

TAXES IN HONG KONG



AMERICA EUROPE ASIA AFRICA OCEANIA

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- **TAX RATE-PERSONS:** Progressive rate 2% - 17% with allowances/ Standard rate 15% with no allowances
- **TAX RATE-COMPANIES:** Profit tax: Corporation: 16.5%; Unincorporated Businesses: 15%
- **NON-RESIDENTIAL RENT/ LOCAL RENT ON GLOBAL RENT:** N/A
- **DOUBLE IMPOSITION TREATIES WITH(MAIN 3 COUNTRIES):** Many countries, including China
- **# YEARS FOR LOSSES COMPENSATION:** no limit of years
- **EXEMPTIONS:** Personal: Outgoings and Expenses, Approved Charitable Donations, Expenses of Self-education, Contributions to a Mandatory Provident Fund Scheme or Recognized Occupational Retirement Scheme, Depreciation, Loss, Home Loan Interest, Interest Payments to Produce Rental Income from Properties, Elderly Residential Care Expenses
- **Profits tax:** dividends received from a corporation which is subject to Hong Kong Profits Tax; amounts already included in the assessable profits of other persons chargeable to Profits Tax; interest on Tax Reserve Certificates; interest on, and any profit made in respect of a bond issued under the Loans Ordinance (Cap. 61) or the Loans (Government Bonds) Ordinance (Cap. 64), or in respect of an Exchange Fund debt instrument or in respect of a Hong Kong dollar-denominated multilateral agency debt instrument; interest income and trading profits derived from long term debt instruments; and sums received or accrued in respect of a specified investment scheme by or to the person under section 104 of the Securities and Futures Ordinance (Cap. 571) or where the Commissioner is satisfied that the mutual fund, unit trust or investment scheme is a bona fide widely held investment scheme which complies with the requirements of a supervisory authority within an acceptable regulatory regime.
- **TAX ON PROPERTY:** 15% per annum (no transaction)
- **TAX ON INTEREST:** subject to exemption above mentioned and Comprehensive Double Taxation Agreement
- **TAX ON DIVIDENDS:** subject to exemption above mentioned
- **VAT TAX:** No