



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

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