

Legislative Council passes Revenue Bill 2008

Celia Hui [27/06/2008]

Profits Tax Return (Corporation)

Tax Concessions Proposed in the Budget

The Legislative Council has passed the proposal in the 2008/09 Hong Kong Budget on 26th June 2008 that the corporate profits tax rate reduced from 17.5% to 16.5%. In addition, a one-off rebate of 75% of profits tax that had been paid for the year 2007/08 (subject to a ceiling of HK\$25,000) will be offered to set-off against the final tax payable for that year.

Since the above enacted legislation may affect the Company's profits tax liabilities and deferred tax in the audited financial statements, please contact your auditors for follow-up.

Individual Tax Return

Tax Concessions in the Budget

The Legislative Council has passed the proposal in the 2008/09 Hong Kong Budget on 26th June 2008 the following

- increase the basic personal allowance and single parent allowance to HK\$108,000, and married person's allowance to HK\$216,000 (i.e. taking us back to the 2002/03 level).
- widen tax bands from HK\$35,000 to HK\$40,000.
- lower the standard rate of salaries tax in by 1% to 15%.
- offer a one-off rebate of 75% of salaries tax that had been paid for the year 2007/08 (subject to a ceiling of HK\$25,000) against the final tax payable for that year.
- Increase the deduction ceiling for approved charitable donations by 10% to 35% of assessable income.