

LEGISLATIVE COUNCIL BRIEF

Inland Revenue Ordinance (Chapter 112)

REVENUE (ALLOWANCES FOR TAX) BILL 2005

PURPOSE

At the meeting of the Executive Council on 19 April 2005, the Council ADVISED and the Chief Executive ORDERED that the Revenue (Allowances for Tax) Bill 2005, at *Annex A*, should be introduced into the Legislative Council to implement the proposals relating to allowances under salaries tax and personal assessment announced in the 2005-06 Budget.

JUSTIFICATIONS

Increase of Child Allowance from \$30,000 to \$40,000

2. To alleviate the rather heavy burden of taxpayers in raising children, we propose to increase the child allowance from \$30,000 per child to \$40,000. Around 300 000 taxpayers will benefit from this measure.

Introduction of a new basic allowance and an additional allowance for taxpayers maintaining parents/grandparents aged between 55 and 59

3. Because of economic restructuring and the fact that the unemployment rate for older workers is still relatively high, the younger generation will inevitably have to undertake a heavier responsibility in caring for their parents. This responsibility will be less in respect of those parents who are under 60, as they have a better chance of finding a full-time or part-time job. As a relief measure, we propose to introduce two new allowances for taxpayers taking care of dependent parents or

grandparents aged between 55 and 59. They will be granted a basic allowance of \$ 15,000 a year, with an additional allowance of the same amount if their parents or grandparents are residing with them. It is estimated that around 100 000 taxpayers will benefit from this measure.

OTHER OPTIONS

4. We must amend the existing legislation in order to bring the proposals into effect. There is no other option.

THE BILL

5. The purpose of this Bill is to amend the Inland Revenue Ordinance (Cap. 112) to give effect to some of the proposals in the 2005-06 Budget. The major provisions are as follows: -

- (a) Clause 3 of the Bill adds a new subsection (1A) to section 30 of IRO to provide for the eligibility criteria for the proposed new allowance for parents aged between 55 and 59. Clause 4 makes similar provisions for the proposed new allowance for grandparents of the same age.
- (b) Clause 5 adds a table setting out all allowances that apply with effect from the year of assessment 2005/06. The amount of the two new allowances and the new amount of children allowance are prescribed in the table.
- (c) Clause 6 makes transitional provisions in respect of assessment of provisional salaries tax.

6. The existing provisions proposed to be amended are at *Annex B*.

LEGISLATIVE TIMETABLE

7. The legislative timetable will be -

Publication in the Gazette

22 April 2005

First Reading and commencement

Resumption of Second Reading
debate, committee stage and
Third Reading

To be notified

IMPLICATIONS OF THE PROPOSAL

8. The proposal is in conformity with the Basic Law, including the provisions concerning human rights. The proposal will not affect the binding effect of the existing provisions of the Ordinance and its subsidiary legislation. It has no productivity, environmental, civil service or sustainability implications.

Financial Implications

9. It is estimated that the proposal to increase the child allowance will cost the Government \$620 million in tax revenue in a full year. The proposal to introduce a new basic and additional allowance for taxpayers maintaining parents/grandparents aged between 55 and 59 will cost \$450 million in a full year.

Economic Implications

10. The proposed legislative amendments are required to implement the salaries tax related measures announced in the 2005-06 Budget. These revenue measures are part and parcel of the whole package of budgetary measures, which taken together will promote stability and economic development. The proposed measures relating to allowances under salaries tax and personal assessment will increase the disposable income of taxpayers by around \$1 billion and thereby have some mild stimulating impact on local consumption.

PUBLIC CONSULTATION

11. The Financial Secretary conducted consultations with Legislative Council Members, various chambers, groups and associations as well as the general public during the formulation of the 2005-06 Budget. The views they expressed have been taken into account.

PUBLICITY

12. We will issue a Legislative Council brief and a press release on 19 April 2005. A spokesman will be available to answer media and public enquiries.

