The 2023-24

Leaping Forward Steadily **Together We Bolster Prosperity**

under Our New Vision

th Nation



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Attracting Tourists and Enlivening The City's Image

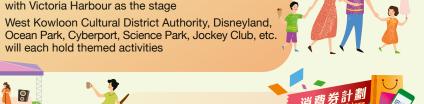
- Over \$250 million to be spent on mega events
- About \$300 million reserved for staging more mega events, international meetings, incentive travels, conventions and exhibitions in Hong Kong
- Offer shopping and dining privileges to 1 million inbound visitors
- \$50 million for stepping up the promotion and branding of Hong Kong

Happy Hong Kong

- Launch the "Happy Hong Kong" Campaign for the general public focusing on gourmet experiences, fun amusements and exciting ambience
- large-scale food fairs in various districts in Hong Kong Organise a large scale sea-land carnival in summer

Launch a "Gourmet Marketplace" comprising

 West Kowloon Cultural District Authority, Disneyland, Ocean Park, Cyberport, Science Park, Jockey Club, etc.



- Issue \$5.000 electronic consumption vouchers to
- Previously registered eligible persons: \$3,000 consumption vouchers will be disbursed in April remaining \$2.000 vouchers will be disbursed in

Enterprises

- Reduce profits tax for the assessment year 2022/23 by 100%, subject to a **\$6,000** ceiling
- Provide rates concession for non-domestic properties for the first two quarters of 2023/24, subject to a ceiling of \$1,000 per quarter
- Grant 50% rental fee concession to eligible tenants of government premises and short-term tenancies and waivers for 6 months
- Extend the application period of all guarantee products under the SME Financing Guarantee Scheme to March 2024
- Offer fully guaranteed loans for eligible passenger transport operators and licensed travel agents. To be launched in April this year
- Extend the Travel Agents Incentive Scheme to June 2023
- Inject \$30 million into the Information Technology Development Matching Fund Scheme for Travel Agents to encourage the tourism sector to undergo upgrade and transformation



 From the 2023/24 assessment year, increase the basic child allowance and the additional child allowance for each child born during the year of assessmen from \$120,000 to \$130,000



- personal assessment for the 2022/23 assessment year by 100%, subject to a \$6,000 ceiling
- Provide rates concession for domestic properties for the first two quarters of 2023/24, subject to a \$1,000 ceiling per quarter
- Provide an extra half-month allowance of standard CSSA payments, Old Age Allowance, Old Age Living Allowance or Disability Allowance. Similar arrangements will apply to Working Family Allowance
- Extend the temporary special measures of the Public Transport Fare Subsidy Scheme for six months (to October 2023
- Pay examination fees for school candidates sitting for the 2024 HKDSE Examination
- Grant each eligible residential electricity account a subsidy of \$1,000
- Extend the current arrangement of distributing electricity charges relief of \$50 a month to each account to end 2025



Digital Economy

- Conduct a feasibility study on
- \$500 million earmarked to launch a Digital Transformation Support Pilot Programme, to assist SMEs in applying ready-to-use basic digital solutions
- \$200 million to enhance the operation
- Propose to provide tax deduction for the spectrum utilisation fees paid by telecommunications network operators

- \$50 million to expedite development of the Web3 ecosystem
- Set up a task force to advise on the sustainable development of the virtual asset industry





- **Development Committee to formulate** an action agenda covering green technology, green finance, green standard certification, etc.
- Organise an International GreenTech Week

Attracting Enterprises and Talents

- Introduce a mechanism to provide facilitation for companies domiciled overseas for re-domiciliation to Hong Kong
- Introduce a new Capital Investment Entrant Scheme: applicants may reside and pursue development in Hong Kong after making investment at a certain amount in the local asset market, excluding property



- \$6 billion for universities and research Plan to issue no less than \$50 billion of institutes to set up thematic research Silver Bond and \$15 billion of retail centres related to life and health green bonds in the next financial year
- Plan to earmark a certain proportion of \$3 billion earmarked to enhance basic the future issuances of Government research in frontier technology fields green bonds and infrastructure bonds for such as artificial intelligence and priority investment by MPF funds quantum technology Provide \$100 million to InvestHK to

attract more family offices to Hong Kong

· Explore use of Hong Kong's Faster

Payment System and Thailand's

places for local payment

PromptPay by visitors from the two

 Establish a Microelectronics Research and Development Institute to enhance collaboration among universities R&D centres and the industry, expediting "1 to N" transformation

