

The 2023-24 Budget

Leaping Forward Steadily
Together We Bolster Prosperity
under Our New Vision

Speedy
Recovery

High Quality
Development

Aligning
with National
Development
Strategies

Governing
for the People



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Speedy
Recovery

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
- Launch a "Gourmet Marketplace" comprising large-scale food fairs in various districts in Hong Kong
- Organise a large scale sea-land carnival in summer with Victoria Harbour as the stage
- West Kowloon Cultural District Authority, Disneyland, Ocean Park, Cyberport, Science Park, Jockey Club, etc. will each hold themed activities



Electronic Consumption Vouchers

- Issue **\$5,000** electronic consumption vouchers to each eligible Hong Kong permanent resident and new arrival aged **18** or above in two instalments
- Previously registered eligible persons: **\$3,000** consumption vouchers will be disbursed in April, remaining **\$2,000** vouchers will be disbursed in mid-year
- 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



Supporting 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



Supporting the General Public

- Reduce salaries tax and tax under 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
- From the 2023/24 assessment year, increase the basic child allowance and the additional child allowance for each child born during the year of assessment from **\$120,000** to **\$130,000**



Digital Economy

- Conduct a feasibility study on the development of an Artificial Intelligence Supercomputing Centre
- \$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 of the "iAM Smart" platform to improve user experience
- Propose to provide tax deduction for the spectrum utilisation fees paid by telecommunications network operators which successfully bid for radio spectrum

Web3

- \$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



High Quality
Development

International GreenTech and GreenFi Centre

- Set up a Green Technology and Finance 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



Aligning with National
Development Strategies

Innovation and Technology

- \$6** billion for universities and research institutes to set up thematic research centres related to life and health technology
- \$3** billion earmarked to enhance basic research in frontier technology fields such as artificial intelligence and quantum technology
- Establish a Microelectronics Research and Development Institute to enhance collaboration among universities, R&D centres and the industry, expediting "1 to N" transformation
- Over **\$260** million reserved for Cyberport to nurture smart living start-ups
- HKSTPC will inject **\$400** million into its Corporate Venture Fund and inject an additional **\$110** million to launch the Co-acceleration Programme
- Conduct a feasibility study on setting up the second Advanced Manufacturing Centre

Finance

- Plan to issue no less than **\$50** billion of Silver Bond and **\$15** billion of retail green bonds in the next financial year
- Plan to earmark a certain proportion of the future issuances of Government green bonds and infrastructure bonds for priority investment by MPF funds
- 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 PromptPay by visitors from the two places for local payment
- Review the development potential and prospects of tokenised bond issuance
- Extend the Pilot Insurance-linked Securities Grant Scheme for **2** years
- Continue to explore with the Mainland on expansion of mutual market access and enhancement arrangements
- Introduce a listing regime for advanced technology companies in the first quarter of 2023
- Put up specific reform recommendations on GEM for stakeholder consultation

Aviation

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

Maritime

- Set up a task force to further promote the development of Hong Kong's high-end maritime services and put forward an action plan
- \$20** million reserved to expedite strategic studies and exchanges of the high-end maritime service industry, and expand the scale of the Hong Kong Maritime Week

Trade

- Provide an additional funding of **\$550** million to the Hong Kong Trade Development Council to assist enterprises in opening up markets
- Inject **\$500** million into the Dedicated Fund on Branding, Upgrading and Domestic Sales (BUD Fund) and expedite the processing of applications
- Allocate \$100 million to the Hong Kong Productivity Council to strengthen assistance for SMEs in applying for government subsidies

Intellectual Property Trading

- Introduce a "patent box" tax incentive to encourage the I&T sector to create more patented inventions
- Provide additional **\$10** million to the Intellectual Property Department to employ and nurture patent examiners

Legal and Dispute Resolution Services

- Seek to implement the use of a common online mediation platform in the GBA

International Cultural Exchange

- 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 and Arts Festival in 2024
- Inject **\$500** million into the CreateSmart Initiative to support the creative industries



