



Hong Kong Tax Newsflash

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

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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 HKD9,000,000
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](#)

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.

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