



## Introduction to Tiger Consulting Hong Kong (Legal name-Tiger Consulting Limited)

### Tiger Consulting Limited

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### Key Country Facts

#### Official Language

According to Basic Law of Hong Kong, both English and Cantonese are official languages in Hong Kong. During the British colonial era, English was the sole official language of Hong Kong until 1974. After the handover, the government of Hong Kong adopted the "bilateral and trilingual" policy. Under this policy, both Chinese and English are acknowledged as official languages; with Cantonese being acknowledged as the *de facto* official spoken variety of Chinese in Hong Kong, while also accepting Mandarin.

**Currency:** Hong Kong Dollar (HKD)

**Time Zone:** UTC +8

#### Laws and Customs:

Laws in Hong Kong consist of the Basic Law, locally enacted ordinances, subsidiary legislation, the common law, rules of equity, and customary law. A few national laws of the PRC listed in Annex III to the Basic Law are also applicable (covering subjects such as national flag and anthem, nationality law and diplomatic privileges and immunities). The teachings of Confucius describe the position of the individual in Hong Kong Chinese society. Confucianism is a system of behaviours and ethics that stress the obligations of people towards one another based upon their relationship. Confucianism stresses duty, loyalty, honour, filial piety, respect for age and seniority, and sincerity. These traits are demonstrated by the Hong Kong Chinese in their respect for hierarchical relationships. Although not readily apparent to the casual observer, there are strict rules about appropriate behaviour and the manner in which people must act in order to respect the hierarchy.

**Cultural observations** The handshake is commonly used when greeting Westerners. The Hong Kong Chinese handshake is rather light. During the greeting, many Hong Kong Chinese lower their eyes as a sign of respect.

## **Establishing a company/legal entity in Country**

**Employment:** Locals may work at will. Foreign workers and expatriates must possess valid work visas prior to commencing work.

**Working Hours:** 9-6 Mon-Fri

**Banking and payments:** Hong Kong has one of the highest concentrations of banking institutions in the world. Seventy of the largest 100 banks in the world have an operation in Hong Kong. Hong Kong's payment systems allow interbank transfers in the Hong Kong dollar, US dollar, euro, and renminbi. Hong Kong Interbank Clearing Limited (HKICL) is the operator of the payment systems, providing banks with various interbank clearing and settlement services.

**Visa's & work permits:** Foreigners and expatriates who wish to work in Hong Kong are required to possess a work visa from Hong Kong Immigration Services.

-Applicants need to have a graduate degree, unless they have considerable technical experience in a certain area.

-In addition, the applicant should have relevant experience in the position they are applying for.

-The salary offered should meet local professional standards. (The bottom threshold for this is generally considered HK\$20,000)

## **Public Holidays**

- |  |                                     |
|--|-------------------------------------|
| • New Year's Day                                     | 1 January                           |
| • Lunar New Year's Day                               | (date will move slightly each year) |
| • Ching Ming Festival                                | (date will move slightly each year) |
| • Good Friday  | (date will move slightly each year) |
| • Easter Monday                                      | (date will move slightly each year) |
| • Labour Day   | 1 May                               |
| • The Birthday of the Buddha                         | (date will move slightly each year) |
| • Tuen Ng Festival                                   | (date will move slightly each year) |
| • HK Special Administrative Region Establishment Day | 1 July                              |
| • The day following the Chinese Mid-Autumn Festival  | (date will move slightly each year) |
| • National Day                                       | 1 October                           |
| • Chung Yeung Festival                               | (date will move slightly each year) |
| • Christmas Day                                      | 25 December                         |
| • The first weekday after Christmas Day              | 26 December                         |

## **Tax & Social Security**

### **Mandatory Provident Fund (MPF)**

The MPF is a compulsory saving scheme (pension fund) for the retirement of residents in Hong Kong. Most employees and their employers are required to contribute monthly to mandatory provident fund schemes provided by approved private organizations, according to their salaries and the period of employment.

Employees and employers who are covered by the MPF System are each required to make regular mandatory contributions calculated at 5% of the employee's relevant income to an MPF scheme, subject to the minimum and maximum relevant income levels. For a monthly-paid employee, the minimum and maximum relevant income levels are \$6,500 and \$25,000 respectively.

Disclaimer

## Inland Revenue Department (IRD)

In Hong Kong, personal tax is often referred to as salary tax. Both corporate and personal tax rates of Hong Kong are considered as one of the lowest in the world. Unlike a flat corporate tax rate, Hong Kong's salary tax rates follow a progressive tax rate system. There are four marginal tax brackets of 2%, 7%, 12%, and 17%.

