

Hong Kong Launches Company Re-domiciliation Regime

Key points

- Hong Kong has launched an “**inward re-domiciliation**” regime with effect from 23 May 2025, allowing non-Hong Kong incorporated companies to move their domicile to Hong Kong without court or winding-up procedures while preserving **continuation of legal identity**.
- While eligibility requirements apply, there will be **no economic substance requirements** - thereby allowing overseas companies of all sizes to benefit from the regime.
- **Key eligibility requirements:**
 - An overseas company is required to be of a company type that is the same or substantially the same as **four specified types of companies** under the Companies Ordinance (CO) (such as private companies limited by shares and public companies limited by shares).
 - **Outward re-domiciliation is allowed** under the laws of the originating domicile.
- Upon re-domiciliation, a company will generally be required to **comply with Hong Kong law** in the same way as a locally incorporated company. The legislation does not allow Hong Kong incorporated or re-domiciled companies to be re-domiciled out of Hong Kong.
- Certain **regulated financial institutions** such as authorized institutions and insurers in Hong Kong must obtain prior clearance from the Hong Kong banking or insurance regulator in advance of any re-domiciliation application.

Background

Hong Kong first implemented a re-domiciliation regime for overseas funds in 2021. Building on this experience, it conducted a consultation exercise from 2023 to 2024 on a proposal to allow overseas companies to migrate their domicile to Hong Kong while preserving their legal identities (termed “inward re-domiciliation”). A bill was gazetted in December 2024, with amendments made to the drafting during the legislative process. The legislation has now been passed. The new regime, which will primarily be housed in a new Part 17A to the CO, came into effect on 23 May 2025 and is open for application through the Companies Registry (CR). The CR has issued a **Guide on Company Re-domiciliation** to facilitate the process.

Rationale

Overseas companies that operate or are listed in Hong Kong may consider moving their domicile to Hong Kong in order to reduce their regulatory compliance burden and costs in complying with dual regulation in their place of incorporation and in Hong Kong. Those with a business focus in APAC may wish to align their domicile with the location of their key business activities. The new regime is also expected to be an attractive option when the traditional incentives for maintaining offshore registrations are seen to be declining in light of the initiatives around global minimum tax and economic substance.

Eligibility

A non-Hong Kong incorporated company interested in moving its domicile to Hong Kong will need to assess whether it satisfies the eligibility criteria for the new regime. The key criteria (and some of the key supporting documents to be submitted to the CR¹) include the following:

	KEY ELIGIBILITY CRITERIA	KEY SUPPORTING DOCUMENTS	REMARKS
Company type	<p>Its current form is the same or substantially the same as one of the following four types of companies that can be incorporated under the CO:</p> <ul style="list-style-type: none"> (a) private companies limited by shares; (b) public companies limited by shares; (c) private unlimited companies with a share capital; and (d) public unlimited companies with a share capital. 	Confirmation in the re-domiciliation application form and a legal opinion (from a legal practitioner practising the law of the Originating Domicile and issued within 35 days before the application date) that this requirement is met.	The new regime will not be available to company types which are not comparable to these four categories (such as companies limited by guarantee without a share capital).
Originating Domicile	<p>The jurisdiction where the applicant is incorporated or domiciled as at the application date (Originating Domicile):</p> <ul style="list-style-type: none"> (a) has a regime that allows the company to de-register for the purpose of re-domicile to another jurisdiction (i.e. outward re-domiciliation); and (b) does not prohibit the re-domiciliation. <p>The constitutional documents must also not prohibit the re-domiciliation.</p>	Confirmation in the re-domiciliation form and legal opinion that this requirement is met.	<p>For reference, Cayman and the BVI have an outward re-domiciliation regime. Bermuda permits outward re-domiciliation to “appointed jurisdictions” (Hong Kong currently not being one) or to a jurisdiction approved by the Minister of Finance upon application by a company.²</p> <p>The applicant must comply with the requirements in the Originating Domicile for the re-domiciliation. Depending on the jurisdiction and industry, such requirements may include, for example, shareholder approval, creditor notification and/or approval from relevant industry regulators.</p>

¹ See Schedules 6A to 6C to the CO for more detail on the documents to be submitted.