BACKGROUND

13. In the 2005-06 Budget, the Financial Secretary made the following proposals relating to allowances under salaries tax and personal assessment -

- (a) to increase the child allowance from \$30,000 to \$40,000 with effect from the year of assessment 2005-06; and
- (b) to introduce a new basic allowance and an additional allowance for taxpayers maintaining parents/grandparents aged between 55 and 59, both at \$15,000, with effect from the year of assessment 2005-06.

14. We have to amend the Inland Revenue Ordinance to implement these proposals.

ENQUIRY

15. In case of enquiries about this Brief, please contact Miss Erica NG, Principal Assistant Secretary for Financial Services and the Treasury (Treasury)(Revenue), at 2810 2370.

Financial Services and the Treasury Bureau
19 April 2005

REVENUE (ALLOWANCES FOR TAX) BILL 2005

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A BILL

To

Amend the Inland Revenue Ordinance to give effect to the proposals to adjust allowances for persons chargeable to tax under Part III (salaries tax) and Part VII (personal assessment) of the Ordinance made by the Government in the Budget for the 2005-2006 financial year.

Enacted by the Legislative Council.

PART 1

PRELIMINARY

1. Short title

This Ordinance may be cited as the Revenue (Allowances for Tax) Ordinance 2005.

2. Application

Sections 3, 4 and 5 apply in relation to -

- (a) the year of assessment commencing on 1 April 2005;
- and
- (b) all subsequent years of assessment.

PART 2

AMENDMENTS TO THE INLAND REVENUE ORDINANCE :
ADJUSTMENT OF ALLOWANCES

3. Dependent parent allowance

Section 30 of the Inland Revenue Ordinance (Cap. 112) is amended -

(a) by adding before subsection (1) -

"(1AA) In this section, "dependent parent allowance" means an allowance granted under subsection (1) or (1A).";

(b) by repealing subsection (1) and substituting -

"(1) An allowance shall be granted in any year of assessment to a person -

(a) if -

(i) the person; or

(ii) his or her spouse who

is not living apart

from that person,

maintains a parent or a parent

of his or her spouse in that

year; and

(b) if that parent -

(i) was ordinarily

resident in Hong

Kong; and

(ii) was -

(A) aged 60 or more;

or

(B) under the age of

60 and was

eligible to

claim an

allowance under
the Government's
Disability
Allowance
Scheme,

at any time in that year.";

(c) by adding after subsection (1) -

"(1A) An allowance shall be granted in any
year of assessment to a person -

(a) if -

(i) the person; or

(ii) his or her spouse who
is not living apart
from that person,

maintains a parent or a parent
of his or her spouse in that
year; and

(b) if that parent -

(i) at any time in that
year was ordinarily
resident in Hong
Kong;

(ii) at any time in that
year was aged 55 or
more but was under
the age of 60;

(iii) did not attain the
age of 60 in that
year; and

(iv) was, throughout that year, not eligible to claim an allowance under the Government's Disability Allowance Scheme.";

(d) in subsection (3) -

(i) by repealing "under this section" and substituting "in respect of a parent under subsection (1)";

(ii) in paragraph (b), by repealing everything after "prescribed amount" and substituting "if that parent resided, otherwise than for full valuable consideration, with the person who is eligible to claim the allowance under paragraph (a) for a year of assessment continuously throughout that year.";

(e) by adding after subsection (3) -

"(3A) A dependent parent allowance grantable in respect of a parent under subsection (1A) is -

(a) an allowance of the prescribed amount;

(b) an additional allowance of the prescribed amount if that parent resided, otherwise than for full valuable

consideration, with the person who is eligible to claim the allowance under paragraph (a) for a year of assessment continuously throughout that year."

