

Hong Kong

Summary of CbC Reporting and Transfer Pricing Documentation Rules

For more detailed guidance and the latest updates, please see the [Bloomberg Tax BEPS Tracker](#)

Country-by-Country Report

- Effective Date: Accounting periods beginning on or after January 1, 2018.
- Filing Threshold: Hong Kong MNEs with annual consolidated group revenue equal to or exceeding HK\$ 6.8 billion in the previous year.
- Surrogate Filing: A surrogate parent entity may be designated.
- Local Filing: A Hong Kong constituent entity is required to file a CbC report if certain conditions are met.
- Information Reported: Consistent with OECD guidance.
- Forms/Filing Instructions (see Bloomberg Tax International Tax Forms database):
 - CbC Notification of Reporting Entity: Filed through the CbC Reporting Portal.
 - CbC Report: Filed through the CbC Reporting Portal.
- Language: English or Chinese.
- Deadline for Filing Notification of Reporting Entity: Within 3 months after the end of the relevant accounting period. Taxpayers must also report their CbC compliance in the tax return. For accounting periods ended between December 31, 2021 and February 28, 2022, the notification deadline is extended to June 1, 2022.
- Deadline for Filing CbC Report: Within 12 months after the end of the relevant accounting period, or the date specified in the assessor's notice, whichever is earlier.
- Penalties: Penalties for non-compliance may apply.
- Exchange of Information:
 - MCAA CbC: signed.
 - Bilateral CAA: China
 - Bilateral CAA: Several bilateral arrangements for the exchange of CbC reports were entered into for reporting periods prior to the date the Multilateral Convention on Mutual Administrative Assistance in Tax Matters entered into force in Hong Kong (i.e., September 1, 2018).

For a schedule of CbC report and CbC notification deadlines (by country), please see [CbC Reporting Deadlines](#).

Master File

- Effective Date: Accounting years beginning on or after April 1, 2018.
- Filing Threshold: An exemption applies for enterprises that meet any two of the following conditions: (i) total annual revenue not more than HK\$ 400 million; (ii) total assets not more than HK\$ 300 million; and (iii) not more than 100 employees.
- Information Reported: Consistent with OECD guidance.
- Language: English or Chinese
- Deadline for Preparation: Within 9 months after the end of the relevant accounting year.
- Penalties: Penalties for non-compliance may apply.

Local File

- Effective Date: Accounting years beginning on or after April 1, 2018.
- Filing Threshold: An exemption applies for enterprises that meet any two of the following conditions: (i) total annual revenue not more than HK\$ 400 million; (ii) total assets not more than HK\$ 300 million; and (iii) not more than 100 employees. In addition, if the amount of a category of related party transactions (excluding domestic transactions) is less than the following thresholds, an enterprise will not be required to file a local file for that category: (i) transfer of properties: HK\$ 220 million; (ii) transaction of financial assets: HK\$ 110 million; (iii) transfer of intangibles: HK\$ 110 million; and (iv) any other transaction: HK\$ 44 million.
- Information Reported: Consistent with OECD guidance.
- Language: English or Chinese.
- Deadline for Preparation: Within 9 months after the end of the relevant accounting year.
- Penalties: Penalties for non-compliance may apply.

Tax Return Disclosure

A Hong Kong entity must declare in the profits tax return and Supplementary Form S2 whether it has conducted controlled transactions with associated entities and is required to prepare a master file and a local file.