

Tax audit workshop 2022: Event code: EWEB22112303
Practical Approaches in Handling IRD Tax Audits – From Cradle to Resolution

The Financial Secretary has recently predicted that the government is facing a budget deficit of over HK\$100 billion, and this announcement came just before the peak season for commencement of the Inland Revenue Department's (IRD) new tax audit cases, before the statutory time bar for the year of assessment 2016/17.

In recent years, the IRD have been deploying additional resources on tax audits. With the recent changes in the global tax environment, they have also been taking a more stringent approach in tax audits involving matters such as offshore claims, interest, royalties, transfer pricing and other cross border issues. This year, with the impending relocation of the IRD's office to Kai Tak, the IRD can be expected to issue protective assessments and take other audit action even earlier.

Apart from the potential financial implications, taxpayers have to divert resources from normal business operations to deal with audit cases. It is therefore essential that taxpayers stay on top of the situation at each stage of the case, and take the necessary steps in order to bring any tax audits to an early conclusion.

In this workshop, the speakers will make use of case studies to demonstrate practical approaches and various strategies to handle tax audits, as well as looking at issues commonly triggering tax audits. They will take the participants through the journey from the start to the final resolution of a tax audit.

Topic and event code	Date and time	Speakers
Practical approaches in handling IRD tax audit – From cradle to resolution Event code: EWEB22112303		Philip Hung Director Tax Controversy Services, PwC
Part I	Wednesday, 23 November 2022 6:00 p.m. to 8:00 p.m.	Felix Tsang Associate Director Tax Controversy Services, PwC
Part II	Wednesday, 30 November 2022 6:00 p.m. to 8:00 p.m.	Flora Chan Senior Manager Tax Controversy Services, PwC

Format	Live webinar
Language	English
Fee	HK\$240 (Taxation Faculty member) HK\$300 (HKICPA member or student; and IA) HK\$660 (Non-member)
Participants	Members working in the field of taxation or with an interest in taxation
Competency*	Taxation
Rating*	Intermediate level
CPD hours	4

* Please refer to the [Institute's online CPD Learning Resource Centre](#) for descriptions of competency and rating.



About the webinars

Practical approaches in handling IRD tax audits – from cradle to resolution

(Event code: EWEB22112303)

Part I on Wednesday, 23 November 2022

Course outline:

Introduction to IRD tax audit

The speakers will discuss the following topics:

- Brief background on IRD structure
- Process of the IRD tax audit review
- Who are the IRD's tax audit targets?
- The importance of the initial interview during a tax audit

Part II on Wednesday, 30 November 2022

Course outline:

Practical approach in handling tax audit

The speakers will share their practical experience to address the following questions:

- What kinds of information are essential for resolving tax audits?
- How to formulate settlement proposal?
- How to mitigate possible penalty?
- How to prepare for the possible litigation with the IRD?

Disclaimer

- The opinions expressed by external guest speakers are, by their nature, those of the speakers. They are not necessarily endorsed by the Institute or reflect the official policies and views of the Institute or its members.
- The Institute does not endorse or recommend any products or services and is not responsible to any loss or damage arising from using such products or services.
- Participants are reminded that there are a wide range of products or services available in the market. Participants should carry out their own research and obtain independent advice before subscribing to any products or services.
- The Institute takes no responsibility for any loss incurred by any person acting or refraining from acting as a result of participation in the event.

About the Speakers

Philip Hung

Director, Tax Controversy Services, PwC Hong Kong

Philip has over 35 years' experience in Hong Kong taxation with six years in IRD. He is a well-known expert in the tax field and investigation specialty. After he left the IRD, Philip concentrated in assisting clients in handling tax investigation and field audit cases. Philip is the first to set up a specialized team to handle the IRD's tax investigation and field audit cases for clients in the industry. His clients include SMEs, listed companies and various MNCs, involving complicated cases such as worldwide onshore/offshore claims, disputes on contract processing and import processing arrangements, transfer pricing adjustments, etc.

Philip is a regular speaker on tax audits and frequently contributes newspaper and magazines articles on related topics.

Felix Tsang

Associate Director, Tax Controversy Services, PwC Hong Kong

Felix has over 15 years of experience in resolving tax audits, tax investigation and other tax disputes for multinational corporations and local SMEs in different industries, including manufacturing, services, fund management and charitable institutions, and involving a diverse range of issues, such as offshore claims, cross-border transactions, contract / import processing arrangements, anti-avoidance, transfer pricing, tax exemption claims and Board of Review proceedings.

With insights in tax dispute resolution, Felix also has comprehensive experience in providing practical tax and business advice from a dispute prevention angle, including tax health checks, defence file building, post-audit restructuring, tax due diligence, fee structure for fund management, and charity set up.

Flora Chan

Senior Manager, Tax Controversy Services, PwC Hong Kong

Flora has over 10 years' experience providing Hong Kong tax controversy services to multinational corporations and local entities, as well as charitable institutions, and providing Australian tax advisory and compliance services to conglomerates, listed companies and large private groups in Australia before joining the team in Hong Kong. In particular, Flora assisted clients in resolving tax disputes and tax audits conducted by the Hong Kong IRD and has experience in managing Board of Review proceedings for overseas clients. The controversial Hong Kong tax issues that Flora has managed include offshore claims on trading profits, commission income as well as fund management fees, royalty income on intellectual property exploited outside of Hong Kong, Macao offshore companies, deductibility of intercompany charges and stamp duty. Flora has also assisted clients to prevent and manage tax controversy issues such as capital gains and tax residency status, and has advised on group restructuring.

Registration

- **Online enrolment by 21 November; offline enrolment by post or fax also by 16 November:**
Complete the enrolment form and return it to the Institute by 16 November, together with full payment. Cheques should be made payable to "Hong Kong Institute of Certified Public Accountants" or "HKICPA". Fax registration will be accepted for payment by any VISA/ Master card or the BOC HKICPA UnionPay card.
You may consider your registration to be successful unless you receive notification from us to the contrary.
- Upon successful enrolment, the meeting URL and login password will be provided nearer the event date.
- **Contact Mr. Marco Yip at 2287-7009 or Ms. Denise Kwok at 2287-7253 for enquiry.**