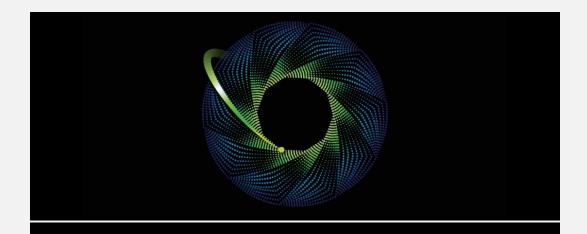
Hong Kong | Tax & Business Advisory | 16 April 2024 | Issue 215



Hong Kong Tax Newsflash

Abolition of all demand-side stamp duty measures for residential properties

INspire HK 躍動香港

The Bill¹ which abolishes all the demand-side management measures for residential properties (DSMMs), including Buyer's Stamp Duty (BSD)², New Residential Stamp Duty (NRSD)³ and Special Stamp Duty (SSD)⁴, as announced in the 2024-25 Budget Speech was passed by the Legislative Council on 10 April 2024. The abolition applies with effect from 28 February 2024 and ends the DSMMs which had lasted for over 13 years.

With the enactment of the Bill, any instrument executed on or after 28 February 2024 for the sale and purchase or transfer of residential properties would only be subject to Ad Valorem Stamp Duty (AVD) rate equivalent to Scale 2 (extracted below), no matter the buyer is a Hong Kong permanent resident (HKPR) or non-HKPR, with or without another residential property on hand.

Amount or value of consideration	Rates at Scale 2
Up to HKD3,000,000	HKD100
HKD3,000,001 to HKD3,528,240	HKD100 + 10% of the excess
	over HKD3,000,000
HKD3,528,241 to HKD4,500,000	1.5%
HKD4,500,001 to HKD4,935,480	HKD67,500 + 10% of the excess
	over HKD4,500,000
HKD4,935,481 to HKD6,000,000	2.25%

HKD6,000,001 to HKD6,642,860	HKD135,000 + 10% of the excess
	over HKD6,000,000
HKD6,642,861 to HKD9,000,000	3%
HKD9,000,001 to HKD10,080,000	HKD270,000 + 10% of the excess
	over HDD9,000,000
HKD10,080,001 to HKD20,000,000	3.75%
HKD20,000,001 to HKD21,739,120	HKD750,000 + 10% of the excess
	over HKD20,000,000
HKD21,739,121 and above	4.25%

¹ Stamp Duty (Amendment) Bill 2024

Tax Newsflash is published for the clients and professionals of Deloitte Touche Tohmatsu. The contents are of a general nature only. Readers are advised to consult their tax advisors before acting on any information contained in this newsletter.

If you have any questions, please contact our professionals:

Authors

Doris Chik

Tax Partner +852 2852 6608 dchik@deloitte.com.hk

Kiwi Fung

Tax Manager +852 2258 6162 kifung@deloitte.com.hk

Carmen Cheung

Senior Tax Manager +852 2740 8660 carmcheung@deloitte.com.hk

Global Business Tax Services National Leader

Andrew Zhu

Tax Partner +86 10 8520 7508

andzhu@deloitte.com.cn

Hong Kong

Raymond Tang

Tax Partner +852 2852 6661

raytang@deloitte.com.hk

Get in touch

















² BSD (@7.5%) applied to all residential property transactions except for those acquired by a Hong Kong permanent resident (HKPR) acting on his or her own behalf.

³ NRSD (@7.5%) applied 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.

 $^{^4}$ SSD (@10% /15%/20%) applied to those who dispose of his/her residential property within 2 years after acquisition.

Deloitte China provides integrated professional services, with our long-term commitment to be a leading contributor to China's reform, opening-up and economic development. We are a globally connected firm with deep roots locally, owned by our partners in China. With over 20,000 professionals across 31 Chinese cities, we provide our clients with a one-stop shop offering world-leading audit & assurance, consulting, financial advisory, risk advisory, tax and business advisory services.

We serve with integrity, uphold quality and strive to innovate. With our professional excellence, insight across industries, and intelligent technology solutions, we help clients and partners from many sectors seize opportunities, tackle challenges and attain world-class, high-quality development goals.

The Deloitte brand originated in 1845, and its name in Chinese (德勤) denotes integrity, diligence and excellence. Deloitte's global professional network of member firms now spans more than 150 countries and territories. Through our mission to make an impact that matters, we help reinforce public trust in capital markets, enable clients to transform and thrive, empower talents to be future-ready, and lead the way toward a stronger economy, a more equitable society and a sustainable world.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms, and their related entities (collectively, the "Deloitte organization"). DTTL (also referred to as "Deloitte Global") and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more.

Deloitte Asia Pacific Limited is a company limited by guarantee and a member firm of DTTL. Members of Deloitte Asia Pacific Limited and their related entities, each of which is a separate and independent legal entity, provide services from more than 100 cities across the region, including Auckland, Bangkok, Beijing, Bengaluru, Hanoi, Hong Kong, Jakarta, Kuala Lumpur, Manila, Melbourne, Mumbai, New Delhi, Osaka, Seoul, Shanghai, Singapore, Sydney, Taipei and Tokyo.

This communication contains general information only, and none of DTTL, its global network of member firms or their related entities is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication.

© 2024 Deloitte Touche Tohmatsu in Hong Kong, Deloitte Touche Tohmatsu in Macau, and Deloitte Touche Tohmatsu Certified Public Accountants LLP in the Chinese Mainland. All rights reserved.

To no longer receive emails about this topic please send a return email to the sender with the word "Unsubscribe" in the subject line