stocks, funds, bonds or notes
 ^ Innovation and Technology Venture Fund Corporation

Other considerations



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Service offerings



Planning

- recommend a fund structure that may improve tax efficiency by making use of the tax exemption
- advise on the "operating guideline" from tax perspective



Implementation

- review of fund-related documents
- transfer pricing analysis
- tax compliance
- application for Certificate of Resident for treaty benefits



Review

- review current fund structures for eligibility to tax exemption
- comment on potential tax exposures