

Multilateral Instrument (MLI) – France Publishes French Synthesized Text of France-Hong Kong Tax Agreement

20 June 2023

Report from IBFD Tax Treaties Unit

The French government recently published the French synthesized text of the [France - Hong Kong Income and Capital Tax Agreement \(2010\)](#), displaying the modifications made to the agreement by the MLI.

France deposited its instrument of ratification of the MLI on 26 September 2018. China (People's Rep.), on behalf of Hong Kong, deposited its instrument of ratification on 25 May 2022. The MLI therefore entered into force for France on 1 January 2019 and for Hong Kong on 1 September 2022.

France expanded the application of the Multilateral BEPS Convention on its existing treaties on 22 September 2020 (see [Multilateral Instrument \(MLI\) – France Expands Application of MLI on Existing Treaties \(23 September 2020\)](#)).

China (People's Rep.), on behalf of Hong Kong, deposited a notification on 21 February 2023 confirming the completion of its internal procedures for the entry into effect of the MLI provisions pursuant to article 35(7)(b) of the MLI (see [Multilateral Instrument \(MLI\) – Hong Kong Deposits Notification of Completion of Internal Procedures Under Article 35\(7\)\(b\) with OECD \(22 February 2023\)](#)).

Unless stated otherwise in the synthesized text, the provisions of the MLI will generally have effect with respect to the [France - Hong Kong Income and Capital Tax Agreement \(2010\)](#):

In France:

- with respect to taxes withheld at source on amounts paid or credited to non-residents, where the event giving rise to such taxes occurs on or after 1 January 2024; and
- with respect to all other taxes levied a contracting state, for taxes levied with respect to taxable periods beginning on or after 23 September 2023.

In Hong Kong:

- with respect to taxes withheld at source on amounts paid or credited to non-residents, where the event giving rise to such taxes occurs from the first day of the tax period which begins on or after 23 March 2023; and
- with respect to all other taxes levied by a contracting state, for taxes levied with respect to taxable periods beginning on or after 23 September 2023.

The purpose of the synthesized text is to facilitate the understanding of the application of the MLI but it is not in itself a source of law.

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