

立法會
Legislative Council

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Tel : 3919 3328

Date : 16 June 2017

From : Clerk to the Legislative Council

To : All Members of the Legislative Council

Council meeting of 21 June 2017

Inland Revenue (Amendment) (No. 2) Bill 2017

Committee stage amendments

The Second Reading debate on the above Bill will be resumed at the Council meeting of 21 June 2017. Subject to the Bill receiving Second Reading, the President has given permission for the Secretary for Transport and Housing to move Committee stage amendments (“CSAs”) to the Bill.

2. As directed by the President, the CSAs are attached for Members’ consideration.

(Ivy NGAI)
for Clerk to the Legislative Council

Encl.

Inland Revenue (Amendment) (No. 2) Bill 2017

Committee Stage

Amendments to be moved by the Secretary for Transport and Housing

<u>Clause</u>	<u>Amendment Proposed</u>
4	In the proposed section 14G(1), by deleting the definition of <i>non-Hong Kong aircraft operator</i> .
4	In the proposed section 14G(6)(b), by deleting “, and is leased to a non-Hong Kong aircraft operator,”.
4	In the proposed section 14G(7)(d), by deleting “a non-Hong Kong” and substituting “an”.
4	In the proposed section 14H(1), by deleting “(4), (6) and (7)” and substituting “(4) and (6)”.
4	By deleting the proposed section 14H(7) and substituting— “(7) If subsection (1) applies to a corporation for a year of assessment, the corporation is not entitled to be granted any allowance under Part 6 for that year of assessment in respect of the capital expenditure incurred on the provision of the aircraft concerned.”.
4	By deleting the proposed section 14I(3)(b) and substituting— “(b) allowances under Part 6 have been granted to the corporation or a connected person of the corporation in respect of the capital expenditure incurred on the provision of the aircraft concerned; or”.

4 In the proposed section 14I(4), by deleting “a non-Hong Kong” and substituting “an”.

4 In the proposed section 14J(1), by deleting “(5), (7) and (8)” and substituting “(5) and (7)”.

4 By deleting the proposed section 14J(8) and (9).

4 By deleting the proposed section 14M(5), (6) and (8).

New By adding—

“5A. Section 16 amended (ascertainment of chargeable profits)

After section 16(1)—

Add

“(1A) In computing the amount of deduction of a person’s outgoings and expenses for the purposes of subsection (1), if—

- (a) the person is a connected person (as defined by section 14G(1)) of a corporation;
- (b) a sum is payable by the person to the corporation, whether directly or through an interposed person; and
- (c) the sum is included in the assessable profits of the corporation chargeable at a reduced tax rate under section 14H(1) or 14J(1) for a year of assessment,

the amount of deduction in respect of the sum is to be reduced such that the profits tax payable by the person is increased by reference to the amount of the reduction in the profits tax payable by the corporation in respect of the sum for the year of assessment or any subsequent year of assessment.”.

- 8 In the proposed section 37(2B), by adding “in respect of which section 14H(1) applies” after “activity”.
- 10(2) In the proposed section 39B(6A), by adding “in respect of which section 14H(1) applies” after “activity”.