

Overview

On May 23, 2025, [HK GVT](#) gazetted the [Companies \(amendment\) \(no. 2\) ordinance 2025](#) which amends the [Companies ordinance \(cap. 622\)](#) and related legislation to establish a regime to enable a company incorporated outside Hong Kong to transfer its domicile to Hong Kong. The regime introduces inward-only re-domiciliation for foreign companies while allowing them to preserve their legal identity. It has primarily been given effect by the insertion of a new Part 17A into the *Companies Ordinance*.

Effective Date

The amendment ordinance came into operation on May 23, 2025, with [applications](#) for re-domiciliation to HK CRG opening on the same day.

Procedural Background

In Mar. 2023, [HK Treasury](#) launched a public [consultation](#) on proposals to introduce a company re-domiciliation regime in Hong Kong. The consultation ran for two months, and in Jul. 2024 [HK Treasury](#) published its comments on feedback received, consultation [conclusions](#) and legislative proposals. In Dec. 2024, the [Companies \(amendment\) \(no. 2\) bill 2024](#) was introduced in [HK PRL](#). For further details, see Reg-Track Rule [#168215](#).

Objectives

The key advantage of introducing a re-domiciliation regime is that it helps Hong Kong remain competitive internationally, providing companies with maximum business continuity and reducing administrative complexity. It enables a company domiciled elsewhere to change the place of its incorporation to Hong Kong while maintaining legal identity as a body corporate.

Without such a regime, a re-domiciling company is required to wind up its original incorporation and establish a new one in Hong Kong. This attracts significant legal costs, disruption in business operations and the burden of complying with dual regulation in the original place of incorporation and in Hong Kong.

The benefit of a re-domiciliation regime is that the transfer process does not affect the property, rights, obligations, liabilities, contractual and legal processes of the companies involved. Continuity of business operations is guaranteed, and the transition of tax obligations is stipulated, providing certainty regarding the re-domiciling company's liabilities.

Comparable common law jurisdictions including Canada, New Zealand and Singapore have introduced re-domiciliation regimes, and the UK is currently developing its position on the design of an equivalent regime (see Reg-Track Rule [#230245](#) on corporate re-domiciliation). Major offshore hubs for company incorporation such as the British Virgin Islands, Bermuda and Cayman Islands also have established re-domiciliation mechanisms.

Key Features of the Regime

- Re-domiciliation does not create a new legal entity and does not affect the identity, continuity, contracts, properties, rights, privileges, obligations or liabilities of, or any legal proceedings by or

against, the company. Re-domiciled companies may retain their company name and business registration number and will be treated the same as HK-incorporated entities for tax purposes.

- The regime applies to the four types of company that can be incorporated under the *Companies Ordinance*, namely private / public companies limited by shares and private / public unlimited companies with share capital. It does not apply to companies not falling within these categories (such as companies limited by guarantee without share capital).
- The jurisdiction where the applicant is incorporated (the originating domicile) must have a regime that allows for transfer of domicile. That is, it must allow the applicant company to de-register for the purpose of re-domicile to another jurisdiction and must not prohibit the inward domiciliation.
- The company must have been incorporated or registered in the originating domicile for at least one financial year as at the application date. It must also: obtain the required member consent under the original jurisdiction's laws; be made in good faith and not intended to defraud creditors; be able to demonstrate 12-month forward solvency and not be in liquidation; and submit specified documents in support of the application.
- The re-domiciling company must deregister from its original jurisdiction within 120 days of Hong Kong registration. Registration in Hong Kong will be revoked if deregistration proof is not provided within the deadline.

Tax Implications

[HK Tax](#) published a summary of the tax provisions under the new regime, including practical examples of calculations. It provided an explanation of transitional tax matters to facilitate tax planning and ensure certainty regarding companies' profits tax obligations after re-domiciliation. Key tax-related implications of the new regime are as follows:

- Hong Kong does not impose tax on the basis of residence or domicile. Under the [Inland Revenue Ordinance \(Cap. 112\)](#) any persons, including corporations, partnerships, trustees and bodies of persons, carrying on any trade, profession or business in Hong Kong are chargeable to tax on all profits (excluding profits arising from the sale of capital assets) arising in or derived from Hong Kong from that trade, profession or business.
- Under the new regime, this profits tax continues to apply only to profits arising in or derived from Hong Kong from a trade, profession, or business carried on in Hong Kong, regardless of the domicile of the company. However, re-domiciliation will not relieve that company from its profits tax liabilities in respect of the pre-domiciliation period.
- Amendments are made to the *Inland Revenue Ordinance* to provide for transitional tax matters arising from re-domiciliation, including rules on the fair deduction for trading stock, specified types of expenditure and depreciation allowances.
- In order to eliminate double taxation, tax credits are available in respect of any tax payable on actual profits derived in Hong Kong, provided that similar profits have been taxed in an unrealized form by the original jurisdiction of the company upon its exit from that jurisdiction.
- Re-domiciliation does not trigger any stamp duty liability in Hong Kong, as the process under the new regime does not involve the transfer of any assets.

Supporting Guidance

A suite of supporting documentation has been published to accompany the new regime:

- [HK CRG](#) issued a [circular](#) explaining the updated requirements relating to non-HK companies registered or to be registered under Part 16 of the *Companies Ordinance* from May 23, 2025 onwards. It includes explanations of new filing obligations and disclosure requirements.
- HK CRG also published a [Guide on company re-domiciliation](#) to provide comprehensive information relating to the application for re-domiciliation and other post-registration requirements and filing obligations specifically for a re-domiciled company.
- HKIA issued [Guidance for non-HK insurers to re-domicile to HK](#) and [interpretation notes on guidelines](#). The guidance outlines requirements and procedures under the regulatory framework as it applies to an authorized non-HK insurer wishing to re-domicile to Hong Kong.
- [HK MPFA](#) issued [eight sets](#) of revised MPF guidelines and updated content on its [webpages](#), to support the implementation of the company re-domiciliation regime, as well as making some housekeeping amendments.
- [HKMA](#) summarized legal requirements under the new regime and published a [list](#) of the legislation amended which is relevant to the banking sector.