



## Hong Kong Tax Newsflash: Three Concessionary Tax Measures Come into Operation

The Inland Revenue (Amendment) (No. 5) Bill 2018, which introduces three concessionary tax measures, was passed by the Legislative Council on 14 November 2018.

The following summarizes the measures contained in the Bill:

***Personal assessment*** – Married persons are allowed to elect personal assessment separately commencing from year of assessment 2018/19. The Inland Revenue Department (IRD) will update the relevant Departmental Interpretation and Practice Notes and provide more information about personal assessment for married couples. The relevant part of the tax return will also be updated to reflect the change.

***Environmental protection installations*** – Commencing from the year of assessment 2018/19, capital expenditure on environmental protection installations can be 100% deductible from chargeable profits in the year in which the expenditure is incurred.

***Qualifying debt instruments (QDIs)*** – Interest or profits from QDIs of any maturity period and QDIs listed on the Stock Exchange of Hong Kong are fully exempt from profits tax. This measure applies to QDIs issued on or after 1 April 2018. The list of QDIs will be published on the website of IRD for the public's information.

For details of the measures, please refer to [Tax Newsflash Issue 76](#).

If you have any questions, please contact one of the following professionals:

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