

The following pieces of legislation enacted during the year 2012-13 are related to matters under the purview of the Department.

INLAND REVENUE (AMENDMENT) ORDINANCE 2012 (ORDINANCE NO. 21 OF 2012)

This Ordinance amended the Inland Revenue Ordinance to give effect to the following proposals in the Budget for the 2012-13 financial year:

- (1) to increase the basic allowance and single parent allowance from \$108,000 to \$120,000, and married person's allowance from \$216,000 to \$240,000;
- (2) to increase the child allowance from \$60,000 to \$63,000 for each child, and the additional child allowance in the year of birth from \$60,000 to \$63,000 for each child;
- (3) to increase the dependent brother / sister allowance for each dependant from \$30,000 to \$33,000;
- (4) to increase the allowance granted for maintaining a parent/grandparent aged 60 or above from \$36,000 to \$38,000, and the additional allowance granted for residing continuously with that parent/grandparent from \$36,000 to \$38,000;
- (5) to increase the allowance granted for maintaining a parent/grandparent aged between 55 and 59 from \$18,000 to \$19,000, and the additional allowance granted for residing continuously with that parent/grandparent from \$18,000 to \$19,000;
- (6) to increase the disabled dependant allowance for each dependant from \$60,000 to \$66,000;
- (7) to increase the maximum deduction amount of elderly residential care expenses from \$72,000 to \$76,000;
- (8) to extend the number of years for deduction of home loan interest from 10 years of assessment to 15 years of assessment;
- (9) to increase the maximum deduction for mandatory contributions to Mandatory Provident Fund Schemes from \$12,000 to \$14,500 for the year of assessment 2012-13, and to \$15,000 for each year after that year; and
- (10) to reduce the amounts of salaries tax, profits tax and tax under personal assessment payable for the year of assessment 2011-12 by 75%, subject to a maximum of \$12,000 in each case.

REVENUE (REDUCTION OF BUSINESS REGISTRATION FEES) ORDER 2013 (LEGAL NOTICE NO. 27 OF 2013)

This Order reduced the fees payable in respect of business registration certificates and branch registration certificates that commence on or after 1 April 2013 but before 1 April 2014. However, for simultaneous business registration applications of companies incorporated under the Companies Ordinance, the reduction is applicable to the business registration fee payable on the applications for incorporation that are made on or after 1 April 2013 but before 1 April 2014.

INLAND REVENUE (DOUBLE TAXATION RELIEF AND PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME) ORDERS

Country	Date of Order	Nature
Kuwait	17 April 2012	Double Taxation Relief and Prevention of Fiscal Evasion with respect to Taxes on Income
Malta	17 April 2012	Double Taxation Relief and Prevention of Fiscal Evasion with respect to Taxes on Income
Switzerland	17 April 2012	Double Taxation Relief with respect to Taxes on Income
Malaysia	9 October 2012	Double Taxation Relief and Prevention of Fiscal Evasion with respect to Taxes on Income
Mexico	9 October 2012	Double Taxation Relief and Prevention of Fiscal Evasion with respect to Taxes on Income