4. Dependent grandparent allowance

Section 30A is amended -

(a) by adding before subsection (1) -

"(1AA) In this section, "dependent grandparent allowance" means an allowance granted under subsection (1) or (1A).";

(b) by repealing subsection (1) and substituting -

"(1) An allowance shall be granted in any year of assessment to a person -

(a) if -

(i) the person; or

(ii) his or her spouse who is not living apart from that person,

maintains a grandparent or a grandparent of his or her spouse in that year; and

(b) if that grandparent -

(i) was ordinarily resident in Hong Kong; and

(ii) was -

(A) aged 60 or more;
or

(B) under the age of
60 and was
eligible to
claim an
allowance under
the Government's
Disability
Allowance
Scheme,

at any time in that year.";

(c) by adding after subsection (1) -

"(1A) An allowance shall be granted in any
year of assessment to a person -

(a) if -

(i) the person; or

(ii) his or her spouse who
is not living apart
from that person,

maintains a grandparent or a
grandparent of his or her
spouse in that year; and

(b) if that grandparent -

(i) at any time in that
year was ordinarily
resident in Hong
Kong;

(ii) at any time in that year was aged 55 or more but was under the age of 60;

(iii) did not attain the age of 60 in that year; and

(iv) was, throughout that year, not eligible to claim an allowance under the Government's Disability Allowance Scheme.";

(d) in subsection (3) -

(i) by repealing "under this section" and substituting "in respect of a grandparent under subsection (1)";

(ii) in paragraph (b), by repealing everything after "prescribed amount" and substituting "if that grandparent resided, otherwise than for full valuable consideration, with the person who is eligible to claim the allowance under paragraph (a) for a year of assessment continuously throughout that year.";

(e) by adding after subsection (3) -

"(3A) A dependent grandparent allowance grantable in respect of a grandparent under subsection (1A) is -

(a) an allowance of the prescribed amount;

(b) an additional allowance of the prescribed amount if that grandparent resided, otherwise than for full valuable consideration, with the person who is eligible to claim the allowance under paragraph (a) for a year of assessment continuously throughout that year."

5. Allowances

Schedule 4 is amended -

- (a) by repealing "For the year of assessment 2004/05 and for each year after that year" and substituting "For the year of assessment 2004/05";
- (b) by adding at the end -

"For the year of assessment 2005/06 and for each year after that year

FIRST COLUMN
(section)

SECOND COLUMN
(the prescribed
amount)

1. Section 28 (basic
allowance)

\$100,000

2.	Section 29 (married person's allowance)	\$200,000
3.	Section 30 (dependent parent allowance) -	
	(a) subsection (3)(a)	\$30,000
	(b) subsection (3)(b)	\$30,000
	(c) subsection (3A)(a)	\$15,000
	(d) subsection (3A)(b)	\$15,000
	(e) subsection (4)(a)	\$12,000
4.	Section 30A (dependent grandparent allowance) -	
	(a) subsection (3)(a)	\$30,000
	(b) subsection (3)(b)	\$30,000
	(c) subsection (3A)(a)	\$15,000
	(d) subsection (3A)(b)	\$15,000
	(e) subsection (4)(a)	\$12,000
5.	Section 30B(1) (dependent brother or dependent sister allowance)	\$30,000
6.	Section 31 (child allowance) -	
	(a) subsection (1)	\$40,000 each for the first to the ninth child
	(b) subsection (5)	\$360,000
7.	Section 31A(1) (disabled dependant allowance)	\$60,000
8.	Section 32(1)(single parent allowance)	\$100,000".

PART 3

AMENDMENTS TO THE INLAND REVENUE
ORDINANCE : TRANSITIONAL PROVISIONS

6. Transitional provisions

Section 89 is amended by adding -

"(5) Schedule 14 has effect in relation to a person liable to pay provisional salaries tax in respect of the year of assessment 2005/06."

7. Schedule 14 added

The following is added -

"SCHEDULE 14 [s. 89(5)]

TRANSITIONAL PROVISIONS RELATING TO PROVISIONAL
SALARIES TAX IN RESPECT OF THE
YEAR OF ASSESSMENT 2005/06

1. For the purposes of section 63C(1) of the Ordinance, in calculating the net chargeable income of a person for the preceding year of assessment to ascertain the provisional salaries tax in respect of the year of assessment 2005/06 -

- (a) the reference to "such allowances as are under Part V permitted for that person" in section 12B(1)(b) of the Ordinance; and
- (b) the reference to "such allowances as are under Part V permitted in their case" in section 12B(2)(b) of the Ordinance,

shall be construed to mean such allowances that may be granted to that person for the year of assessment 2005/06 under Part V of the Ordinance as amended by the Revenue (Allowances for Tax) Ordinance 2005 (of 2005).

