

# Landlord of subdivided units under regulated tenancy convicted of failing to produce copies of bills and provide account when requiring reimbursement of apportioned water and electricity charges and contravening other relevant requirements

A landlord of subdivided units (SDUs) contravened Part IVA of the Landlord and Tenant (Consolidation) Ordinance (Cap. 7) (Ordinance) and pleaded guilty today (September 29) at the Eastern Magistrates' Courts for 10 offences under the Ordinance. He was fined a total of \$7,800. The offences include six counts of failing to produce copies of the bills and provide an account in writing when requiring the tenant to pay for the reimbursement of the apportioned water and electricity charges, three counts of failing to provide the tenant with a rent receipt, and one count of failing to submit Notice of Tenancy (Form AR2) to the Commissioner of Rating and Valuation within 60 days after the term of the regulated tenancy commenced. Since the Ordinance has come into force, eight SDU landlords have been convicted of contravening the Ordinance.

The Rating and Valuation Department (RVD) received the relevant complaint in June 2023. Upon in-depth investigation and evidence collection, the RVD discovered that the landlord concerned was suspected of contravening the following three requirements of the Ordinance, and hence prosecuted against the landlord.

Pursuant to Section 120AAZM of the Ordinance, when a landlord of a regulated tenancy requires the tenant to pay for the reimbursement of the charges for any of the specified utilities and services (including water and electricity charges) as a separate payment from the rent, the landlord must produce for the tenant copies of the relevant bills and provide an account in writing showing how the amounts are apportioned. The aggregate of the apportioned amounts also must not exceed the billed amounts. Failing to comply with such obligations is an offence. The landlord is liable on a first conviction to a fine at level 3 (\$10,000), and on a second or subsequent conviction to a fine at level 4 (\$25,000).

Pursuant to Section 120AAZN of the Ordinance, a landlord of a regulated tenancy must, within seven days after receiving the amount of rent paid by the tenant, provide the tenant with a receipt. The receipt must state the landlord's name and address, the period for which the rent is paid, and the date of payment. A landlord failing to comply with the above requirements

commits an offence and is liable to a fine at level 1 (\$2,000).

In addition, pursuant to Section 120AAZT of the Ordinance, the landlord of a regulated tenancy must submit a Form AR2 to the Commissioner to notify the particulars of the tenancy within 60 days after the term of the regulated tenancy commenced. A landlord who refuses or neglects to comply with the above requirements without reasonable excuse commits an offence and is liable to a fine at level 3 (\$10,000), and in the case of a continuing offence, to a further fine of \$200 for each day during which the offence continues.

A spokesman for the RVD stresses that SDU landlords must comply with the relevant requirements under the Ordinance, and also reminds SDU tenants of their rights under the Ordinance. Apart from following up on reported cases, the RVD has been adopting a multipronged approach, with close liaison with other departments, to proactively identify, investigate and follow up on cases concerning landlords who are suspected of contravening the Ordinance.

To this end, the RVD and the Water Supplies Department have been carrying out joint visits to SDUs to understand directly from the tenants if their landlords have committed any offence. The RVD also proactively requires landlords of regulated tenancies to provide information and reference documents of their tenancies for checking whether the landlords concerned have complied with the requirements of the Ordinance. If a landlord, without reasonable excuse, refuses to provide the relevant information or neglects the RVD's request, the landlord commits an offence and is liable to a fine at level 3 (\$10,000) and to imprisonment for three months. Moreover, the RVD also provides a form (Form AR3) to enable tenants of regulated tenancies who have not yet received a copy of endorsed Form AR2 to provide the basic tenancy particulars to the RVD by electronic means or in paper form, so as to enquire whether the RVD has received the relevant Form AR2 for the department's follow-up as appropriate. Depending on the actual circumstances and having regard to the information and evidence collected, the RVD will take appropriate actions on individual cases, including instigating prosecutions against suspected contravention of the Ordinance.

The RVD spokesman appeals to members of the public to come forward and report to the RVD promptly any suspected cases of contravening the relevant requirements. This would help curb illegal acts as soon as possible. Reporting can be made through the telephone hotline (2150 8303), by email ([enquiries@rvd.gov.hk](mailto:enquiries@rvd.gov.hk)), by fax (2116 4920), by post (15/F, Cheung Sha Wan Government Offices, 303 Cheung Sha Wan Road, Kowloon), or in person (please call 2150 8303 to make an appointment with the Tenancy Services Section of the RVD before visiting its office at Room 3816-22, 38/F, Immigration Tower, 7 Gloucester Road, Wan Chai).

For enquiries related to regulated tenancies, please call the above telephone hotline or visit the RVD's webpage ([www.rvd.gov.hk/en/our\\_services/part\\_iva.html](http://www.rvd.gov.hk/en/our_services/part_iva.html)) for the relevant information.