



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: 91/15223
File No.:

Hong Kong Association For Business
Education Limited
Unit 1203 12/F
CEO Tower
77 Wing Hong Street
Cheung Sha Wan Hong Kong

稅務局
香港灣仔告士打道 5 號
稅務大樓

INLAND REVENUE DEPARTMENT
REVENUE TOWER
5 GLOUCESTER ROAD, WAN CHAI,
HONG KONG.

網址 Web site: www.ird.gov.hk
來函請寄「香港郵政總局信箱 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.

電話:
Tel. No: 2594 5288
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發出日期:
Date of Issue:

22 JUN 2020

Dear Sirs,

Review of Charitable Institutions & Trusts

Thank you for the return of the completed questionnaire.

After examination of the information furnished therein, I am satisfied that HONG KONG ASSOCIATION FOR BUSINESS EDUCATION LIMITED is still a charitable institution or trust of a public character within the meaning of section 88 of the Inland Revenue Ordinance (“the Ordinance”). The exemption from all taxes under the Inland Revenue Ordinance, notified in our letter of 14 June 2017, will continue.

Notification of Changes

In order to ascertain the effect on your organisation’s exemption status, please notify the Department if there is any alteration to the governing instrument of your organisation **within one month** of the date of change. Besides, to assist in updating your organisation’s record, please inform the Department whenever your organisation’s operation is ceased; or your organisation’s name or address is changed.

Subsidiary Bodies

If your organisation operates any subsidiary bodies to carry out charitable works and would like to have the name of these subsidiary bodies be included in the list of charitable institutions and trusts of a public character, which are exempt from tax under section 88 of the Ordinance, uploaded on the Department’s website (“the s88 List”), so as to facilitate donors to check whether their donations to these subsidiary bodies can be claimed for tax deduction, you may request the Department to include the names of such subsidiary bodies in the s88 List. However, please notify the Department whenever any subsidiary bodies whose names are

CDV (6/2018)

就本文件的要求及於本局處理你的個案的過程中提供個人資料屬自願性質。然而，如果你未能提供充分資料，本局可能無法處理你的個案。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准許的情況下，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信箱132號），同時請註明你於本局的檔案號碼。
The provision of personal data required by this document and during the processing of your case is voluntary. However, if you do not provide sufficient information, the Department may not be able to process your case. 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 authorised 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 GPO Box 132, Hong Kong and quote your file number in this Department.

separately disclosed on the s88 List are terminated **within one month** of the date of termination. For the present purpose, a subsidiary body refers to a division which is not distinct from the charity and is governed by the charity's governing instrument under the charity's sole ownership and control (e.g. service unit or time-limited project).

Trade or Business

Your attention is drawn to the proviso to section 88 of the Ordinance which provides that for the purpose of Profits Tax, if a charitable institution or trust of a public character carries on a trade or business, the profits from such trade or business are exempt from tax **only if**:-

- (a) the profits are applied solely for charitable purposes; and
- (b) the profits are not expended substantially outside Hong Kong; and
- (c) either
 - (i) the trade or business is exercised in the course of the actual carrying out of the expressed objects of the institution or trust; or
 - (ii) the work in connection with the trade or business is mainly carried on by persons for whose benefit such institution or trust is established.

It should be noted that the dealing in assets (e.g. landed properties, securities, etc.) is by itself an adventure in the nature of trade. Unless such trading activities are carried out in the course of the actual carrying out of the expressed objects of a charitable institution or trust of a public character and provided that all other conditions in the proviso to section 88 of the Ordinance are satisfied, any profits derived therefrom by a charitable institution or trust of a public character should be subject to Profits Tax.

A charitable institution or trust of a public character is subject to Profits Tax in respect of the profits derived from a trade or business unless the proviso to section 88 of the Ordinance is applicable to that trade or business. Pursuant to section 51(2) of the Ordinance, any person (including a charitable institution or trust of a public character) chargeable to tax for a year of assessment is required to inform the Department in writing that he is so chargeable not later than 4 months after the end of the basis period for that year of assessment unless he has already been required to furnish a tax return.

Useful References

The Social Welfare Department, the Home Affairs Department, the Food

and Environmental Hygiene Department and the Independent Commission Against Corruption have issued guidance on the best practices for charitable fund-raising activities. Please refer to the following links for information:

- "Good Practice Guide on Charitable Fund-raising" by the Social Welfare Department, Home Affairs Department, and Food and Environmental Hygiene Department
<https://www.gov.hk/en/theme/fundraising/guide/>
- "Best Practice Checklist - Management of Charities and Fund-raising Activities" by the Independent Commission Against Corruption
http://www.icac.org.hk/filemanager/en/content_218/fund_raising.pdf

The Narcotics Division of the Security Bureau has issued "An Advisory Guideline on Preventing the Misuse of Charities for Terrorist Financing". Please refer to the following links for information:

- Guideline
https://www.nd.gov.hk/pdf/guideline_e_20180929.pdf
- Appendix
https://www.nd.gov.hk/pdf/Appendix_e_20180929.pdf

For enquiries, please contact the relevant departments.

Yours faithfully,



(Ms CHAN Man-ling)
for Assessor
Charitable Donations Section

C.D.5 (04/2020)