

HKICPA Qualification Programme Module D Learning Pack

Summary of changes in fourth edition

Examination questions from recent sessions have been added.

| Chapter in 3rd edition | | Main changes in 4th edition |
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| Chapter | Chapter Name | |
| 1 | The tax system in Hong Kong | <ul style="list-style-type: none"> • Updated DIPN table • Updated on the tax measures proposed in 2013/14 Budget • Updated new CDTAs signed by Hong Kong • Updated amendments to IRO • Updated changes in stamp duty • Added DIPN No. 49 |
| 2 | Administrative procedures under the Inland Revenue Ordinance | <ul style="list-style-type: none"> • Updated court cases |
| 3 | Hong Kong profits tax | <ul style="list-style-type: none"> • Added one more relevant factor to the badges of trade • Further elaboration on the terms 'business' and 'business carried on in Hong Kong' • Further elaboration on the source of interest income • Further elaboration on the source of royalty income with reference to DIPN 49 • Added new cases (Turner Entertainment Networks Asia, Inc for Muse Communication Company Limited v CIR; Braitrim (Far East) Limited v CIR) • Added a summary of tax treatments for interest on and profit from qualifying debt instruments • Added details on the new DIPN 49 • Added the loss relief for trust • Updated new CDTAs signed by Hong Kong • Updated existing examples and added new examples • Updates status of tax cases • Added new Appendix 10 |
| 4 | Non-residents | <ul style="list-style-type: none"> • No significant changes • Further elaboration on IRR 3 • Further elaboration on goods on consignment • Updated new CDTAs signed by Hong Kong |

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| 5 | Hong Kong salaries tax | <ul style="list-style-type: none"> Updated on the increase in threshold for claiming self-education expenses proposed in the budget for 2013/14 Updated on the increase in child allowance proposed in the budget for 2013/14 |
| 6 | Hong Kong property tax | <ul style="list-style-type: none"> No significant changes. |
| 7 | Personal assessment | <ul style="list-style-type: none"> No significant changes. |
| 8 | Stamp duty | <ul style="list-style-type: none"> Further elaboration on 'Stampable consideration' Added a new table summarising the charge of stamp duty for transfer of immovable property Further elaboration on 'SSD' Further elaboration on 'Stock borrowing and lending transactions' Further elaboration on 'Voluntary disposition inter vivos' Further elaboration on 'General exemptions' Added 'Method of stamping' and 'Penalty for failure to disclose relevant information' under stamp duty administration Further elaboration on 'Appeal against stamp duty assessment' Added new examples |
| 9 | Introduction to tax planning | <ul style="list-style-type: none"> Further elaboration on 'Application of the <i>Ramsay</i> principle in Hong Kong' Tax cases moved to the Appendix Added a section on s.16J(4) Further elaboration on s.39E Added new examples |
| 10 | Tax investigation and field audit | <ul style="list-style-type: none"> No significant changes |
| 11 | Tax compliance and tax advisory services | <ul style="list-style-type: none"> No significant changes. |
| 12 | Double taxation arrangement and agreements | <ul style="list-style-type: none"> Added Public Announcement [2012] No. 30 which provides further guidance on the definition of beneficial owner Added that Hong Kong can now enter into tax information exchange agreements with other jurisdictions Updated table on Summary of avoidance of double taxation agreements |
| 13 | Overview of China tax system | <ul style="list-style-type: none"> Updated VAT reform pilot program Added calculation of consumption tax liability for importation of taxable consumer goods |