2. For the purposes of an application under section 63E(1) of the Ordinance to hold over the payment of provisional salaries tax in respect of the year of assessment 2005/06, the reference to "net chargeable income for the year preceding the year of assessment" in section 63E(2)(a) or (b) of the Ordinance shall be construed to mean the net chargeable income for the preceding year of assessment as calculated in accordance with paragraph 1."

Explanatory Memorandum

In his 2005-2006 Budget Speech, the Financial Secretary has proposed -

- (a) to increase the child allowance for taxpayers chargeable to tax under Part III (salaries tax) and Part VII (personal assessment) of the Inland Revenue Ordinance (Cap. 112) ("principal ordinance") from \$30,000 to \$40,000 with effect from the year of assessment 2005/06; and
- (b) to introduce -
 - (i) a new basic allowance and an additional allowance for the dependent parents aged between 55 and 59; and
 - (ii) a new basic allowance and an additional allowance for the dependent grandparents aged between 55 and 59,

for those taxpayers with effect from the year of assessment 2005/06.

This Bill proposes to amend the principal ordinance to give effect to the proposals.

Part 1

2. Part 1 of the Bill contains the short title of the Bill (clause 1) and an application provision (clause 2) providing that the main provisions apply in relation to the year of assessment 2005/06 and all subsequent years.

Part 2

3. Part 2 of the Bill contains the main provisions.

4. Clause 3 -

(a) adds new subsections (1A) and (3A) to section 30 of the principal ordinance to introduce the proposed allowance for parents aged between 55 and 59 and stipulates the conditions for qualifying for this allowance (clause 3(c));

(b) adds a definition of "dependent parent allowance" to include the proposed new allowance (clause 3(a)); and

(c) amends subsections (1) and (3) to achieve consistency in presentation.

Taxpayers with parents aged 60 or above are eligible to an allowance granted under the existing provisions of the principal ordinance.

5. The proposed new allowance applies in relation to parents who attained the age of 55 or more in the relevant year of assessment but who have not yet attained the age of 60. Taxpayers with

parents who attained the age of 60 in the relevant year of assessment qualify for the existing dependent parent allowance.

6. The proposed new allowance applies in relation to parents who, throughout the relevant year of assessment, are not eligible to claim an allowance under the Government's Disability Allowance Scheme. Taxpayers with parents so eligible at any time during the year qualify for the existing dependent parent allowance which applies to disabled parents regardless of their age.

7. The existing requirement (section 30(4) of the principal ordinance) that a taxpayer has to reside with, or contribute towards the maintenance of, the parent concerned applies to the proposed new allowance.

8. Clause 4 amends section 30A of the principal ordinance to introduce the proposed new allowance for dependent grandparents aged between 55 and 59. The provisions are similar to those providing for the proposed new allowance for dependent parents.

9. Clause 5 amends Schedule 4 to the principal ordinance to set out all allowances applicable in relation to the year of assessment 2005/06 and all subsequent years. The proposed basic and additional allowances for dependent grandparents and dependent parents are both fixed at \$15,000 per person. The new amount of child allowance (\$40,000) is also set out.

Part 3

10. Part 3 of the Bill introduces transitional provisions (the proposed new subsection (5) of section 89 and the proposed new Schedule 14).

11. Under the principal ordinance, provisional salaries tax is computed by reference to the amount of the net chargeable income (i.e. income after allowances) for the preceding year of

assessment. Clause 7 introduces a new Schedule 14 to allow reference to the allowances applicable to the year of assessment 2005/06 in calculating the net chargeable income of a person for the preceding year of assessment to ascertain the provisional salaries tax in respect of the year of assessment 2005/06 and in application for hold over of the 2005/06 provisional salaries tax.

Chapter:	112	INLAND REVENUE ORDINANCE	Gazette Number	Version Date
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Section:	30	Dependent parent allowance	31 of 1998 s. 15	17/04/1998
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(1) An allowance ("dependent parent allowance") shall be granted under this section in any year of assessment if the person or his or her spouse, not being a spouse living apart from that person, maintains a parent or a parent of his or her spouse in the year of assessment and that parent at any time in that year was-

- (a) ordinarily resident in Hong Kong; and
- (b) aged 60 or more or, being under the age of 60, was eligible to claim an allowance under the Government's Disability Allowance Scheme.

