#### 9 September 2016 (Friday)

18.45Registration19.00Seminar begins20.00Q & A session20.30End

Venue: ACCA Hong Kong Office Room 1901, 19/F, World Wide House, 19 Des Voeux Road, Central, Hong Kong

Organised by: Professional Development Subcommittee, ACCA HK



#### Fee (HK\$)

ACCA Member (online enrolment)......100 ACCA Member/ Affiliate......110 (**NO** refreshments would be provided)

Language:

Cantonese (supplemented with handouts in English)

Enrolment Deadline:

technical seminar

31 August 2016

# TAX TREATMENT OF ROYALTY INCOME RECEIVED BY A HONG KONG RESIDENT AND A NON-RESIDENT 1.5 CPD units

TS20160909

On 28 May 2015, The Court of Appeal handed down the judgment of Turner Entertainment Networks Asia, Inc. for Muse Communications Co. Ltd. v CIR. The decision of this case made a radical change in the tax treatment on royalty income received by a non-resident for the use of a video outside Hong Kong under section 15(1)(ba). With the issue of Inland Revenue Departmental Interpretation and Practice Note 49 (DIPN 49) in July 2012, the Commissioner of Inland Revenue set out his view in Part B of that DIPN on the tax treatment of royalty income derived from licensing of intellectual property rights. The DIPN demonstrates a new tax treatment on royalty income. When Turner case, Part B of DIPN 49 and section 15(1)(ba) come together, they are able to consolidate the relevant law applicable to different types of royalty income, and assist the participants to have a better understanding of those issues.

#### Areas to be covered in this seminar:

- 1. The three different source rules on the charge of royalty income received by a Hong Kong company,
- 2. The charge of royalty income received by a non-resident from a Hong Kong company under section 15(1)(a), (b) and (ba).
- 3. Analysis of the decision of Turner Entertainment Networks Asia, Inc. for Muse Communications Co. Ltd. v CIR (2015)
- 4. PRC tax liability for a Hong Kong company received royalty income from a Mainland company
- 5. Treatment of PRC tax paid for royalty income received from a non-resident by a Hong Kong company under profits tax

### SPEAKER

Mr Patrick Ho, FCCA, Principal Lecturer, FTMS Training Systems (HK) Patrick was formerly an Associate Professor and Visiting Professor of Department of Accountancy and Law of Hong Kong Baptist University and Adjunct Professor of Department of Accountancy of City University of Hong Kong. He has accumulated about 35 years of accounting, auditing, taxation and



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following providers from Hong

Kong and the Mainland:

## The Open University of Hong Kong (OUHK)

Courses and modules are derived from the courses in the Master of Laws (LLM) in Chinese Business Law, Master of Business Administration and Master of Professional Accounting programmes.

Shanghai National Accounting Institute (SNAI) Directly affiliated to and constructed by the Ministry of Finance. The Distance Education Network of SNAI, a key finance and economic teaching experience from international accounting firms, Inland Revenue Department and universities. He was the examiner and assessor for various professional bodies (including ACCA, HKICPA, ICSA and Taxation Institute of Hong Kong).

Patrick was awarded a Bachelor degree in Law from University of London, a Master degree in Law and a MBA both

website, established an ACCA online learning platform.

#### EasyFinance

EasyFinance Management Consulting Co Ltd focuses on the distribution of financial management knowledge. "Financial Studio" provides a series of training opportunities to improve finance team management competence and multi-dimensional communication skills. More details about these courses can be found here

http://www.accaglobal.com/hk/en/member/support -members/cpd-online.html.

In addition to the above online courses, we are working with e-learning providers such as acccountingcpd.net, BPP, Kaplan Hawksmere and W Consulting to bring you flexible, interactive and affordable CPD opportunities that are globally from The University of Hong Kong and the Postgraduate Certificate in Laws from City University of Hong Kong.

Think Ahead ACC

Patrick is the sole author of "Hong Kong Taxation and Tax Planning" which has been widely used by various universities and tertiary institutions in Hong Kong since 1995. The 15th edition was published in June 2016.

relevant. Please visit

http://www.accaglobal.com/en/member/cpd.html for more details.

For any queries, please call ACCA Hong Kong on 2524 4988 (press 3, then press 2) or by email to hkinfo@accaglobal.com.

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enrolment form for technical seminar on Tax treatment of royalty income received by a Hong Kong resident and a non-resident (TS20160909)

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**Online enrolment (for MEMBERS** 

onlv) is

now available for THIS

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