

chapter 12

Miscellaneous

Charitable Institutions

Charitable institutions are exempt from tax under section 88 of the Inland Revenue Ordinance. As at 31 March 2025, there are 10,849 charities recognised as exempt from tax, of which 584 charities were given recognition during the year. The Department endeavors to give a reply to applicants for recognition of tax exemption status within 4 months of the date of receipt of the application provided that all the required information and documents are received.

Donations to charities exempt from tax under section 88 of the Inland Revenue Ordinance are tax deductible. Members of the public may check the list of charitable institutions and trusts of a public character which are exempt from tax uploaded on the Department's website to ascertain whether their donations can be claimed for tax deduction. For the year of assessment 2023-24, the amounts of approved charitable donations allowed under profits tax and salaries tax were \$4.77 billion and \$7.45 billion respectively.



General Inspection

Tax inspectors carry out on-site inspections of businesses and call on individuals to check their compliance with the various ordinances administered by the Department. A total of 68,264 visits were made during the year.

Internal Audit

Internal auditors carry out audit activities on various Units and sections regularly to ensure that the work performed within the Department complies with relevant legislation and departmental procedures. They also examine internal control systems and work methods with a view to identifying areas where improvement can be made for the management's consideration.

Approval for Tax Return Forms and the Manner of Furnishing Tax Returns

The Board of Inland Revenue is constituted under the Inland Revenue Ordinance. It operates independently of the Inland Revenue Department. One of its functions is to approve returns to be used for property tax, salaries tax, profits tax and personal assessment, and the manner in which tax returns are furnished.

