



CHARTERED
SECRETARIES
特許秘書

18 July 2018

By Email: winnielam@fstb.gov.hk

Ms Pecvin Yong
Principal Assistant Secretary for
Financial Services and the Treasury (Treasury) (Revenue 1)
The Treasury Branch
Financial Services and the Treasury Bureau
24/F, Central Government Offices
2 Tim Mei Avenue, Tamar
Hong Kong

Dear Ms Yong

Proposed Legislative Amendments on Adoption of Fair Value Accounting for Financial Instruments for Tax Reporting

About HKICS

The Hong Kong Institute of Chartered Secretaries (HKICS) is an independent professional institute representing Chartered Secretaries as governance professionals in Hong Kong and Mainland China with over 5,800 members and 3,200 students. HKICS originates from The Institute of Chartered Secretaries and Administrators (ICSA) in the United Kingdom with 9 divisions and over 30,000 members and 10,000 students internationally. HKICS is also a Founder Member of Corporate Secretaries International Association Limited (CSIA), an international organisation comprising 14 national member organisations to promote good governance globally.

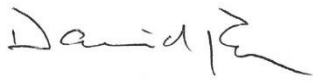
Proposed Amendments

In relation to the proposed legislative amendments on adoption of fair value accounting for financial instruments for tax reporting, we support adopting legislative amendments to formalising fair value accounting for financial instruments. This is on the basis that it is in good governance to provide statutory

backing to the concessionary practice by the Inland Revenue Department on a topic of this importance to the financial services industry which helps to reduce costs of tax filing by companies.

Should you have any questions, please feel free to contact Samantha Suen, FCIS FCS(PE), Chief Executive, HKICS or Mohan Datwani FCIS FCS(PE), Senior Director and Head of Technical and Research, HKICS at 2881 6177 or research@hkics.org.hk.

Yours faithfully,

A handwritten signature in black ink, appearing to read "David Fu", with a stylized flourish at the end.

David Fu FCIS FCS(PE)
President
The Hong Kong Institute of Chartered Secretaries