



Hong Kong is a tax heaven – leverage the mechanism of the two-tiered profits tax 8.25%

Mr. S and his wife are Sweden resident and living in Sweden now. They outsourced their Hong Kong operations and China operations to our Company. They recruit the staff they desired and hired by our Hong Kong company and China Services Company. Now they enjoy peace of mind remote control of their business.

They have two trading companies A Limited and B Limited and Mr. S and his wife each holds 50% shareholding of A Limited and B Limited. Under the two-tiered profits rate, A Limited and B Limited or even C Limited -100% held by Mr S and D Limited -100% held by his wife can enjoy the favored tax rate 8.25% for the first 2 million profit for each of the company for the same financial year because A Limited and B Limited are not counted as “connected entities”. In other words, each of A Limited, B Limited, C Limited and D Limited can enjoy 8.25% two tiered profits for the first 2 million profit.