(2) A dependent parent allowance may be granted in respect of each such parent who is so maintained.

(3) A dependent parent allowance grantable under this section is-

- (a) an allowance of the prescribed amount;
- (b) an additional allowance of the prescribed amount if a parent in respect of whom the person is eligible to claim an allowance under paragraph (a) for the year of assessment was residing, otherwise than for full valuable consideration, with the person continuously throughout the year of assessment.

(4) For the purposes of this section-

- (a) a parent shall only be treated as being maintained by a person or his or her spouse if-
 - (i) the parent resides, otherwise than for full valuable consideration, with that person and his or her spouse for a continuous period of not less than 6 months in the year of assessment; or
 - (ii) the person or his or her spouse contributes not less than the prescribed amount in money towards the maintenance of that parent in the year of assessment;
- (b) (Repealed 31 of 1998 s. 15)

(5) Where a deduction has been allowed to a person under section 26D for any year of assessment in respect of a parent or parent of his or her spouse, no person shall be granted a dependent parent allowance under this section for that year of assessment in respect of the same parent. (Added 31 of 1998 s. 15)

(Added 43 of 1989 s. 10)

Chapter:	112	INLAND REVENUE ORDINANCE	Gazette Number	Version Date
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Section:	30A	Dependent grandparent allowance	31 of 1998 s. 16	17/04/1998
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(1) An allowance ("dependent grandparent allowance") shall be granted under this section in any year of assessment if a person or his or her spouse, not being a spouse living apart from that person, maintains a grandparent or a grandparent of his or her spouse in the year of assessment and that grandparent at any time in that year was-

- (a) ordinarily resident in Hong Kong; and
- (b) aged 60 or more or, being under the age of 60, was eligible to claim an allowance under the Government's Disability Allowance Scheme.

(2) A dependent grandparent allowance may be granted in respect of each such grandparent who is so maintained.

- (3) A dependent grandparent allowance grantable under this section is-
- (a) an allowance of the prescribed amount;
 - (b) an additional allowance of the prescribed amount if a grandparent in respect of whom the person is eligible to claim an allowance under paragraph (a) for the year of assessment was residing, otherwise than for full valuable consideration, with the person continuously throughout the year of assessment.
- (4) For the purposes of this section-
- (a) a grandparent shall only be treated as being maintained by a person or his or her spouse if-
 - (i) the grandparent resides, otherwise than for full valuable consideration, with that person and his or her spouse for a continuous period of not less than 6 months in the year of assessment; or
 - (ii) the person or his or her spouse contributes not less than the prescribed amount in money towards the maintenance of that grandparent in the year of assessment;
 - (b) (Repealed 31 of 1998 s. 16)
- (5) Where a deduction has been allowed to a person under section 26D for any year of assessment in respect of a grandparent or grandparent of his or her spouse, no person shall be granted a dependent grandparent allowance under this section for that year of assessment in respect of the same grandparent. (Added 31 of 1998 s. 16)

(Added 37 of 1994 s. 4)

Chapter:	112	INLAND REVENUE ORDINANCE	Gazette Number	Version Date
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Section:	89	Transitional provisions	12 of 2004	25/06/2004
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- (1) (Repealed 12 of 2004 s. 20)
- (2) In relation to amendments made by the Inland Revenue (Amendment) (No. 2) Ordinance 1993 (52 of 1993)-
- (a) it is declared that the amendments shall be without prejudice to the provisions of Part XIV; and
 - (b) the transitional provisions of Schedule 7 shall have effect. (Added 52 of 1993 s. 11)
- (3) The transitional provisions of Schedule 9 shall have effect in relation to recognized occupational retirement schemes approved under section 87A prior to the repeal of that section by the Inland Revenue (Amendment) (No. 5) Ordinance 1993 (76 of 1993). (Added 76 of 1993 s. 10)
- (4) The transitional provisions of Schedule 12 shall have effect in relation to a person liable to pay provisional salaries tax in respect of the year of assessment 2001/02. (Added 29 of 2001 s. 2)

