- Cap. 349, Laws of Hong Kong -

Hotel and Guesthouse Accommodation Ordinance



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<u><u>v</u> 71</u>

Hotel and Guesthouse Accommodation Ordinance (Cap. 349)



According to the Hotel and Guesthouse Accommodation Ordinance (Ordinance), premises are a hotel or guesthouse if the premises are held out as providing sleeping accommodation to any persons presenting themselves who are willing to pay a fee for the sleeping accommodation for a period less than 28 consecutive days. Any person who plans to establish a hotel or guesthouse must apply for a licence before commencing operation.

The Ordinance was amended in 2020 with an aim to improving the licensing regime, facilitating enforcement actions and enhancing deterrence. The amended Ordinance took effect on 1 December 2020.

Key Features of the Licensing Regime

The amended Ordinance empowers the Office of the Licensing Authority (OLA) to take into account in the licensing process the relevant restrictive provisions in land documents, local residents' views and whether the applicant is a fit and proper person. Application for new licence and licence renewal is required to meet the following main requirements under the new regime:

"No-use Restriction" Requirement

• The licence applicant must provide a written legal advice given by a legal practitioner on whether there is any "restrictive provision" in the relevant deed of mutual covenant (DMC) or Government lease (if the premises have no DMC), which prohibits the premises concerned from being used as a hotel or guesthouse; for commercial purposes; or otherwise than for private residential purposes.



Suitability Requirement

• The operation, keeping, management or other control of the premises as a hotel or guesthouse is required to be under the continuous and personal supervision of the licence holder according to the Ordinance, in order to ensure the premises are in a proper condition and satisfy the building and fire safety requirements.

Differentiation of Hotel Licence and Guesthouse Licence

• Guesthouses are prohibited from using the word「酒店」or "Hotel" in their business names.



"Fit and Proper" Requirement

- OLA will consider whether the applicant or the related person (in case of a body of persons) is a fit and proper person to operate, keep, manage or otherwise have control of a hotel or guesthouse. An applicant is required to declare in the application form whether he or she has been convicted of an offence under the Ordinance, or any other serious offence, or an undischarged bankrupt, in liquidation or the subject of a winding-up order. OLA will take into account the declaration when considering whether the applicant is a fit and proper person for granting licence.
- OLA will consider the relevant conviction records of the applicant or the related person for not less than five years preceding the date of application.





Local Consultation

• Local consultation may be conducted by the Advisory Panel on Licensing of Hotels and Guesthouses when necessary.

Enforcement and Prosecution against Unlicensed Hotels or Guesthouses

In order to facilitate enforcement actions against unlicensed hotels or guesthouses, the amended Ordinance introduces a new offence, empowers OLA new enforcement power and increases the penalties for relevant offences. The major items are as follows:

- The owners and tenants have the responsibility to ensure that the premises are not put in illegal use as unlicensed hotels or guesthouses.
- Enforcement officers are empowered to apply for a search warrant to enter into a suspected premises to inspect and search for evidence.
- A maximum penalty of \$500,000 and up to three years' imprisonment for operation of an unlicensed hotel or guesthouse.
- Issuing a closure order for the premises for six months upon repeated offences.

Other Information and Enquiries

OLA Website







For Enquiries

The Office of the Licensing Authority under the Home Affairs Department

Tel 28817034 Email hadlaenq@had.gov.hk

Mobile Application

"Hong Kong Licensed Hotels and Guesthouses"





