



Hong Kong Tax Newsflash

Pillar Two update: Hong Kong signs Multilateral Agreement on exchange of GloBE information

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On 21 April 2026, Hong Kong signed the [Multilateral Competent Authority Agreement on the Exchange of GloBE Information](#) (GIR MCAA) which will facilitate the automatic exchange of GloBE information with other participating jurisdictions. The activation of Hong Kong's participation in the GIR MCAA is subject to the formal notification by the Hong Kong government to the OECD Secretariat.

Hong Kong enacted the legislation to implement the OECD's GloBE Rules and the Hong Kong Minimum Top-up Tax (HKMTT), with in-scope multinational enterprise (MNE) groups becoming subject to the Income Inclusion Rule and the HKMTT for fiscal years beginning on or after 1 January 2025. These groups are also required to comply with new reporting and filing obligations, including submitting a GloBE Information Return (GIR) to the Inland Revenue Department (IRD).

GIR filing obligations and GIR MCAA

Under the GloBE rules, each constituent entity (CE) of an in-scope MNE group has an obligation to file a GIR annually with the tax administration of the jurisdiction where it is located. However, this obligation would be discharged if a GIR is filed in a jurisdiction that has entered into an exchange relationship with the CE's jurisdiction.

The GIR MCAA is a multilateral agreement between competent authorities that provides for the automatic exchange of GloBE information between jurisdictions. According to the [signatories list](#) released by the OECD as of date 5 May 2026, 32 jurisdictions, including Hong Kong, has signed the GIR MCAA.

By signing the GIR MCAA, Hong Kong has formally participated in the automatic exchange of GloBE information with other participating jurisdictions. The GIR MCAA will take effect upon the formal notification by the Hong Kong government to the OECD Secretariat.

Impact to taxpayers

Once the GIR MCAA is activated, Hong Kong will be able to exchange GloBE information with other jurisdictions which have signed and activated the GIR MCAA. MNE groups with operations in Hong Kong may opt to file their GIRs for fiscal years beginning on or after 1 January 2025 with the Hong Kong IRD. Hong Kong will then exchange the information with the other relevant jurisdictions, thereby relieving the foreign CEs of the obligation to file GIRs in their respective jurisdictions. However, in those jurisdictions that have not yet signed and activated the GIR MCAA, CEs may still be required to file GIRs locally unless an alternative bilateral agreement for the exchange of GloBE information is in place.

Our observation

Hong Kong's participation in the GIR MCAA would streamline the compliance process and reduce the overall administrative burden for MNE groups operating across multiple GloBE jurisdictions. That said, MNE groups should carefully review their group structure and assess the exchange coverage. Where the GIR MCAA is not yet in effect, proactive planning for GIR filing will be essential to ensure full compliance.

We will continue to monitor updates from the IRD and the OECD and stand ready to support businesses in navigating the evolving Pillar Two landscape.

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