

BEPS 2.0 implementation in Hong Kong (SAR): Where are we now?



Where we started

Where we are now

2025 onwards - overseas filing requirement



With Hong Kong implementing Pillar 2 rules in 2025, why your group needs to act now?

- ❑ Some overseas jurisdictions (e.g., Korea, United Kingdom, Ireland, etc) have already implemented Pillar 2 rules in 2024 and your local group entities may be impacted
- ❑ With less than 6 months before the implementation, your group needs to understand the impact and establish an action plan as soon as possible
- ❑ There are designated rules for special holding structures (e.g., minority shareholding, joint ventures, etc.) and your group's Pillar 2 work may need to involve other stakeholders
- ❑ The past planning (e.g., reduced tax rate, enhanced tax deduction) may no longer be tax efficient and would require a holistic review.



What should you do

- Estimate the impact
- Be ready for compliance
- Manage stakeholders
- Comply with financial reporting requirements
- Look for planning opportunity
- Stay attentive to the developments



How can KPMG help

- Offer market-leading technology
- Perform impact assessment
- Collaborate with our accounting experts
- Assist in implementing business plans
- Identify potential mitigating actions
- Provide timely technical updates



Talk to us!

