

Allowances, Deductions and Tax Rate Table

1. Allowances

Year of Assessment	2017/18	2018/19	2019/20 to 2021/22	2022/23	2023/24 onwards #
	\$	\$	\$	\$	\$
Basic Allowance	132,000	132,000	132,000	132,000	132,000
Married Person's Allowance	264,000	264,000	264,000	264,000	264,000
Child Allowance (For each of the 1st to 9th child)	100,000	120,000	120,000	120,000	130,000
For each child born during the year, the Child Allowance will be increased by	100,000	120,000	120,000	120,000	130,000
Dependent Brother or Sister Allowance (For each dependant)	37,500	37,500	37,500	37,500	37,500
Dependent Parent and Dependent Grandparent Allowance (For each dependant)					
Parent / grandparent aged 60 or above or is eligible to claim an allowance under the Government's Disability Allowance Scheme	46,000	50,000	50,000	50,000	50,000
Parent / grandparent aged 55 or above but below 60	23,000	25,000	25,000	25,000	25,000
Additional Dependent Parent and Dependent Grandparent Allowance					
Parent / grandparent aged 60 or above or is eligible to claim an allowance under the Government's Disability Allowance Scheme	46,000	50,000	50,000	50,000	50,000
Parent / grandparent aged 55 or above but below 60	23,000	25,000	25,000	25,000	25,000
Single Parent Allowance	132,000	132,000	132,000	132,000	132,000
Personal Disability Allowance	-	75,000	75,000	75,000	75,000
Disabled Dependant Allowance (For each dependant)	75,000	75,000	75,000	75,000	75,000

2. Deductions – Maximum Limits

Year of Assessment	2017/18	2018/19	2019/20 to 2021/22	2022/23	2023/24 onwards #
	\$	\$	\$	\$	\$
Expenses of Self-Education	100,000	100,000	100,000	100,000	100,000
Elderly Residential Care Expenses	92,000	100,000	100,000	100,000	100,000
Home Loan Interest	100,000	100,000	100,000	100,000	100,000
Mandatory Contributions to Recognized Retirement Schemes	18,000	18,000	18,000	18,000	18,000
Qualifying Premiums Paid under Voluntary Health Insurance Scheme (VHIS) Policy (For each insured person)	-	-	8,000	8,000	8,000
Qualifying Annuity Premiums and Tax Deductible MPF Voluntary Contributions	-	-	60,000	60,000	60,000
Domestic Rents Deduction	-	-	-	100,000	100,000
Approved Charitable Donations					
[(Income – Allowable Expenses – Depreciation Allowances) x Percentage]	35%	35%	35%	35%	35%

3. Calculation of Tax Payable

Tax payable is calculated at progressive rates on your net chargeable income or at standard rate on your net income (before deduction of the allowances), whichever is lower. It is further reduced by the tax reduction, subject to a maximum.

Net Chargeable Income = Income – Deductions – Allowances

Year of Assessment	2017/18			2018/19 to 2023/24			2024/25* onwards #		
	Net Chargeable Income	Rate	Tax	Net Chargeable Income	Rate	Tax	Net Chargeable Income	Rate	Tax
	\$		\$	\$		\$	\$		\$
On the First	45,000	2%	900	50,000	2%	1,000	50,000	2%	1,000
On the Next	<u>45,000</u>	7%	<u>3,150</u>	<u>50,000</u>	6%	<u>3,000</u>	<u>50,000</u>	6%	<u>3,000</u>
	90,000		4,050	100,000		4,000	100,000		4,000
On the Next	<u>45,000</u>	12%	<u>5,400</u>	<u>50,000</u>	10%	<u>5,000</u>	<u>50,000</u>	10%	<u>5,000</u>
	135,000		9,450	150,000		9,000	150,000		9,000
On the Next				<u>50,000</u>	14%	<u>7,000</u>	<u>50,000</u>	14%	<u>7,000</u>
				200,000		16,000	200,000		16,000
Remainder		17%			17%			17%	
Standard Rate		15%			15%			-	
Two-tiered Standard Rates*									
On the first \$5,000,000 of net income		-			-			15%	
Remainder		-			-			16%	

Tax Reduction

Year of Assessment	% of Tax Reduction	Maximum Per Case (\$)	Applicable Tax Types
2017/18	75%	30,000	profits tax, salaries tax and tax under personal assessment
2018/19 and 2019/20	100%	20,000	profits tax, salaries tax and tax under personal assessment
2020/21 and 2021/22	100%	10,000	profits tax, salaries tax and tax under personal assessment
2022/23	100%	6,000	profits tax, salaries tax and tax under personal assessment
2023/24*	100%	3,000	profits tax, salaries tax and tax under personal assessment

* Legislative amendments are required for implementing the tax measures as proposed by the Financial Secretary in the 2024-25 Budget.

until superseded

Salaries Tax / Personal Assessment

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Inland Revenue Department
The Government of the Hong Kong Special Administrative Region
of the People's Republic of China

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