

## VIEWS SOUGHT

The Government's current target is to introduce the necessary legislative amendments for the IRO into the Legislative Council in mid-2017.

Specifically, we would like to gauge your feedback on the following key issues within the framework as required by the OECD –

1. Do you support codifying the transfer pricing rules in the tax laws to provide better clarity and certainty? (*Chapter 3*)
2. Do you have views on the proposed level of penalty in respect of incorrect tax returns arising from non-arm's length pricing? (*Chapter 3*)
3. What are your views on the proposed key features of the statutory APA regime? (*Chapter 3*)
4. To avoid imposing an undue compliance burden on enterprises, do you agree with our proposal of exempting certain enterprises from preparing the master file and local file? (*Chapter 4*)
5. Do you have views on the compliance issues of CbC reporting (i.e. time frame, language and penalty), as well as the surrogate filing mechanism? (*Chapter 4*)
6. Do you support introducing a statutory dispute resolution mechanism so that cross-border treaty-related disputes could be resolved in a timely, effective and efficient manner? (*Chapter 6*)
7. Do you have views on the proposed features of the statutory dispute resolution mechanism? (*Chapter 6*)
8. Do you have views on the proposed enhancement to the tax credit system? (*Chapter 6*)

Please send your views and comments on the above issues, as well as any other views on BEPS matters to us **on or before 15 December 2016 (Thursday)** by post, fax or email –

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