

L.N. 110 of 2002

Rate of Deductible Interest Notice

(Made under section 16(2)(b) of the Inland Revenue Ordinance (Cap. 112))

1. Commencement

This Notice shall come into operation on 1 December 2002.

2. Specified rate of interest

The rate of interest specified for the purpose of section 16(2)(b) of the Ordinance shall be the highest interest rate on Hong Kong dollar savings account as quoted from time to time by the banks set out in the Schedule to the Legal Tender Notes Issue Ordinance (Cap. 65).

Miss Denise YUE

Secretary for the Treasury

27 June 2002

Explanatory Note

This Notice specifies the rate of interest for the purpose of section 16(2)(b) of the Inland Revenue Ordinance (Cap. 112). According to section 16(1) and (2)(b) of the Ordinance, interest paid by a public utility company on the money borrowed at a rate of interest not exceeding the rate specified under section 16(2)(b) is deductible in ascertaining the chargeable profits under Part IV of the Ordinance.