

MANDATORY PROVIDENT FUND SCHEMES AUTHORITY

VI.5 Guidelines on Annual Fees for Registered Intermediaries

INTRODUCTION

Pursuant to section 34ZN(1) of the Mandatory Provident Fund Schemes Ordinance (the Ordinance), a person who is a registered intermediary must pay to the Mandatory Provident Fund Schemes Authority (MPFA) for every chargeable period an annual fee of the amount prescribed by the regulations.

2. Pursuant to section 34ZN(6) of the Ordinance, the MPFA may specify a date for determining the chargeable period and must publish the date in any manner it considers appropriate.

3. Section 6H of the Ordinance provides that the MPFA may issue guidelines for the guidance of approved trustees, service providers, participating employers and their employees, self-employed persons, regulated persons and other persons concerned with the Ordinance.

4. The MPFA hereby issues guidelines to set out the specified date for the chargeable period pursuant to section 34ZN(6)(a) of the Ordinance.

EFFECTIVE DATE

5. These Guidelines (Version 1 – November 2017) shall become effective on the date of commencement of operation of the Mandatory Provident

Fund Schemes (Fees) (Amendment) Regulation 2017 (the Amendment Regulation 2017)¹, i.e. 1 January 2018.

SPECIFIED DATE

6. 1 January is the date specified pursuant to section 34ZN(6)(a) of the Ordinance.

CHARGEABLE PERIOD

7. Pursuant to section 34ZN(7) of the Ordinance, a chargeable period in section 34ZN means a period beginning on the date of the registration of the person as such registered intermediary and ending immediately before the specified date next following or each successive period of 12 months. The fee for a chargeable period must be paid within one month after the first day of the chargeable period pursuant to section 34ZN(1) of the Ordinance. Illustrations 1 and 2 demonstrate how to determine the chargeable period and the due date of annual fees.

Illustration 1 - for intermediaries registered before 1 January 2018

8. For chargeable periods before 1 January 2018, the amount of annual fee prescribed in Schedule 1 to the Mandatory Provident Fund Schemes (Fees) Regulation (the Fees Regulation) is “Nil”.

9. For all chargeable periods on or after 1 January 2018, the amounts of annual fees for registered intermediaries are set out in Schedule 1 to the Fees Regulation. Registered intermediaries must pay annual fees to the MPFA for every chargeable period on or before the due date. For example, the due date of

¹ The amount of annual fee payable by a registered intermediary under section 34ZN of the Ordinance will be changed from “nil” to the amount prescribed in Schedule 1 to the Mandatory Provident Fund Schemes (Fees) Regulation (as amended by the Amendment Regulation 2017).

the 2018 annual fee (for the chargeable period 1 January 2018 – 31 December 2018) is 1 February 2018.

Illustration 2 - for intermediaries registered on or after 1 January 2018

Date of registration	:	1 February 2018
Initial chargeable period	:	1 February 2018 – 31 December 2018
Due date of 2018 annual fee	:	1 March 2018
Amount of annual fee	:	\$1,430 for principal intermediary \$180 for subsidiary intermediary

10. Registered intermediaries must pay the full amount of annual fees prescribed in Schedule 1 to the Fees Regulation for the initial chargeable period.

11. For all subsequent chargeable periods, registered intermediaries must pay to the MPFA the amount of annual fees prescribed in Schedule 1 to the Fees Regulation on or before the due date. For example, the due date of the 2019 annual fee (for the chargeable period 1 January 2019 – 31 December 2019) is 1 February 2019.

12. If the annual fee is not paid in accordance with the relevant statutory requirements, the registered intermediary will be required to pay an additional fee, and the registration may be suspended or revoked. For details, please refer to section 34ZN of the Ordinance.

DEFINITION OF TERMS

13. Where a term used in the Guidelines is defined in the Ordinance or the subsidiary legislation then, except where specified in the Guidelines, that term carries the meaning as defined in the Ordinance or the subsidiary legislation.