Innovation and Technology

technology

- Review the development potential and prospects of tokenised bond issuance Over \$260 million reserved Extend the Pilot Insurance-linked for Cyberport to nurture
- Securities Grant Scheme for 2 years smart living start-ups Continue to explore with the Mainland on • HKSTPC will inject \$400 million into its expansion of mutual market access and Corporate Venture Fund and inject enhancement arrangements an additional \$110 million to launch
- the Co-acceleration Programme Introduce a listing regime for advanced technology companies in the first quarter Conduct a feasibility study on setting up the second Advanced Manufacturing Centre
 - Put up specific reform recommendations on GEM for stakeholder consultation

- Press ahead with the "Airport City" development strategy
- tax regime to attract aircraft leasing companies to establish presence in Hong Kong

- Set up a task force to further promote the development of Hong Kong's high-end maritime services and put forward an action plan
- studies and exchanges of the high-end maritime service industry, and expand the scale of the Hong Kong Maritime Week
- funding of \$550 million
- Inject \$500 million into the Dedicated Fund on Branding, Upgrading and Domestic Sales (BUD Fund) and expedite the processing of applications
- Productivity Council to strengthe assistance for SMEs in applying for government subsidies





Maritime

- **Resolution Services** · Seek to implement the use of a common online mediation platform
- \$20 million reserved to expedite strategic

- Provide an additional to the Hong Kong Trade Development Council to assist enterprises in opening
- Allocate \$100 million to the Hong Kong





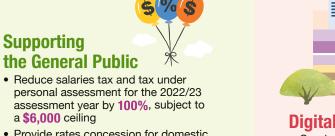




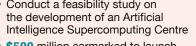




- each eligible Hong Kong permanent resident and new arrival aged 18 or above in two instalments
- New eligible persons: vouchers will be disbursed in mid-year in two instalments upon registration
- Eligible persons who have come to live in Hong Kong through different admission schemes or to study in Hong Kong: \$2,500 vouchers will be disbursed







- of the "iAM Smart" platform to improve user experience
- which successfully bid for radio spectrum

















to encourage the I&T sector to create more patented inventions Enhance the aircraft leasing preferential Provide additional \$10 million to

the Intellectual Property Department to employ and

in the GBA

International Cultural

and Arts Festival in 2024

• Inject \$500 million into the

• Allocate more than \$150 million to

support Hong Kong artists in taking part

in performances and productions in the

GBA, and to organise the GBA Culture

nurture patent examiners

Intellectual Property Trading

Introduce a "patent box" tax incentive



scheme for post-secondary students, and extend the Pilot Programme to Enhance Talent Training for the Management Sector for 3 years



- Maritime: inject \$2 million into the Maritime and Aviation Training Fund to support
- to provide up to \$1 million for each publicly funded secondary school to organise IT-related extra curricular activities
- Construction Industry: additional \$100 million to provide on-the-job training allowance to trainees who have enrolled in construction related programmes

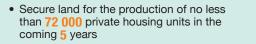
Northern Metropoli

 Make preparations for establishing a Northerr Metropolis Co-ordination Office, and commence consultation on the development proposals and land use planning of San Tin Technopole



Land and Housing

• 12 residential sites under the 2023/24 Land Sale Programme, railway property development, private development and redevelopment projects as well as the URA's projects to provide about 00 units; 3 commercial sites and industrial sites to provide about square metres of commercial of industrial floor area respectively



- Public housing: identified sufficient land for the provision of about 360 000 public housing units
- Private housing: completion of private residential units to average over 19 000 units annually in the 5 years from 2023 onwards. The expected first-hand private residential unit supply for the next 3 to 4

establishing the Building Testing and Research Institute, constructing an advanced construction industry building, and strengthening the supply chain of Modular

Development of the Agriculture

• Work hand in hand with the industry to formulate a blueprint for the sustainable development of agriculture



