



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.: C/FRSC

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.: HQ502/141 Pt. 29

Ms Christina Ng
Director, Standard Setting Department
Hong Kong Institute of
Certified Public Accountants
37/F, Wu Chung House
213 Queen's Road East
Wanchai, Hong Kong

電話： 2594 5296
Tel. No.:
傳真： 2511 7414
Fax No.:
電郵： pk_pui_ki_wong@ird.gov.hk
E-mail:
發出日期： 22 May 2019
Date of Issue:

Dear Ms Ng,

**IASB Exposure Draft
ED/2019/1 Interest Rate Benchmark Reform
(Proposed amendments to IFRS 9 and IAS 39)**

Thank you for your letter dated 7 May 2019 inviting our comments on the exposure draft ED/2019/1 (“the Exposure Draft”) issued by the International Accounting Standards Board (“IASB”) in respect of the proposed amendments to IFRS 9 *Financial Instruments* and IAS 39 *Financial Instruments: Recognition and Measurement* in light of the reform of interest rate benchmarks (“the reform”).

IFRS 9 and IAS 39 require companies to use forward-looking information to apply hedge accounting. While the reform is ongoing, uncertainties exist about when the current interest rate benchmarks will be replaced and with what interest rate. Such uncertainties could result in a company having to discontinue hedge accounting solely because of the reform’s effect on its ability to make forward-looking assessments. In the Exposure Draft, the IASB proposes to amend IFRS 9 and IAS 39 to provide relief from specific hedge accounting requirements that could have resulted in the discontinuation of hedge accounting solely due to the uncertainties arising from the reform.

We broadly support the IASB’s proposal to provide relief from specific hedge accounting requirements which will help address the uncertainties surrounding the reform. Insofar as tax administration is concerned, we have no comment on the proposed amendments in the Exposure Draft.

We are grateful for the opportunity to provide our comments on the Exposure Draft.

Yours sincerely,

(Ms WONG Pui-ki)

for Commissioner of Inland Revenue