² Hong Kong has liaised with Bermuda to add Hong Kong as an appointed jurisdiction. Bermuda authorities have indicated this will be processed once the Hong Kong legislative exercise is completed. Until Hong Kong is designated as such, Bermuda companies may still apply for re-domiciliation to Hong Kong subject to approval by the Bermuda Minister of Finance on a case-by-case basis.

Member, creditor and counterparty protection	<p>(a) Members' consent to the re-domiciliation is obtained in compliance with the laws of the Originating Domicile and the constitutional documents. If neither requires such consent, the company must obtain a resolution of its members passed by a majority of at least 75%.</p> <p>(b) The application is made in good faith and not intended to defraud creditors.</p>	<p>Certificate issued within 35 days before the application date by the board of directors (Directors' Certificate) on: (i) compliance with (a); (ii) all creditors having been served notice of the proposed re-domiciliation; and (iii) any approval required under a contract having been obtained or waived.</p> <p>Confirmation in the re-domiciliation form and legal opinion on: (i) compliance with (a); and (ii) any permissions required for the re-domiciliation under the laws of the Originating Domicile or constitutional documents having been obtained.</p> <p>Certified copy of members' resolution referred to in (a).</p>	<p>Where the Originating Jurisdiction or constitutional documents do not require members' consent, the company must obtain a members' resolution, passed by at least a 75% majority in accordance with CO requirements, at a meeting or in written form.</p> <p>Companies should proactively notify its creditors of its proposed re-domiciliation in order for the Directors' Certificate to be given.</p>
Timing	The company must have been incorporated or registered at the Originating Domicile for at least one financial year as at the application date.	<p>Confirmation in Directors' Certificate.</p> <p>Certified copy of certificate of incorporation and (if applicable) registration.</p>	
Solvency	<p>(a) The company is not in liquidation or subject to winding-up petition etc.</p> <p>(b) It will be able to pay its debts which fall due within the period of 12 months beginning on the application date.</p>	<p>Legal opinion and Directors' Certificate confirming item (a).</p> <p>Directors' Certificate confirming the board's opinion on (b).</p> <p>Accounts as at a date no more than 12 months prior to the application date.</p>	The accounts can be unaudited unless the company prepares audited statements due to other requirements (e.g. the laws of the Originating Domicile or rules of a stock exchange).

Integrity	<p>(a) The application must be refused if the applicant is likely to be used for unlawful purposes or if it is contrary to public interest.</p> <p>(b) The applicant must comply with all requirements in the CO in respect of re-domiciliation.</p>		Item (b) includes CO requirements on company names. ³
-----------	--	--	--

Legal Effect

On the date of the CR's issue of the re-domiciliation certificate (**Re-domiciliation Date**), the applicant:

- becomes a “re-domiciled company” under the CO; and
- subject to certain exceptions⁴, is regarded as a company incorporated in Hong Kong for the purposes of the laws of Hong Kong.

The CO expressly provides that the re-domiciliation of a company does not create a new legal entity and does not affect the identity, continuity, contracts, properties, rights, privileges, obligations or liabilities of, or any legal proceedings by or against, the company.

If a re-domiciled company fails to de-register from its Originating Domicile within the required time period (see section on “Process” below) or fails to take all reasonable steps to procure such deregistration, the CR has the ability to revoke its re-domiciliation (without affecting any liability of the company's officer or member).