Chapter:	112	INLAND REVENUE ORDINANCE	Gazette Number	Version Date
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Schedule:	4	ALLOWANCES	24 of 2003	04/07/2003
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[section 27(3)]
(Amended 48 of 1995 s. 13)

For the year of assessment 1989/90

FIRST COLUMN	SECOND COLUMN
(section)	(the prescribed amount or percentage)
1. Section 28 (basic allowance)-	
(a) subsection (1)(a)	\$32000
(b) subsection (1)(b), being the first reference to the prescribed amount	\$ 7000
(c) subsection (1)(b), being the references to the prescribed amount in subparagraphs (i) and (ii)	\$39000
(d) subsection (1)(b), being the prescribed percentage	10%
2. Section 29 (married person's allowance)-	
(a) subsection (3)(a)	\$66000
(b) subsection (3)(b), being the first reference to the prescribed amount	\$14000
(c) subsection (3)(b), being the references to the prescribed amount in subparagraphs (i), (ii) and (iii)	\$80000
(d) subsection (3)(b), being the prescribed percentage	10%
3. Section 30 (dependent parent allowance)-	
(a) subsection (3)(a)	\$11000
(b) subsection (3)(b)	\$ 3000
(c) subsection (4)(a)	\$ 1200
4. Section 31 (child allowance)-	
(a) subsection (1)	(i) \$13000 for the first child
	(ii) \$9000 for the second child
	(iii) \$3000 for the third child
	(iv) \$2000 each for the fourth, fifth and sixth child
	(v) \$1000 for each subsequent child
(b) subsection (5)	\$34000
5. Section 32(1) (single parent allowance)	\$20000

(Replaced 43 of 1989 s. 30. Amended 30 of 1990 s. 6)

For the year of assessment 1990/91

FIRST COLUMN	SECOND COLUMN
(section)	(the prescribed amount or percentage)
1. Section 28 (basic allowance)-	
(a) subsection (1)(a)	\$32000
(b) subsection (1)(b), being the first reference to the prescribed amount	\$7000
(c) subsection (1)(b), being the references to the prescribed amount in subparagraphs (i) and (ii)	\$39000
(d) subsection (1)(b), being the prescribed percentage	0%
2. Section 29 (married person's allowance)-	
(a) subsection (3)(a)	\$66000
(b) subsection (3)(b), being the first reference to the prescribed amount	\$14000
(c) subsection (3)(b), being the references to the prescribed amount in subparagraphs (i), (ii) and (iii)	\$80000
(d) subsection (3)(b), being the prescribed percentage	0%
3. Section 30 (dependent parent allowance)-	
(a) subsection (3)(a)	\$12000
(b) subsection (3)(b)	\$3000
(c) subsection (4)(a)	\$1200
4. Section 31 (child allowance)-	
(a) subsection (1)	(i) \$14000 for the first child
(b) subsection (5)	(ii) \$10000 for the second child
	(iii) \$3000 for the third child
	(iv) \$2000 each for the fourth, fifth and sixth child
	(v) \$1000 for each subsequent child
	\$36000
5. Section 32(1) (single parent allowance)	\$20000

(Added 30 of 1990 s. 6. Amended 42 of 1991 s. 3)

For the year of assessment 1991/92

FIRST COLUMN (section)	SECOND COLUMN (the prescribed amount or percentage)
1. Section 28 (basic allowance)-	
(a) subsection (1)(a)	\$34000
(b) subsection (1)(b), being the first reference to the prescribed amount	\$ 7000
(c) subsection (1)(b), being the references to the prescribed amount in subparagraphs (i) and (ii)	\$41000
(d) subsection (1)(b), being the prescribed percentage	0%
2. Section 29 (married person's allowance)-	
(a) subsection (3)(a)	\$ 68000
(b) subsection(3)(b), being the first reference to the prescribed amount	\$14000
(c) subsection (3)(b), being the references to the prescribed amount in subparagraphs (i), (ii) and (iii)	\$82000
(d) subsection (3)(b), being the prescribed percentage	0%
3. Section 30 (dependant parent allowance)-	
(a) subsection (3)(a)	\$12000
(b) subsection (3)(b)	\$ 3000
(c) subsection (4)(a)	\$ 1200
4. Section 31 (child allowance)-	
(a) subsection (1)	(i) \$14000 for the first child
	(ii) \$10000 for the second child
	(iii) \$3000 for the third child
	(iv) \$2000 for the four, fifth and sixth child
	(v) \$1000 for each subsequent child
(b) subsection (5)	\$36000
5. Section 32(1) (single parent allowance)	\$20000

