

ACTION PLAN

to Promote the Development of
Corporate **T**reasury **C**entres
in Hong Kong



**Financial Services and
the Treasury Bureau**
The Government of the
Hong Kong Special Administrative Region
of the People's Republic of China



Inland Revenue Department
The Government of the
Hong Kong Special Administrative Region
of the People's Republic of China



HONG KONG MONETARY AUTHORITY
香港金融管理局

InvestHK

ACTION PLAN

to Promote the Development of
Corporate Treasury Centres in Hong Kong

OBJECTIVE

This Action Plan sets out our targeted actions to strengthen Hong Kong as a premier hub for multinational Corporate Treasury Centres (CTCs) and an optimal platform for “bringing in and going global”, leveraging the city’s strengths as a leading international financial centre.

The Action Plan aims to:

- attract more multinational corporations to establish CTCs in Hong Kong; and
- enable existing CTCs to scale up operations and fully leverage Hong Kong’s financial ecosystem.

TAX REVAMP

We will revamp our tax concession regime to make Hong Kong even more competitive as a CTC hub. Specifically, we will introduce a tiered system:

- **Tier 1** — Refine and broaden the existing regime: expand the scope of interest deduction, allow deferral of interest expense deductions, and clarify key definitions to enhance certainty.
- **Tier 2** — Introduce a pre-approval mechanism: grant approved CTCs and their associated companies more favourable tax benefits and greater administrative flexibility, with approvals issued by the Inland Revenue Department (IRD) for renewable periods, hence offering certainty.
- Build in flexibility to attract corporations with high growth potential or strategic contributions to Hong Kong's economy.

OUR ACTIONS THE FOUR “T”s

TIMETABLE



Within 2026

Issue administrative clarifications on existing regime definitions



Within 2026

Conduct formal industry consultation on proposed enhancements to tax concession regime



First half of 2027

Introduce into the Legislative Council (LegCo) the proposed legislative amendments to the Inland Revenue Ordinance



Within 2027
(subject to LegCo approval)

Open pre-approval applications

TAX AGREEMENTS

We will continue to proactively expand Hong Kong's network of Comprehensive Avoidance of Double Taxation Agreements (CDTAs) to facilitate cross-border treasury operations:

- Prioritise CDTA negotiations with Belt and Road economies to support corporations to "go global".
- Accelerate ongoing negotiations and target to expand coverage among Hong Kong's major trading partners.



TARGETED PROMOTION

We will intensify inter-agency outreach and promotional efforts to attract strategic entrants:

- Conduct targeted roadshows and individualised engagement with high-potential corporations, with strategic focus on Chinese Mainland and Asian enterprises, especially those from new economy sectors (e.g. automobile, energy, information & communication technology, and innovation & technology sectors).
- Collaborate with industry bodies and stakeholders across the CTC ecosystem to organise seminars, and develop practical guidance and case studies on setting up CTCs in Hong Kong.



TALENT & DIALOGUE

We will enhance engagement with CTCs, and step up market education and professional development to lay a solid foundation for the long-term development of CTC business in Hong Kong:

- Host industry forums and foster ongoing stakeholder dialogue to identify the needs of existing CTCs and areas for further support.
- Sustain structured training, professional examinations and continuing professional development for treasury practitioners under the Enhanced Competency Framework on Treasury Management through collaborations with the Treasury Markets Association and the industry.



A COLLABORATIVE APPROACH

TAX REVAMP

Led by the Financial Services and the Treasury Bureau (FSTB) and IRD, with support of the Hong Kong Monetary Authority (HKMA) and InvestHK, taking into account feedback from market participants

TAX AGREEMENTS

Led by FSTB and IRD, depending on positive responses from target jurisdictions on the basis of bringing mutual benefits

THE FOUR
“**T**”
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Driven by FSTB, HKMA and InvestHK, with support of industry bodies and stakeholders

TARGETED PROMOTION

Collaborative efforts of the Government and the industry through public-private partnership

TALENT & DIALOGUE