Legal and regulatory implications

Compliance with CO and other HK laws: The definition of “company” in the CO has been expanded to include a re-domiciled company.⁵ Accordingly, once re-domiciled, the company will have the same rights, and be subject to relevant requirements, under the CO in the same way as a locally incorporated company of its kind. This includes being eligible for the court-free amalgamation process under the CO. A general deeming provision further provides that, subject to certain exceptions (such as airlines), the laws of Hong Kong will apply to a re-domiciled company as if it were incorporated in Hong Kong. Applicants should assess the differences between Hong Kong law and the laws of its Originating Domicile (for example relating to distributions and the reporting and audit of financial information).

Financial services sector: the Banking Ordinance and the Insurance Ordinance are amended such that overseas incorporated authorized institutions (AIs), holding companies of AIs, authorized insurers and approved money brokers:

- will be regulated as locally-incorporated entities from the time they are registered by the CR as re-domiciled companies *and* de-registered in the Originating Domicile;⁶ and
- are required to obtain approval / non-objection from the Hong Kong Monetary Authority (**HKMA**) and the Insurance Authority (**IA**) (as applicable) *prior to* any re-domiciliation application to the CR so that their ability to comply with the relevant regulatory requirements can be assessed in advance.⁷

³ E.g. the applicant cannot propose to use the same name as a name that is already registered in the CR Index of Company Names (unless it is a Part 16 registered non-HK company and the name concerned is its corporate or approved name).

⁴ E.g. airline companies.

⁵ References in the CO to companies incorporated, or formed and registered, under the CO will not include a re-domiciled company. The definitions of “non-Hong Kong company” and “non-Hong Kong body corporate” will exclude a re-domiciled company.

⁶ This is different from the position under the CO, under which a re-domiciled company will be treated as a locally-incorporated company from the date of issue of its re-domiciliation certificate by the CR (i.e. its Re-domiciliation Date). Notwithstanding the strict legal position under the Insurance Ordinance that an applicant will not become a re-domiciled insurer until its deregistration from its Originating Domicile, the IA, in practice, expects an applicant to comply with regulatory requirements applicable to a re-domiciled insurer from its Re-domiciliation Date.

⁷ The IA has issued guidance and a prescribed form for this purpose. Supporting documents include (amongst others) an implementation plan for the re-domiciliation, a gap analysis on the insurer's ability to comply with requirements of a HK insurer and a communication plan with policyholders. The HKMA application for an AI should include applications to become controller(s), chief executive, alternate chief executive(s), directors and executive officers and in respect of any existing branches and representative offices outside Hong Kong.

A bank or deposit-taking company incorporated outside Hong Kong which is not an AI (such as a non-AI bank incorporated outside Hong Kong with a representative office in Hong Kong) is not permitted to apply to re-domicile to Hong Kong as that is considered to give rise to a risk of confusion as to the non-AI's authorisation to carry on banking business or take deposits in Hong Kong.

Existing contractual arrangements: the amended CO provides that the re-domiciliation of a company will not create a new legal entity and will not affect the contracts, properties, rights, obligations and liabilities of the re-domiciled company. However, a company will need to consider whether its re-domiciliation will trigger any consent, notification or other requirements under its contracts. The CO requires pre-existing registrable charges created by the company, or existing on assets acquired by the company, prior to re-domiciliation to be registered with the CR within one month after the Re-domiciliation Date.⁸

Listed companies: If a company seeking to be redomiciled to Hong Kong is listed on a stock exchange, it should consider the implications of the re-domiciliation under the relevant listing regime (for example, any disclosure or approval obligations for the re-domiciliation and adoption of articles that comply with the CO).

Registered non-Hong Kong companies: In the case of the re-domiciliation of a non-Hong Kong company registered under Part 16 of the CO, such registration will cease to have effect on the Re-domiciliation Date. To enable business continuity, the company can retain its corporate or approved name and its business registration number after the re-domiciliation. To ensure completeness of records, the CO provides that certain filing obligations of a registered non-Hong Kong company which are yet to be complied with before its re-domiciliation will still need to be complied with.

