



Related Tax Rules of Guide to Tax Return – Individuals

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Part 12 Under Salaries Tax and Personal Assessment, you may claim various allowances if the conditions specified in the law are satisfied.

12.1 (a) Married Person's Allowance and Personal Disability Allowance

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- (i) You can claim the married person's allowance in any year of assessment if you are married at any time during that year, and you are not living apart; or are living apart from your spouse but are maintaining or supporting your spouse; and fulfil the following conditions:

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- your spouse did not have any income chargeable to salaries tax and has not elected for personal assessment separately for the year; or
- you and your spouse have elected joint assessment under salaries tax and/or you and your spouse have elected personal assessment jointly.

- (ii) 'Living apart' means a married person living apart from the person's spouse :-

- under a decree or order of a competent court in or outside Hong Kong;
- under a duly executed deed of separation or any instrument of similar effect; or
- in such circumstances that the Commissioner is of the opinion the separation is likely to be permanent.

- (iii) 'Marriage' in the context of the Inland Revenue Ordinance (IRO) refers to a valid marriage recognized by Hong Kong law or other legal marriage recognized by the law of the place where it was entered into. Spouse refers to spouse not being a spouse living apart from the married person.

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- (iv) If you are eligible to claim an allowance under the Government's Disability Allowance Scheme, you can claim the Personal Disability Allowance. (Applicable to year of assessment 2018/19 onwards)



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12.2

(b) Child Allowance and Dependent Brother or Dependent Sister Allowance

- (i) You may claim allowance in respect of your unmarried child maintained by you or brother/sister maintained by you or your spouse at any time during the year provided that he/she was:
- under the age of 18 years; or
 - of or over the age of 18 but under 25 and receiving the full-time education; or
 - of or over the age of 18 and incapacitated for work by reason of physical or mental disability.
- (ii) The child allowance granted will be increased in the year of assessment in which the child is born.
- (iii) "**Child**" refers to :
- your or your spouse's or your former spouse's child;
 - a child adopted by you/your spouse/your former spouse;
 - your or your spouse's or your former spouse's step-child.
- (iv) "**Brother or Sister**" refers to:
- a brother/sister of full or half blood of you or your spouse;
 - an adopted brother/sister of you or your spouse;
 - a step brother/sister of you or your spouse;
 - a natural child of your or your spouse's adoptive parent; or
 - a brother/sister of your deceased spouse.
- (v) ***If both you and your spouse have income chargeable to Salaries Tax, all child allowances must be claimed by either one of you.*** There is no such requirement for the claiming of Dependent Brother or Dependent Sister Allowance.
- (vi) You and your spouse may decide who will make the child allowance claim but once made, the nomination is not revocable without the consent of the Commissioner. Nevertheless, the nomination is valid for the year to which the return relates and you and your spouse may make a different nomination in other years.



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- (vii) In general, the overall tax liabilities of a married couple may be minimized if a nomination is made in accordance with the following guidelines:-

Situation	Person to claim the Child Allowance
(1) Only one spouse has income chargeable to Salaries Tax.	The spouse who has income.
(2) Both you and your spouse have income chargeable to Salaries Tax	The one who has higher income.
(3) Both you and your spouse have income chargeable to Salaries Tax, and either one is assessed at standard rate.	The one whose income is NOT assessed at standard rate.

- (viii) If you/your spouse and other individuals are entitled to claim Child Allowance or Dependent Brother or Dependent Sister Allowance in respect of the same person for the same year of assessment, ***you must agree among yourselves which one is to have the allowance.*** If there is no agreement among yourselves, no allowance will be granted.

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- (ix) Disabled Dependant Allowance may be claimed in respect of a dependent child/brother/sister who is eligible to claim an allowance under the Government Disability Allowance Scheme administered by the Social Welfare Department.

12.3

(c) Single Parent Allowance

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- (i) Single Parent Allowance may be granted where at any time during the year of assessment, you had the sole or predominant care of a child in respect of whom you were entitled to be granted Child Allowance.



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- (ii) A person shall not be entitled to claim single parent allowance:
 - if at any time during the year of assessment the person was married and not living apart from his or her spouse;
 - by reason only that the person made contributions to the maintenance and education of the child during the year of assessment; or
 - in respect of any 2nd or subsequent child.
- (iii) Where 2 or more persons have had the sole or predominant care of the same child at different periods within the year of assessment, the allowance is to be apportioned between the persons who provided the care based upon the respective periods when they provided the sole or predominant care.