(Added 42 of 1991 s. 3. Amended 34 of 1992 s. 4)

For the year of assessment 1992/93

FIRST COLUMN (section)	SECOND COLUMN (the prescribed amount or percentage)
1. Section 28 (basic allowance)-	
(a) subsection (1)(a)	\$39000
(b) subsection (1)(b), being the first reference to the prescribed amount	\$ 7000
(c) subsection (1)(b), being the references to the prescribed amount in subparagraphs (i) and (ii)	\$46000
(d) subsection (1)(b), being the prescribed percentage	0%
2. Section 29 (married person's allowance)-	
(a) subsection (3)(a)	\$78000
(b) subsection (3)(b), being the first reference to the prescribed amount	\$14000
(c) subsection (3)(b), being the references to the prescribed amount in subparagraphs (i), (ii) and (iii)	\$92000
(d) subsection (3)(b), being the prescribed percentage	0%
3. Section 30 (dependent parent allowance)-	
(a) subsection (3)(a)	\$13500
(b) subsection (3)(b)	\$ 3000
(c) subsection (4)(a)	\$ 1200
4. Section 31 (child allowance)-	
(a) subsection (1)	(i) \$15500 for the first child
	(ii) \$11500 for the second child
	(iii) \$3000 for the third child
	(iv) \$2000 each for the fourth, fifth and sixth child
	(v) \$1000 for each subsequent child
(b) subsection (5)	\$39000
5. Section 32(1) (single parent allowance)	\$23000

(Added 34 of 1992 s. 4. Amended 28 of 1993 s. 3)

For the year of assessment 1993/94

FIRST COLUMN (section)	SECOND COLUMN (the prescribed amount or percentage)
1. Section 28 (basic allowance)-	
(a) subsection (1)(a)	\$49000
(b) subsection (1)(b), being the first reference to the prescribed amount	\$ 7000
(c) subsection (1)(b), being the references to the prescribed amount in subparagraphs (i) and (ii)	\$ 56000
(d) subsection (1)(b), being the prescribed percentage	0%
2. Section 29 (married person's allowance)-	
(a) subsection (3)(a)	\$ 98000
(b) subsection (3)(b), being the first reference to the prescribed amount	\$ 14000
(c) subsection (3)(b), being the references to the prescribed amount in subparagraphs (i), (ii) and (iii)	\$112000
(d) subsection (3)(b), being the prescribed percentage	0%
3. Section 30 (dependent parent allowance)-	\$ 17000
(a) subsection (3)(a)	\$ 3000
(b) subsection (3)(b)	\$ 1200
(c) subsection (4)(a)	
4. Section 31 (child allowance)-	
(a) subsection (1)	(i) \$17000 for the first child
	(ii) \$17000 for the second child
	(iii) \$3000 for the third child
	(iv) \$2000 each for the fourth, fifth and sixth child
	(v) \$1000 for each subsequent child
(b) subsection (5)	\$ 46000
5. Section 32(1) (single parent allowance)	\$ 27000

(Added 28 of 1993 s. 3. Amended 37 of 1994 s. 7)

