

Press Release
Inland Revenue (Amendment) Bill 2014 gazetted
Friday, April 25, 2014

The Inland Revenue (Amendment) Bill 2014 was gazetted today (April 25). The Bill aims to amend the Inland Revenue Ordinance (Cap. 112) to implement the concessionary revenue measures proposed in the 2014-15 Budget. These include increasing both the allowance and additional allowance for maintaining a dependent parent or grandparent; raising the deduction ceiling for elderly residential care expenses; and reducing salaries tax, tax under personal assessment and profits tax for the year of assessment 2013/14 by 75 per cent, subject to a ceiling of \$10,000 per case.

"Subject to the passing of the legislation by the Legislative Council, the proposals for increasing the dependent parent/grandparent allowances and the deduction ceiling for elderly residential care expenses under salaries tax and tax under personal assessment will take effect for the year of assessment 2014/15 onwards. About 550 000 taxpayers will benefit from the proposals," a Government spokesman said.

In the 2014-15 Budget, the Government has proposed a number of counter-cyclical, one-off relief measures which include, amongst others, the above proposed one-off reduction of salaries tax, tax under personal assessment and profits tax for the year of assessment 2013/14. The reduction will be reflected in the taxpayers' final tax payable for the year of assessment 2013/14.

About 1.74 million taxpayers will benefit from the proposed one-off reduction of salaries tax and tax under personal assessment. The proposed one-off reduction of profits tax will benefit about 126 000 tax-paying companies and unincorporated businesses.

The Bill will be introduced into the Legislative Council on May 7.

Ends