12.4

(d) Dependent Parent and Dependent Grandparent Allowance and Elderly Residential Care Expenses

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- (i) If your/your spouse's parent/grandparent ordinarily resided in Hong Kong and was aged 60 or over during the year (or if under the age of 60, was eligible to claim an allowance under the Government's Disability Allowance Scheme), you are entitled to a Dependent Parent Allowance or a Dependent Grandparent Allowance in respect of each dependent parent or grandparent maintained by you or your spouse, not being a spouse living apart from you, during the year. 'Maintain' means that the parent or grandparent has either resided with you, otherwise than for full valuable consideration, for a continuous period of not less than 6 months or has received from you or your spouse not less than \$12,000 in money towards his/her maintenance. If that parent or grandparent has resided with you otherwise than for full valuable consideration continuously throughout the year, you or your spouse is also entitled to an ***additional Dependent Parent Allowance or additional Dependent Grandparent Allowance***.
- (ii) A Dependent Parent and Dependent Grandparent Allowance is also granted to taxpayer maintaining dependent parent/grandparent who does not attain the age of 60 in the year of assessment, but provided the dependant :



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- is aged 55 or more but was under the age of 60 at any time during the year of assessment; and
- is not eligible to claim an allowance under the Government's Disability Allowance Scheme throughout the year of assessment; and
- is ordinarily resident in Hong Kong; and
- has either resided with the taxpayer, otherwise than for full valuable consideration, for a continuous period of 6 months or has received from him/her or his/her spouse not less than \$12,000 in money towards his/her maintenance.

An additional Dependent Parent and Dependent Grandparent Allowance will also be granted if the dependant has resided with the taxpayer, otherwise than for full valuable consideration, continuously throughout the year of assessment.

The rate of this basic and additional allowance is one half of the respective counterpart allowance granted to taxpayer maintaining dependent parent/grandparent aged 60 years or more or who is eligible to claim an allowance under the Government's Disability Allowance Scheme.

- (iii) You may claim a deduction for elderly residential care expenses paid by you or your spouse to a residential care home in respect of your or your spouse's parent or grandparent under Salaries Tax and Personal Assessment. The deduction is allowed for the expenses actually paid to a residential care home in respect of the residential care received. Annual deduction ceiling :

Year of assessment	Deduction ceiling (\$)
2019/20 onwards	100,000

The residential care home must be licensed or exempted from licensing under the Residential Care Homes (Elderly Persons) Ordinance or Residential Care Homes (Persons with Disabilities) Ordinance, or is a scheduled nursing home which is exempted from licensing under section 128 of the Private Healthcare Facilities Ordinance.



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- (iv) **"Parent"** refers to :-
- Your or your spouse's natural father/mother; or
 - A parent by whom you or your spouse were/was legally adopted; or
 - A step-parent of you or your spouse; or
 - A parent of your deceased spouse.
- (v) **"Grandparent"** refers to:-
- A natural grandfather/grandmother of you or your spouse; or
 - An adoptive grandparent of you or your spouse; or
 - A step-grandparent of you or your spouse; or
 - A grandparent of your deceased spouse.
- (vi) **Multiple Claims** of deduction for Elderly Residential Care Expenses and Dependent Parent and Dependent Grandparent Allowances
- ***Only one individual can be granted the deduction for elderly residential care expenses or the dependent parent and dependent grandparent allowances in respect of the same dependant.***
 - If you have claimed both the elderly residential care expenses and dependent parent and dependent grandparent allowance for the same dependant for the same year of assessment, only the elderly residential care expenses will be granted.
 - If you and other individuals are entitled to claim the deduction for elderly residential care expenses or dependent parent and dependent grandparent allowances in respect of the same dependant for the same year of assessment, ***you must reach agreement among yourselves as to who will make the claim.*** If no agreement is reached, no deduction or allowance will be granted.



Related information under Department's web site -

[Departmental Interpretation and Practice Notes 36](#)

— [Concessionary Deductions : Section 26D Elderly residential expenses](#)

(www.ird.gov.hk/eng/ppr/dip.htm#a36)



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(e) Disabled Dependant Allowances

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- (i) You are entitled to a Disabled Dependant Allowance in respect of a disabled spouse, each disabled child, brother, sister, parent or grandparent maintained by you or your spouse, not being a spouse living apart from you, during the year.
- (ii) To qualify for the allowance, the disabled dependant must be eligible to claim an allowance under the Government's Disability Allowance Scheme at any time during the year. The allowance is granted in addition to the following allowances or deduction in respect of the disabled person:-
- Married Person's Allowance
 - Child Allowance
 - Dependent Brother or Dependent Sister Allowance
 - Dependent Parent and Dependent Grandparent Allowance
 - Elderly Residential Care Expenses