



稅務局
香港九龍啟德協調道5號
稅務中心

INLAND REVENUE DEPARTMENT

INLAND REVENUE CENTRE,
5 CONCORDE ROAD, KAI TAK,
KOWLOON, HONG KONG.

網址 Web site: www.ird.gov.hk

來函請寄「香港郵政總局郵箱 132 號稅務局局長收」

ALL CORRESPONDENCE SHOULD BE ADDRESSED TO:—

COMMISSIONER OF INLAND REVENUE,
G.P.O. BOX 132, HONG KONG.

來函編號：

Your Ref.:

來函請敘明本局檔案號碼

IN ANY COMMUNICATION PLEASE QUOTE OUR FILE NO.

檔案號碼：
File No.:

Limited

電話：

Tel. No.:

傳真：

Fax No.:

電郵：

E-mail:

發出日期：

Date of Issue:

AUG 2023

Dear Sir/Madam,

**Limited (“the Company”)
Profits Tax**

Years of Assessment

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In order that I may finalise your Profits Tax liabilities, please supply the following information and document(s) in respect of the Company’s offshore claim of its trading profits for the captioned years of assessment:

The Company’s business establishments

- (1) An organisation chart with full details of the Company’s establishments in Hong Kong and overseas. This should include in respect of each office, its address, size, the number of employees and their respective name, post title and duties.
- (2) For the overseas establishment, describe in detail its functions and specify its authorities if it was involved in the negotiations with the buyers and suppliers. If there was no establishment overseas, provide details of any other group companies or independent third parties involved in the sales and purchases of the Company’s products, their respective responsibilities and authorities.
- (3) In respect of the Company’s business address at
 - (a) period of use of the address;
 - (b) a copy of the tenancy agreement. If the Company is not a tenant of the address, state the name of the party which allows the Company to use the address and its relationship with the Company, its director and shareholder;

IR 678(1) (6/2022)

就本信件的要求及於本局處理你的申請／要求／通知的過程中提供個人資料屬自願性質。然而，如你未能提供充分資料，本局可能無法處理你的申請／要求／通知。本局會把你提供的資料，用於施行本局專責執行的法例。本局並可在法律授權或非許的情況下，向任何其他人士或機構披露／轉移該等資料的任何或全部內容。你有權要求查閱及改正你的個人資料，但屬《個人資料（私隱）條例》豁免披露的情況除外。如欲查閱或改正個人資料，請致函評稅主任（地址為香港郵政總局郵箱 132 號），同時請註明你於本局的檔案號碼。

The provision of personal data required by this letter and during the processing of your application/request/notification is voluntary. However, if you do not provide sufficient information, the Department may not be able to process your application/request/notification. The Department will use the information provided by you for the purposes of the Ordinances administered by it and may disclose/transfer any or all of such information to any other parties provided that the disclosure/transfer is authorized or permitted by law. Except where there is an exemption provided under the Personal Data (Privacy) Ordinance, you have the right to request access to and correction of your personal data. You should send such request in writing to the Assessor at G.P.O. Box 132, Hong Kong and quote your file number in this Department.

- (c) if the address was provided by a service provider, state the name of the service provider and the details of services provided by it with a copy of the service agreement; and
 - (d) describe precisely the activities of the Company that are carried out at the premises and provide documentary evidence in support.
- (4) Provide the following information and documents for the Company's directors,
- (a) Hong Kong Identity Card number, if any;
 - (b) residential address;
 - (c) amount of remuneration paid to him/her and basis of computation, if any;
 - (d) roles in the Company's operation; and
 - (e) a copy of employment contract/agreement relating to the appointment as directors or his/her role in the Company's operation, if any.

The Company's products

- (5) The type of goods being purchased and sold with a copy of catalogue or price list/quotation of the products issued by the Company in the relevant basis period.

The Company's mode of trading

- (6) Full details of how the Company carried out the claimed offshore trading transactions, including
- (a) whether the sales were on indent basis or inventories were held for filling up orders; and in the latter case, advise the place where the inventory was kept;
 - (b) whether samples were produced to potential customers and if yes, provide full details of how, where and by whom the samples were produced and delivered to the customers;
 - (c) whether the Company's own sales staff were sent overseas to negotiate and conclude sales and if yes, a full list of all staff involved in the claimed offshore operations, their respective name, Hong Kong Identity Card number, post title and a full set of itinerary of the business trips made during the relevant basis period including the period of each trip, the places visited, the purposes of each visit and the suppliers/customers contacted; and
 - (d) whether overseas group companies or any other parties were involved in the offshore transactions and if yes, the staff employed by each of these overseas company, their respective name, Hong Kong Identity Card number, post title and a full set of itinerary of the business trips made including the period of each trip, the place visited, the purpose of each visit and the supplier/customers contacted.

