



Hong Kong Tax Newsflash

Passage of tax measures proposed in the 2022 Policy Address and the 2023-24 Budget speech

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Subsequent to the 2022 Policy Address and 2023-24 Budget speech, the following Bills were passed by the Legislative Council on 21 June 2023.

Special football betting duty

The *Betting Duty (Amendment) Bill 2023* seeks to impose an annual special football betting duty of HKD2.4 billion on the football betting conductor (i.e. the Hong Kong Jockey Club) for 5 years starting from 2023-24.

Refund of certain stamp duty to eligible incoming talents¹

The *Stamp Duty (Amendment) (No. 2) Bill 2023* seeks to introduce a refund mechanism under the Buyer's Stamp Duty² (BSD) and New Residential Stamp Duty³ (NRSD) regimes for non-Hong Kong permanent residents who are eligible incoming talents, purchased a residential property in Hong Kong on or after 19 October 2022 and subsequently become Hong Kong permanent residents.

Eligible incoming talents can apply for a refund of the BSD and NRSD paid for the residential property which, at the time it was purchased, was his/her only residential property (save for replacing property) and

he/she still holds on the date of the application for refund. The ad valorem stamp duty at Scale 2 rates will still be payable such that the overall stamp duty charged will be on par with that charged on first-time home buyers who are Hong Kong permanent residents. The Inland Revenue Department will start accepting refund applications after the gazettal of the new legislation.

¹ Eligible incoming talents are those who enter Hong Kong under designated talent admission schemes, namely the General Employment Policy, Admission Scheme for Mainland Talents and Professionals, Quality Migrant Admission Scheme, Immigration Arrangements for Non-local Graduates, Technology Talent Admission Scheme, Admission Scheme for the Second Generation of Chinese Hong Kong Permanent Residents and the newly launched Top Talent Pass Scheme.

² BSD applies to all residential property transactions except for those acquired by a Hong Kong permanent resident acting on his or her own behalf.

³ NRSD applies to all residential property transactions except for those acquired by a HKPR acting on his or her own behalf and not owning any other residential property in Hong Kong at the time of acquisition.

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