



## Hong Kong Tax Newsflash

### Passage of tax measures proposed in the 2023 Policy Address and the 2024-25 Budget

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The Legislative Council passed the Bill<sup>1</sup> yesterday, which aims to enact the following tax measures proposed in the 2023 Policy Address and the 2024-25 Budget:

- A one-off tax reduction of profits tax, salaries tax and tax under personal assessment for the year of assessment 2023/24 by 100%, subject to a ceiling of HKD3,000 for each case.
- The implementation of a two-tiered standard rates regime for salaries tax and tax under personal assessment<sup>2</sup> effective from the year of assessment 2024/25, with a rate of 15% on the first HKD5 million of net income and 16% on the remainder.
- An increase in deduction ceilings for home loan interest and domestic rents<sup>3</sup> from HKD100,000 to HKD120,000 for eligible taxpayers starting from the year of assessment 2024/25.

<sup>1</sup> [Inland Revenue \(Amendment\) \(Tax Concessions and Two-tiered Standard Rates\) Bill 2024](#)

<sup>2</sup> For details, please refer to our [GES Tax Newsflash dated 29 February 2024](#).

<sup>3</sup> For details, please refer to our [GES Tax Newsflash Issue dated 30 October 2023](#).

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If you have any questions, please contact our professionals:

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### Authors

#### Doris Chik

Tax Partner

+852 2852 6608

[dchik@deloitte.com.hk](mailto:dchik@deloitte.com.hk)

#### Carmen Cheung

Senior Tax Manager

+852 2740 8660

[carmcheung@deloitte.com.hk](mailto:carmcheung@deloitte.com.hk)

#### Kiwi Fung

Tax Manager

+852 2258 6162

[kifung@deloitte.com.hk](mailto:kifung@deloitte.com.hk)

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### Global Business Tax Services

#### National Leader

##### Andrew Zhu

Tax Partner

+86 10 8520 7508

[andzhu@deloitte.com.cn](mailto:andzhu@deloitte.com.cn)

#### Hong Kong

##### Raymond Tang

Tax Partner

+852 2852 6661

[raytang@deloitte.com.hk](mailto:raytang@deloitte.com.hk)

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