

Hong Kong Companies

The process of incorporating a Hong Kong company, limited by shares, is a relatively simple and inexpensive one. Requirements for incorporation:

- Only one shareholder and director, there being no restriction as to the resident status of the person (and corporations can be used).
- Not requiring the shareholder and director to be separate persons.
- Minimum issued capital of only HK\$1.00 to activate the company
- Confidentiality can be assured through the continued use of nominee services, should this be required

Hong Kong companies can be incorporated in within a week, with minimum annual maintenance charges. In addition, most of the world's leading banks conduct business in Hong Kong, enabling existing banking relationships to continue.

FCPCS – How can we help?

Client Services

With our HQ located in Hong Kong, FCPCS is experienced in establishing and managing structures using Hong Kong as a primary holding company that owns other offshore assets or PRC subsidiaries complete with the necessary licenses and approvals, set up directly by professionals in our Shanghai office.

Partner Services

FCPCS primarily works with other Corporate Services providers, Multi-national companies, Private Banks, Investment Institutions and their clients in the United States, Europe and Australia to service their client needs in China and Asia.

Fund Manager Services

FCPCS also specialises in working with International Fund Managers to establish corporate structures with security and trading accounts in Hong Kong and China through access to Qualified Foreign Institution Investors (QFII) arrangements. Along with its Advisory Services division, FCPCS provides extensive services for asset holding, trading and investment related clients, including:

- Establishment of asset & investment holding structures in Hong Kong
- Establishment of cross-border property holding & investment structures
- Incorporation of Hong Kong and PRC entities, and China entry & licensing approvals
- Establishment of structures for Fund Managers to trade equities & securities in Hong & China (QFII)
- Structured co-investment opportunities for advisory clients
- Value-added transaction advisory services for M&A or investment activities



FCP CORPORATE SERVICES LIMITED

Hong Kong A Global Onshore & Offshore Jurisdiction

Hong Kong is a world class offshore jurisdiction for many international entities, especially for those intending to trade, hold assets or investments on a global basis, inclusive of Asia and China. This status is primarily a result of Hong Kong's simple and low tax system. There is no tax on investment returns, no capital gains tax, withholding tax on dividends and interest, no sales tax and no estate duty tax. For international companies using Hong Kong as an operating company for business operations in China or the rest of Asia, profit derived from such offshore business is also exempt from tax in Hong Kong.

The essential features which we consider critical to Hong Kong's success as a business and financial centre include:

- World class corporate infrastructure
- Tax free on investments & capital gains
- Highly recognised & credible international financial centre and onshore/offshore jurisdiction
- One of Asia's leading & global stock exchange
- Free & internationally recognised economy
- Legal system based on English Common Law
- Highly skilled & multi-cultural talent base
- Excellent geographic location, being a gateway between China, Asia & international markets
- No foreign exchange control
- Free flow of information

HONG KONG

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Taxation

Hong Kong's tax system levies three basic taxes, all of which are based on a territorial system. The taxes are on income and gains derived from a trade, profession or business (Profits Tax), on income from employment (Salaries Tax) and on income from property (Property Tax).

The territorial system of taxation ensures that only income which arises in or is derived from Hong Kong is subject to tax. The fact that offshore income is excluded from taxation and the absence of taxation on dividends, specific sources of interest and capital gains makes Hong Kong an attractive low tax jurisdiction.

The standard rate of Profits Tax for companies is currently 16.5% (2008/09) and for unincorporated persons 15% income from employment is taxed at progressive rates with a maximum effective rate of 15%.

Property tax is levied at 15%. There is currently no VAT or Sales Tax.

Hong Kong does not withhold tax from the payment of dividends, interest, management fees, etc, but does impose an effective withholding on royalties, though only under specific circumstances.

Hong Kong also enforces the preservation of secrecy with regard to all matters relating to the affairs of any person that may come to the knowledge of the Inland Revenue Department (IRD), preventing the IRD from communicating such matters to any unauthorized person(s), and forbids any person(s) to have access to any records in the possession, custody or control of the Commissioner.

With the adoption of a low tax rate, a secrecy code, and a simple and predictable tax system, Hong Kong provides a distinct advantage to companies looking to operate in Asia.

Hong Kong – Asia's Financial Centre

Hong Kong has, for several decades, been acknowledged as one of Asia's leading financial centres. Its unique geographical location makes it strategically positioned to act as a gateway to China and the rest of Asia for the international market. With its world class corporate infrastructure and English Common Law legal system, Hong Kong is a highly recognised and credible international financial centre, thereby attracting international individuals and firms to use Hong Kong as a legitimate and credible offshore jurisdiction. Hong Kong's free and internationally recognised economy has been booming since the late 1950s and continues to attract growth and foreign investment due to its lack of restriction on foreign exchange control and its free flow of information.

Hong Kong has one of the highest concentrations of banking institutions in the world; 71 of the largest 100 world banks have operations in Hong Kong. It is also widely recognised as the leading fund management centre in Asia with the largest concentration of international fund managers; 292 fund management companies were recorded in 2006. Whilst the development of the capital markets remains a priority for Hong Kong, the creation of a more attractive environment for funds, fund managers, trusts, trustees and administration is acknowledged as essential.

An annual survey carried on 2 June 2008, showed that Hong Kong was home to a record 6,612 overseas and Mainland firms that had overseas parents, a year-on-year increase of 2.7%. Of those, 3,882 were regional headquarters or offices representing overseas parent firms, with United States leading with the highest number of regional headquarters, followed by Japan and Britain.