## Reporting requirements

<b>Monthly:</b>	Payroll
<b>Yearly:</b>	Accounting/Audit
<b>Starters &amp; Leavers:</b>	IR Forms
<b>MPF:</b>	Monthly filing 10 <sup>th</sup> of the next month
<b>Annual Tax Filing:</b>	Employers to file income tax return by 31 <sup>st</sup> March of the year Employees to file income tax return by 31 <sup>st</sup> May of the year

## Employment Law

The Employment Ordinance is the main piece of legislation governing conditions of employment in Hong Kong. Since its enactment in 1968, the benefits provided for under the ordinance have been substantially improved. It now covers a comprehensive range of employment protection and benefits for employees including:

- Wage Protection
- Rest Days
- Holidays with Pay
- Paid Annual Leave
- Sickness Allowance
- Maternity Protection
- Severance Payment
- Long Service Payment
- Employment Protection
- Termination of Employment Contract
- Protection Against Anti-Union Discrimination

## Employees

**Payslips:** Monthly available on web-site, pdf or paper

**Payslip requirements:** (sample payslip)

TIGER Consulting Limited  
Level 18, Two International Finance Centre  
8 Finance Street, Central, Hong Kong  
T: (852) 2211 8977 F: (852) 2211 8977  
Monthly Payroll Details  
Aug-2018

Employee Name:	JEFFREY LI	Job Title:	General Manager
Employment Start Date:	01/05/00/02	M:	852 8426 5766
Passport Number:		T:	
ID Number:		Email:	jeffrey@tiger-consulting.net
Resident:			
DOB:	05/09/1972		
Marital Status:	Married		

	Current Period (HKD)	Year-to-date (HKD)
Salary	40,000.00	200,000.00
Allowance	15,000.00	75,000.00
Expense Claim		
Total Income	55,000.00	275,000.00
MPF Est		
Deductions	1,250.00	6,250.00
Total Deductions	1,250.00	6,250.00
MPF Est		
Benefits	1,250.00	6,250.00

Payroll Services Provided by TIGER Consulting Limited

  
TIGER Consulting Limited  
Level 18, Two International Finance Centre  
8 Finance Street, Central, Hong Kong  
T: (852) 2211 8977 F: (852) 2211 8977

This is computer generated payslip. No signature is required.

**Holiday allowance:** Full-time employees are paid for public holidays.

**Maternity:** Every female employee entitled to ten weeks' paid maternity leave if;  
(i) she has been employed under a continuous contract for NOT less than 40 weeks immediately before the commencement of scheduled maternity leave;  
(ii) she has given notice of pregnancy and her intention to take maternity leave to her employer after the pregnancy has been confirmed, such as by presenting a medical certificate confirming her pregnancy to the employer; and  
(iii) she has produced a medical certificate specifying the expected date of confinement if so required by her employer.

**Annual Leave:** An employee is entitled to 7 days' annual leave with pay after serving every period of 12 months under a continuous contract. An employee's entitlement to paid annual leave will increase progressively to a maximum of 14 days according to his length of service as follows:

<b>Years of Service</b>	<b>Annual Leave Entitlement</b>
1	7
2	7
3	8
4	9
5	10
6	11
7	12
8	13
9 or above	14

**Sickness:** Paid sickness days are divided into two categories - paid sickness days can first be accumulated up to 36 days in Category 1 and then 84 days in Category 2. For taking paid sickness day(s) under Category 1, a medical certificate\* issued by a registered medical practitioner, registered Chinese medicine practitioner, or a registered dentist is required. When the sickness days taken exceeds the number of paid sickness days remaining in Category 1, any further sickness day(s) taken will enter in Category 2. For taking paid sickness day(s) under Category 2, if so required by the employer, a medical certificate\* issued by a registered medical practitioner, registered Chinese medicine practitioner, or a registered dentist attending the employee as an out-patient or in-patient in a hospital should be produced. Upon the employer's request, a brief record of the investigation carried out and the treatment prescribed by the issuer of the medical certificate should also be produced.

## **Benefits to the employee in country**

### **Pensions**

The MPFA regulates the operations of mandatory provident fund ("MPF") schemes and occupational retirement ("ORSO") schemes in accordance with the provisions under the MPF and ORSO legislation, as well as relevant codes and guidelines.

### **Expatriates:**

#### ***Accommodation***

Expats should take a few things into consideration when searching for a place to live. If you are only planning to stay for a few years, it is advisable to rent rather than buy a home. If you are unfamiliar with Hong Kong's housing and

rent market and not fluent in Cantonese, your best choice is to hire a real estate agent to help you in your search for a suitable home. There are a number of real estate agencies that cater especially to expats living in Hong Kong.

### ***Transportation***

The less expensive and more comfortable option to get around town is public transport. The Hong Kong Mass Transit Railway (MTR), the main artery of life in Hong Kong, has eleven train lines (including the airport express line) across all major districts, with trains running every few minutes. Further catering to the needs of expats in Hong Kong, the MRT operates 12 intercity trains across the border to Mainland China travelling as far as Beijing. In addition, there are many buses, minibuses, and ferries as well as a historic tramline available. Light rail services are available as well and mostly serve the New Territories. As in every big city, legions of taxis crowding the streets are part of everyday life in Hong Kong. Taxis are colour-coded that indicate the areas in which they operate. Strict governmental regulation makes using taxis safe and inexpensive. All taxi drivers are required to have their ID as well as a taximeter in their vehicle, and there are maximum fares which they may charge. For a current fare table, please refer to Hong Kong's Transport Department.

### ***Food***

Hong Kong cuisine is mainly influenced by Cantonese cuisine, non-Cantonese Chinese cuisine, the Western world, Japan, and Southeast Asia, due to Hong Kong's past as a British colony and long history of being an international city of commerce. From the roadside stalls to the most upscale restaurants, Hong Kong provides an unlimited variety of food in every class. Complex combinations and international gourmet expertise have given Hong Kong the reputable labels of "*Gourmet Paradise*" and "*World's Fair of Food*".