

# Expansion of e-Stamping services to cover instruments related to stock transactions

The Stamp Duty (Specification of Instruments) (Amendment) Notice 2019 will be gazetted on July 5. It seeks to expand e-Stamping services to cover instruments related to stock transactions with effect from December 16, 2019.

Currently, e-Stamping services are restricted to instruments related to property transactions, namely agreements for sale, assignments and tenancy agreements in general. In order to expand the e-Stamping services to cover instruments related to stock transactions, the Government proposes to amend the Stamp Duty (Specification of Instruments) Notice (Cap 117 sub. leg. B) to allow applications for stamping of the contract notes and instruments of transfer of Hong Kong stock to be made by the public without presenting the original instruments. Upon receipt of the application and payment of stamp duty the system will generate stamp certificates electronically, thereby fulfilling the stamping requirement.

"The proposal will help minimise the risk of losing or damaging the instruments and enhance convenience to applicants, who can submit electronic applications for stamping of instruments related to stock transactions anytime and anywhere," a Government spokesman said.

At present, the stamping arrangements for off-exchange stock transactions are processed manually. After the implementation of the new arrangement, the public may choose to complete the stamping procedures electronically. For on-exchange stock transactions, the Hong Kong Exchanges and Clearing Limited will continue to collect the stamp duty on behalf of the Collector of Stamp Revenue.

The Amendment Notice will be tabled at the Legislative Council at the first meeting of the 2019/20 legislative session for negative vetting. The proposed effective date for the Amendment Notice will be December 16, 2019, and the e-Stamping services will be expanded to cover instruments related to stock transactions with effect from the same date.