HONG KONG TAX | CRS · CARF · CRYPTO ASSETS · COMPLIANCE

Hong Kong tax transparency: tighter CRS rules from 2027 and crypto reporting under CARF

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Financial institutions face IRD registration, stricter records and higher penalties from 1 January 2027. A separate bill would add crypto-asset reporting from 2027 and amended CRS from 2028.

Country reference

- Country: Hong Kong (planned expansion country)
- Authorities: Inland Revenue Department (IRD); Financial Services and the Treasury Bureau (FSTB)
- Topic: Automatic exchange of financial account and crypto-asset information
- Key date: AEOI amendments from 1 January 2027; CARF proposed from 1 January 2027
- Law: Inland Revenue (Amendment) (Automatic Exchange of Information) Ordinance 2026; CARF and Amended CRS Bill 2026

Passed: aeoi amendments

The Legislative Council passed the Inland Revenue (Amendment) (Automatic Exchange of Information) Bill 2026 on 17 June 2026, responding to OECD peer review comments. From 1 January 2027:

- Reporting financial institutions must register with the IRD.
- Due diligence record-keeping is tightened.
- Penalties are raised.

Pending: crypto-asset reporting

- A separate bill on the Crypto-Asset Reporting Framework (CARF) and an amended CRS was gazetted on 22 May 2026 and read for the first time on 3 June 2026.
- If passed, CARF applies from 1 January 2027 and the amended CRS from 1 January 2028, with the first CARF exchange in 2028.
- Reporting crypto-asset service providers with a Hong Kong nexus must register on the CARF Portal by 31 January of the year after they first meet a nexus test, even with nothing to report.
- New users must give self-certifications; existing users must be covered within 12 months.
- Records must be kept for six years.

Who is affected

- Banks, custodians, brokers, funds and insurers reporting under CRS.
- Crypto exchanges, brokers and other service providers exchanging crypto-assets for customers.

- Clients with accounts in Hong Kong: expect new self-certification requests.

What to do now

- Financial institutions: plan IRD registration and record retention before 2027.
- Crypto businesses: assess nexus and build self-certification into onboarding.
- Investment holding companies: confirm whether they count as financial institutions.

Our take

Hong Kong is aligning with global transparency standards fast. Gulf investors holding assets or crypto through Hong Kong should assume their home tax authority will receive the data.

Sources

- IRD: Passage of the AEOI Amendment Bill 2026 (17 June 2026)
- IRD: Crypto-Asset Reporting Framework

Important. This summary is for general information and is not tax, legal or financial advice. It is based on public Inland Revenue Department publications and may be incomplete or out of date. The official legislation and guidance prevail; check the official text before acting.

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