

# Gazettal of subsidiary legislation on Insurance Authority's collection of new user fees

The Government will gazette on Friday (March 29) the Insurance (Prescribed Fees) (Amendment) Regulation 2019 (Amendment Regulation) to enable the Insurance Authority (IA) to collect new user fees to recover the cost of providing specific services.

As an independent regulatory body, the IA is financially and operationally independent of the Government. The IA is empowered to collect, among other things, user fees on specific services provided. The first batch of 11 more frequently used service items came into effect on June 26, 2017.

"The Amendment Regulation seeks to introduce the second batch of 12 user fee items. The items cover mainly fees in relation to transfer of businesses and various modifications to the accounting requirements under different sections of the Insurance Ordinance (Cap. 41) and apply primarily to insurance companies or their auditors. In determining the fee levels, the methodology is largely in line with the approach used by the Government," a spokesman for the Financial Services and the Treasury Bureau said today (March 27).

The Amendment Regulation will be tabled before the Legislative Council for negative vetting on April 3, 2019. The provisions in the Amendment Regulation will come into operation on May 27, 2019, except section 4(2) which will come into effect upon the commencement of the new licensing regime for insurance intermediaries, tentatively in the second half of 2019.