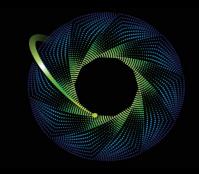
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Hong Kong Tax Newsflash

Passage of enhancement measures for lease reinstatement costs and commercial/industrial building allowances

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The Legislative Council passed the Bill¹ to implement two enhancement measures for the deduction of expenses under profits tax as outlined in the 2024-25 Budget on 18 December 2024. The Bill will take effect from the year of assessment 2024/25, including:

- introducing a tax deduction for expenses incurred for reinstating the condition of leased premises to their original condition; and
- removing the time limit for claiming annual allowances in respect of industrial/commercial buildings or structures.

For details, please refer to our Hong Kong Tax Newsflash Issue 225.

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Authors

Doris Chik

Tax Partner +852 2852 6608 dchik@deloitte.com.hk

Carmen Cheung

Senior Tax Manager +852 2740 8660 carmcheung@deloitte.com.hk

Kiwi Fung

Tax Manager +852 2258 6162

kifung@deloitte.com.hk

¹ Inland Revenue (Amendment) (Tax Deductions for Leased Premises Reinstatement and Allowances for Buildings and Structures) Bill 2024

For more information, please contact:

Tax & Business Advisory Southern Region Leader

Jennifer Zhang
Tax Partner
+86 20 2885 8608
jenzhang@deloittecn.com.cn

Southern Region Deputy Leader

Raymond Tang Tax Partner +852 2852 6661

raytang@deloitte.com.hk



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