Tax implications

The Inland Revenue Department has issued **guidance** on the Hong Kong tax implications of the re-domiciliation of a company. Such guidance includes the following:

- The general principle is that Hong Kong profits tax is charged on profits arising in or derived from Hong Kong from a trade, profession or business carried on in Hong Kong – it is not imposed on the basis of domicile. Accordingly, if a company carried on a trade, profession or business in Hong Kong before its re-domiciliation to Hong Kong, the re-domiciliation will not relieve the company from any profits tax liabilities in respect of the pre-domiciliation period. If a company never carried on any trade, profession or business in Hong Kong before its re-domiciliation to Hong Kong, no Hong Kong profits tax will be charged for any period before it commences business in Hong Kong.
- The Inland Revenue Ordinance was amended (on the same date as the introduction of the re-domiciliation regime) to provide tax certainty to re-domiciled companies that commences to carry on a trade, profession or business in Hong Kong after re-domiciliation. The key amendments include:
 - providing that references to a company “incorporated in Hong Kong” include a “re-domiciled company”. This is expected to allow a re-domiciled company to be treated as a Hong Kong resident under comprehensive avoidance of double taxation agreements; and
 - providing for certain transitional tax matters and elimination of double tax. In particular, if a re-domiciled company has paid any tax which is of substantially the same nature as Hong Kong profits tax in respect of its unrealised income or profit because of its re-domiciliation (i.e. exit tax), and after re-domiciliation, Hong Kong profits tax is also payable on its actual income or profit, unilateral tax credits will be available to eliminate double tax.

Hong Kong stamp duty is not chargeable on the re-domiciliation of a company. Once it is re-domiciled, Hong Kong stamp duty will be chargeable on any transfer of stock in the company.

Process

An applicant is required to submit an application form, its proposed articles of association and supporting documents and pay a fee⁹ to the CR, which will administer the application process.

⁸ However, charges of Part 16 non-Hong Kong companies that were registered with the CR prior to re-domiciliation do not need to be re-registered.

⁹ For reference, the lodging and registration fees currently total HK\$6,725 (if lodged in hard copy) and HK\$6,050 (if lodged in electronic form).

A company will become a re-domiciled company under the CO upon the CR's issuance of a certificate of re-domiciliation. The company must then be deregistered from its Originating Domicile and provide to the CR evidence of de-registration within 120 days after the Re-domiciliation Date (which may be extended upon application).

The re-domiciliation processes in Hong Kong and in the Originating Domicile should be coordinated with a view to minimising the period during which the company will be registered in, and therefore subject to, two regimes. In particular, advance communications with the relevant regulators in both jurisdictions will be necessary.

The CR will generally approve an application in two weeks from its receipt of all required information.

A re-domiciled company must deliver its directors' written consent (to be its directors) and file a return to the CR within 15 days after its Re-domiciliation Date.

Conclusion

The regime will give overseas companies a much simpler way of migrating their domicile to Hong Kong, which is particularly welcomed in light of the increasing compliance costs in some of the offshore jurisdictions. Re-domiciled companies will also benefit from Hong Kong's strengths in corporate governance, tax, rule of law and professional services. Legal and tax advice will be required to understand the implications of a company's re-domiciliation and to ensure a smooth re-domiciliation process. We would be happy to help you navigate the process.

Contacts



BENITA YU
SENIOR PARTNER
T: +852 2901 7207
E: benita.yu@slaughterandmay.com



LISA CHUNG
PARTNER
T: +852 2901 7268
E: lisa.chung@slaughterandmay.com

London
T +44 (0)20 7600 1200
F +44 (0)20 7090 5000

Brussels
T +32 (0)2 737 94 00
F +32 (0)2 737 94 01

Hong Kong
T +852 2521 0551
F +852 2845 2125

Beijing
T +86 10 5965 0600
F +86 10 5965 0650

Published to provide general information and not as legal advice. © Slaughter and May, 2025.
For further information, please speak to your usual Slaughter and May contact.

www.slaughterandmay.com