The Company's purchases

- (7) For each of the years of assessment _____, provide an analysis of the suppliers, giving their respective name, address, amount of yearly purchases and relationship with the Company, its directors or shareholders, if any. If the number of suppliers exceeds 10, provide a list of the five largest suppliers with the above details.
- (8) Full details of how, where and by whom the suppliers were procured and how the purchase price of the goods was determined. If by negotiation, explain how, where and by whom the negotiations were carried out. If there was a long established business relationship, provide full details of how such relationship was established. If the suppliers were group companies, confirm whether the products supplied and the purchase prices were predetermined according to group policy, or the Company had the authority to determine the purchase prices and/or adjust the prices such as by way of discount.
- (9) Whether any distribution agreement or other form of master agreement was entered into with any of the suppliers and if yes, provide a copy.
- (10) For individual transaction, confirm whether formal purchase contract was made for every order/repeated order. Describe how, where and by whom the contract was prepared and signed.
- (11) Full details of how, where and by whom the purchase order was initiated, processed and placed with the supplier and whether confirmation from the supplier is required.
- (12) Full details of the method of financing the purchase of goods and how payment was made to the suppliers. In respect of banking facilities obtained by the Company to finance the purchases, provide a copy of the banking facility letter of the relevant period showing the extent of the facility obtained and the security provided. Advise the names of staff authorized by the Company to act as signatories of the Company's bank accounts.

The Company's sales

- (13) For each of the years of assessment _____, provide an analysis of the customers, giving their respective name, address, amount of yearly sales and relationship with the Company, its directors or shareholders, if any. If the number of customers exceeds 10, provide a list of the five largest customers with the above details.
- (14) Full details of how, where and by whom the customers were solicited and how the selling price of the goods was determined. If by negotiation, explain how, where and by whom the negotiations were carried out. If there was a long established business relationship, provide full details of how such relationship was established. If the customers were group companies, confirm whether the products sold and the selling prices were predetermined according to group policy, or the Company had the authority to determine the selling prices and/or adjust the prices such as by way of discount.

- (15) Whether any distribution agreement or master sale agreement was entered into with any of the customers and if yes, provide a copy.
- (16) For individual transaction, confirm whether formal sales contract was made for every order/repeated order. Explain how, where and by whom the contract was prepared and signed.
- (17) Full details of how, where and by whom the purchase order from customer was initiated, processed and placed with the Company, the name of staff who had the ultimate authority to accept the order and whether confirmation with the customer was required.
- (18) Full details of how, where and by whom the shipment of goods from suppliers to customers was arranged and the inspection of goods before shipment was made, whether the goods from suppliers passed through Hong Kong or not and if the goods passed through Hong Kong, whether transshipment was instantly arranged or they were temporarily stored in the Company's warehouse.
- (19) Advise how customers settled their accounts (e.g. by letter of credit, bill of exchange etc.).

Representative transactions

- (20) For the 2 largest sales transactions in terms of sales value with the largest customer in each of the years of assessment :
provide a full indexed set of documents in chronological order, including sales and purchase agreements, purchase and sales orders, order confirmation, correspondence by way of letters, facsimile transmission, emails, invoices, letter of credit and shipping and insurance documents etc.
- (21) For the 6 transactions selected above,
 - (a) details of the nature, quantity and value of the products purchased and sold as well as the parties involved;
 - (b) clear and full version of each document with a brief description of the nature of the document and the parties concerned; and
 - (c) the routing of documents (i.e. the sender and recipient of the documents). By reference to the documents, describe thoroughly how, where and by whom the purchase and sales activities were performed, from negotiations with buyers and suppliers, conclusion of contracts, issue and receipt of sales and purchase orders, confirmation and acceptance of the orders, arrangement of finance, inspection, delivery of goods to final settlement of accounts.

Basis of the offshore claim

- (22) State the reasons why the claimed offshore profit is not chargeable to Hong Kong Profits Tax.

Year of assessment

- (23) confirm the date of cessation of the business.
- (24) your reasons of declaring "not yet commence business" in the Profits Tax return for the year of assessment.
- (25) provide the Company's Balance Sheet, Auditor's Report, Detailed Profit and Loss Account and Proposed Tax Computation with supporting schedules for the period from

Please reply within two months from the date of this letter.

Yours faithfully,

Assessor, Profits Tax