

Hong Kong companies

Hong Kong is one of the world's most reliable and efficient financial centres, with no exchange control, a sound legal system and efficient transport and communication networks.

This, along with the fact it has been ranked the world's freest economy by the Washington DC-based think-tank The Heritage Foundation for 23 consecutive years, makes incorporation in Hong Kong attractive for international traders.

A Hong Kong company

By statute Hong Kong companies must have a minimum of one director and one shareholder, but there is no statutory requirement the shareholders or directors are Hong Kong residents. Company incorporation requires a registered office in Hong Kong and a Hong Kong resident individual or Hong Kong corporation to act as secretary.

Hong Kong companies are ideal vehicles for international trading or consulting activities. Where no profit is derived from HK they can operate tax free subject to approval by the Inland Revenue. The same is true for companies holding real estate which is located outside Hong Kong. There is no capital gains tax and dividends received or distributed by a Hong Kong company are also tax free. The standard rate of tax applicable to Hong Kong sourced income is very competitive at 16.5 per cent; there is no VAT and no withholding tax.

Hong Kong companies are popularly used as a holding company of a Wholly Foreign Owned Enterprise (WFOE) for trading in China. Many young international entrepreneurs will set up a Hong Kong Company and apply for an investment visa to stay in Hong Kong. There is no minimum capital investment and the personal tax rate is as low as 15 per cent.

Why Hong Kong?

Hong Kong's stock market, the third-largest in Asia after Japan and China, is considerably more liquid, and more familiar to investors, than mainland stock markets. Since China opened its doors to the world in the late 1970s, Hong Kong companies have invested more time, money and resources than any others tapping into the potential of the Chinese market.

Our professional and highly qualified team in Hong Kong advise investors and entrepreneurs on appropriate structures, company formation, bank account opening, compliance, administration, book keeping, accountancy, pensions and payroll. The team is fluent in English, Cantonese and Mandarin and work very closely with our Shanghai office.

ILS World can provide a Hong Kong company for a one off payment which includes first business registration fees and government filing fees.

The team has gained a great deal of experience in advising and administering Hong Kong company related structures for clients and assist with:

- Company administration
- Formation of companies and trusts
- Use of our service companies as intermediaries



- Assistance with contracts
- Invoicing and accounting
- Administration
- Director and secretary services
- Registered office facilities
- Virtual office facilities
- Physical office facilities
- Accounting services
- Payroll
- Work permit
- Trademark registration.

For further information on doing business in the Hong Kong please contact Lilian Cheung at lilian.cheung@ils.world

Please note: ILS World does not offer tax advice. If you are not professionally qualified to give tax advice we will be happy to make an appropriate introduction.

