



**Deadline of Submission of Profits Tax Return**

**Date: 1 April 2020**

**Profits Tax Return and Audit Report**

| 1   | 1 <sup>st</sup> Profits Tax Return                | In general, the Inland Revenue Department will issue the 1 <sup>st</sup> Profits Tax Return on/before the 18 <sup>th</sup> month since incorporation. The Company is requested to complete and submit the 1 <sup>st</sup> profits tax return with audit reports, tax computation within 3 months against the issue date of the 1 <sup>st</sup> profits tax return. <b>Please note that the Company is required to conduct statutory audit no matter the Company is running on shore business or offshore business.</b> <i>The Company is still required to complete and submit the Profits Tax Return with <b>NIL figure</b> even though the Company has not yet commenced on business.</i> The Inland Revenue Department will determine if the Company is subject to tax or not.   |                   |   |   |   |                          |  |                                  |                              |  |                                  |                                  |  |
|---|---|---|-------------------|---|---|---|--------------------------|--|----------------------------------|------------------------------|--|----------------------------------|----------------------------------|--|
| 2   | 2 <sup>nd</sup> profits tax return and thereafter | <p>The Inland Revenue Department (IRD) will issue the 2<sup>nd</sup> and thereafter the profits tax return on 1 April of every year. And the deadline for submission profits tax return will depend on the fiscal year ended of our clients. For example:</p> <table border="1" data-bbox="472 1083 1330 1402"> <thead> <tr> <th data-bbox="472 1083 704 1150">Fiscal year ended</th> <th data-bbox="704 1083 992 1150">IRD Deadline for submission of profits tax return</th> <th data-bbox="992 1083 1330 1150">Our Deadline for accounting and audit works</th> </tr> </thead> <tbody> <tr> <td data-bbox="472 1150 704 1234">30<sup>th</sup> June, 30<sup>th</sup> Sep<br/>(N code)</td> <td data-bbox="704 1150 992 1234">Next 4<sup>th</sup> May</td> <td data-bbox="992 1150 1330 1234">On/before 31<sup>st</sup> December of the same year</td> </tr> <tr> <td data-bbox="472 1234 704 1318">31<sup>st</sup> Dec<br/>(D code)</td> <td data-bbox="704 1234 992 1318">Next 15<sup>th</sup> August</td> <td data-bbox="992 1234 1330 1318">On/before 31<sup>st</sup> March of the following year</td> </tr> <tr> <td data-bbox="472 1318 704 1402">31<sup>st</sup> Mar<br/>(M code)</td> <td data-bbox="704 1318 992 1402">Coming 15<sup>th</sup> November</td> <td data-bbox="992 1318 1330 1402">On/before 30<sup>th</sup> June of the same year</td> </tr> </tbody> </table> | Fiscal year ended | IRD Deadline for submission of profits tax return | Our Deadline for accounting and audit works | 30 <sup>th</sup> June, 30 <sup>th</sup> Sep<br>(N code) | Next 4 <sup>th</sup> May | On/before 31 <sup>st</sup> December of the same year | 31 <sup>st</sup> Dec<br>(D code) | Next 15 <sup>th</sup> August | On/before 31 <sup>st</sup> March of the following year | 31 <sup>st</sup> Mar<br>(M code) | Coming 15 <sup>th</sup> November | On/before 30 <sup>th</sup> June of the same year |
| Fiscal year ended                                       | IRD Deadline for submission of profits tax return | Our Deadline for accounting and audit works   |                   |   |   |   |                          |  |                                  |                              |  |                                  |                                  |  |
| 30 <sup>th</sup> June, 30 <sup>th</sup> Sep<br>(N code) | Next 4 <sup>th</sup> May                          | On/before 31 <sup>st</sup> December of the same year  |                   |   |   |   |                          |  |                                  |                              |  |                                  |                                  |  |
| 31 <sup>st</sup> Dec<br>(D code)                        | Next 15 <sup>th</sup> August                      | On/before 31 <sup>st</sup> March of the following year  |                   |   |   |   |                          |  |                                  |                              |  |                                  |                                  |  |
| 31 <sup>st</sup> Mar<br>(M code)                        | Coming 15 <sup>th</sup> November                  | On/before 30 <sup>th</sup> June of the same year  |                   |   |   |   |                          |  |                                  |                              |  |                                  |                                  |  |

It is the practice of the Inland Revenue Department not to call for the annual submission of Profits Tax Returns by Companies in circumstances where:-

The Company has not yet commenced business since incorporation. (after the submission of 1<sup>st</sup> profits tax return with NIL figure)

The Company is running loss

However, the Inland Revenue Department will review the Company's position and may issue a Profits Tax Return at any time she may think fit.

So our client is strongly requested to prepare the accounting and audit report **ANNUALLY**.