

Multilateral Convention (MLI) – Japan Publishes Updated English and Japanese Synthesized Texts of Hong Kong-Japan Tax Agreement Specifying Effective Dates with Hong Kong

3 March 2023

Report from IBFD Tax Treaties Unit

The Japanese Ministry of Finance recently published the updated English and Japanese synthesized texts of the [Hong Kong – Japan Income Tax Agreement \(2010\)](#), displaying the modifications made to the agreement by the MLI and specifying the effective dates with Hong Kong. The release of the updated texts follows Hong Kong's deposition of the notification on the completion of its internal procedures for the entry into effect of the MLI provisions with respect to this agreement pursuant to article 35(7)(b) of the MLI on 21 February 2023 (see [Multilateral Instrument \(MLI\) – Hong Kong Deposits Notification of Completion of Internal Procedures Under Article 35\(7\)\(b\) with OECD \(22 February 2023\)](#)).

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

Japan expanded the application of the MLI on its existing treaties on 14 February 2020, on 22 July 2020 and on 21 April 2022 (see [Multilateral Instrument \(MLI\) – Japan expands application of MLI on existing treaties \(17 February 2020\)](#), [Multilateral Instrument \(MLI\) – Japan Expands Application of MLI on Existing Treaties \(23 July 2020\)](#) and [Multilateral Instrument \(MLI\) – Japan Further Expands Application of MLI on Existing Treaties \(22 April 2022\)](#)).

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

In Japan:

- 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 by Japan, for taxes levied with respect to taxable periods beginning on or after 23 September 2023; and

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 on or after the first day of the next taxable period that begins on or after 23 March 2023; and

- with respect to all other taxes levied by Hong Kong, 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.

Japan; Hong Kong; G20; OECD - Multilateral Convention (MLI) – Japan Publishes Updated English and Japanese Synthesized Texts of Hong Kong-Japan Tax Agreement Specifying Effective Dates with Hong Kong (03 Mar. 2023), News IBFD.

Exported / Printed on 9 Mar. 2024 by hkermadi@deloitte.lu.