Adjusted value bands of ad valorem stamp duty

- Adjust value bands of the ad valorem stamp duty payable for sale and purchase or transfer of residential and non-residential properties (Rates at Scale 2) to ease burden on ordinary families of purchasing their residential properties, particularly small and medium



i non-residential properties (Ka cluding marginal relief)	ites at Scale 2)
nount or value of the consideration (whichever is the higher)	Rate
Up to \$3,000,000	\$100
\$3,000,001 to \$3,528,240	\$100 + 10% of the excess over \$3,000,000
\$3,528,241 to \$4,500,000	1.5%

years is about 103 000 arms	\$4,935,481 to \$6,000,00
Application of Innovation	\$6,000,001 to \$6,642,86
and Technology in	\$6,642,861 \$9,000,000
the Construction Industry	\$9,000,001 to \$10,080,00
 \$75 million for conducting studies on 	A

Integrated Construction (MiC) modules

and Fisheries Industry

and fisheries



Current demand-side management measures for residential properties (commonly known as "harsh measures") remain unchanged

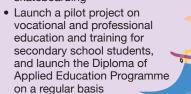


\$100
\$100 + 10% of the excess over \$3,000,000
1.5%
\$67,500 + 10% of the excess over \$4,500,000
2.25%
135,000 + 10% of the excess over \$6,000,000
3.00%
\$270,000 + 10% of the excess over \$9,000,000
3.75%
\$750,000 +10% of the excess over \$20,000,000

\$21,739,121 and above

lue of property	stamp duty payable before adjustment of value bands	stamp duty payable after adjustment of value bands	Difference	
\$4,000,000	\$90,000	\$60,000	\$30,000	
\$5,000,000	\$150,000	\$112,500	\$37,500	L
\$6,500,000	\$230,000	\$185,000	\$ 45,000	
\$8,000,000	\$300,000	\$240,000	↓ \$60,000	
\$11,000,000	\$412,500	\$412,500	No difference	

4.25%



Green City

- \$200 million earmarked for commencing trials of hydrogen fuel cell electric double-deck buses and heavy vehicles
- Set aside \$350 million for subsidising in-harbour ferry operators to construct and test electric ferries and related charging facilities



to cover more premises, and extending the food waste collection trial scheme for public rental housing estates

Healthcare

- Set aside sufficient financial resources to launch the Chronic Disease Co-Care Pilot Scheme and enhance the Elderly Health Care Voucher Scheme in accordance with the Primary Healthcare Blueprint
- Inject an additional \$500 million into the Chinese Medicine Development Fund
- Tobacco control: increase the duty on cigarettes by 60 cents per stick, and duty on other tobacco products by the same proportion, with immediate effect

Governing for the People

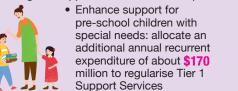
Youth Development

• Examine the provision of a suitable venue for urban sports enjoyed by youths such as sport climbing and skateboarding

on a regular basis

Caring and Inclusion

 Women's development: set aside \$100 million to strengthen support for women's development



- Regularise certain schemes to support the elderly and carers, involving a recurrent expenditure of more than \$1.3 billion
- Encourage employment of elderly employees: increase the tax deduction for the Mandatory Provident Fund voluntary contributions made by employers for their employees aged 65 or above, from 100%
- · Residential care homes for the elderly and persons with disabilities; provide incentives to encourage the market to provide more quality private residential care homes
- Waive water fee deposit and charge for providing separate water meter installed in eligible subdivided units



\$761B

2023-24

Total government

revenue and expenditure

Total government expenditure





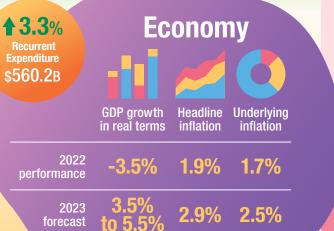












Total government revenue

\$642.4B

The revenue items listed have not included the estimated proceeds from issuance of bonds amounting to \$65 billion in 2023-24



- to be \$139.8 billion and fiscal reserves are forecast to be \$817.3 billion by end March 2023 • 2023/24: a forecast deficit of \$54.4 billion
- 2024/25 to 2027/28: fiscal surplus is
- Profits tax and salaries tax rates to remain unchanged this year





- 2022/23: consolidated deficit is forecast
- forecast with fiscal reserves estimated at \$983.7 billion by the end of March 2028



Impose an annual special football

betting duty of \$2.4 billion on the



- Further expand the scope of the Government Green Bond Programme to cover sustainable finance projects, and set up an Infrastructure Bond Scheme to better manage the cash flow needs of major infrastructure
- Adhere to the fiscal discipline of keeping expenditure within the limits of revenue. Proceeds from bond issuance will not be used for funding



