



Hong Kong Tax Newsflash

Hong Kong-Rwanda tax treaty signed

Hong Kong | Tax & Business Advisory | 10 October 2025 | Issue 252

Hong Kong SAR (HK) signed a Comprehensive Double Tax Agreement (CDTA) with Rwanda on 9 October 2025. Rwanda is one of the economies participating in the Belt and Road Initiative. This is the 54th CDTA concluded by HK.

Below is a comparison of the withholding tax rates applicable to dividends, interest, royalties and technical fees, under the respective domestic tax law and the HK-Rwanda CDTA:

	Dividends	Interest	Royalties	Technical fees
HK non-CDTA rate	0%	0%	4.95% / 16.5% ¹	0%
Rwanda non-CDTA rate	15%	15%	15%	15%
HK-Rwanda CDTA rate	0% / 7.5% ²	0% / 8% ²	9%	10%

In addition to the provision of more beneficial withholding tax rates, the CDTA provides beneficial treatment on capital gains. For example, capital gains derived by a HK investor from the disposal of shares in a Rwanda company are generally exempt from tax in Rwanda under the CDTA, unless the company is land-rich³. Nevertheless, under certain circumstances⁴ (e.g., the shares of the land-rich company are listed, the shares are disposed under a corporate reorganisation etc.), the capital gains from the disposal of such a land-rich company may still be exempt from tax in Rwanda.

The HK-Rwanda CDTA will come into force after the completion of ratification procedures by both jurisdictions. The CDTA can be downloaded from this [link](#).

¹ The 4.95% rate generally applies. If the royalty is paid to an associated entity and the intellectual property has been owned by a person carrying on business in HK, 16.5% applies. If the taxpayer is eligible for two-tiered tax rates, 2.475% (or 8.25% if higher rate) applies on the first HKD 2 million of assessable profits and 4.95% (or 16.5% if higher rate) on the remaining amount.

² 0% if it is paid to the Government of Rwanda / HK, the HK Monetary Authority, the Exchange Fund of HK, Rwanda Social Security Board, Agaciro Development Fund, National Bank of Rwanda, Rwanda National Investment Trust Ltd, Development Bank of Rwanda, or any entity wholly or mainly owned by the Government of Rwanda / HK as may be agreed from time to time between the competent authorities of both jurisdictions; otherwise, the rate will be 7.5% (for dividends) / 8% (for interest).

³ A company deriving more than 50% of its value directly or indirectly from immovable property situated in Rwanda during the 365 days preceding the disposal.

⁴ Circumstances under which gains from disposal of shares in land-rich entities shall be taxable only in the location of the taxpayer's residence are:

(a) shares quoted on a stock exchange agreed upon by the competent authorities of HK and Rwanda; or
(b) shares disposed or exchanged in the framework of a corporate reorganisation, such as a merger, demerger (scission), or similar operation.

Authors

Doris Chik

Tax Partner

+852 2852 6608

dchik@deloitte.com.hk

Carmen Cheung

Senior Tax Manager

+852 2740 8660

carmcheung@deloitte.com.hk

Kiwi Fung

Tax Manager

+852 2258 6162

kifung@deloitte.com.hk

For more information, please contact:

Tax & Business Advisory

Southern Region Leader

Jennifer Zhang

Tax Partner

+852 2258 6228

jennifzhang@deloitte.com.hk

Hong Kong Leader

Anthony Lau

Tax Partner

+852 2852 1082

antlau@deloitte.com.hk

International and M&A Tax Services

National Leader

Vicky Wang

Tax Partner

+86 21 6141 1035

vicwang@deloittecn.com.cn



About Deloitte

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, tax and consulting 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.