For the year of assessment 1994/95

FIRST COLUMN (section)	SECOND COLUMN (the prescribed amount or percentage)
1. Section 28 (basic allowance)-	
(a) subsection (1)(a)	\$ 65000
(b) subsection (1)(b), being the first reference to the prescribed amount	\$ 7000
(c) subsection (1)(b), being the references to the prescribed amount in subparagraphs (i) and (ii)	\$ 72000
(d) subsection (1)(b), being the prescribed percentage	0%
2. Section 29 (married person's allowance)-	
(a) subsection (3)(a)	\$130000
(b) subsection (3)(b), being the first reference to the prescribed amount	\$ 14000
(c) subsection (3)(b), being the references to the prescribed amount in subparagraphs (i), (ii) and (iii)	\$144000
(d) subsection (3)(b), being the prescribed percentage	0%
3. Section 30 (dependent parent allowance)-	
(a) subsection (3)(a)	\$20000
(b) subsection (3)(b)	\$ 3000
(c) subsection (4)(a)	\$ 1200
4. Section 30A (dependent grandparent allowance)-	
(a) subsection (3)(a)	\$ 20000
(b) subsection (3)(b)	\$ 3000
(c) subsection (4)(a)	\$ 1200
5. Section 31 (child allowance)-	
(a) subsection (1)	(i) \$20000 for the first child
	(ii) \$20000 for the second child
	(iii) \$3000 for the third child
	(iv) \$2000 each for the fourth, fifth and sixth child
	(v) \$1000 for each subsequent child
(b) subsection (5)	\$ 52000
6. Section 32(1) (single parent allowance)	\$ 32000

(Added 37 of 1994 s. 7. Amended 48 of 1995 s. 13)

For the year of assessment 1995/96

FIRST COLUMN (section)	SECOND COLUMN (the prescribed amount or percentage)
1. Section 28 (basic allowance)-	
(a) subsection (1)(a)	\$ 72000
(b) subsection (1)(b), being the first reference to the prescribed amount	\$ 7000
(c) subsection (1)(b), being the references to the prescribed amount in subparagraphs (i) and (ii)	\$ 79000
(d) subsection (1)(b), being the prescribed percentage	0%
2. Section 29 (married person's allowance)-	
(a) subsection (3)(a)	\$144000
(b) subsection (3)(b), being the first reference to the prescribed amount	\$ 14000
(c) subsection (3)(b), being the references to the prescribed amount in subparagraphs (i), (ii) and (iii)	\$158000
(d) subsection (3)(b), being the prescribed percentage	0%
3. Section 30 (dependent parent allowance)-	
(a) subsection (3)(a)	\$ 22000
(b) subsection (3)(b)	\$ 6000
(c) subsection (4)(a)	\$ 1200
4. Section 30A (dependent grandparent allowance)-	
(a) subsection (3)(a)	\$ 22000
(b) subsection (3)(b)	\$ 6000
(c) subsection (4)(a)	\$ 1200
5. Section 31 (child allowance)-	
(a) subsection (1)	(i) \$22000 for each of the first and the second child
(b) subsection (5)	(ii) \$11000 for each subsequent child
	\$121000
6. Section 31A(1) (disabled dependent allowance)	\$ 11000
7. Section 32(1) (single parent allowance)	\$ 40000

(Added 48 of 1995 s. 13; Amended 24 of 1996 s. 11)

For the year of assessment 1996/97

FIRST COLUMN (section)	SECOND COLUMN (the prescribed amount or percentage)
1. Section 28 (basic allowance)-	
(a) subsection (1)(a)	\$ 83000
(b) subsection (1)(b), being the first reference to the prescribed amount	\$ 7000
(c) subsection (1)(b), being the references to the prescribed amount in subparagraphs (i) and (ii)	\$ 90000
(d) subsection (1)(b), being the prescribed percentage	0%
2. Section 29 (married person's allowance)-	
(a) subsection (3)(a)	\$166000
(b) subsection (3)(b), being the first reference to the prescribed amount	\$ 14000
(c) subsection (3)(b), being the references to the prescribed amount in subparagraphs (i), (ii) and (iii)	\$180000
(d) subsection (3)(b), being the prescribed percentage	0%
3. Section 30 (dependent parent allowance)-	
(a) subsection (3)(a)	\$ 24500
(b) subsection (3)(b)	\$ 7000
(c) subsection (4)(a)	\$ 1200
4. Section 30A (dependent grandparent allowance)-	
(a) subsection (3)(a)	\$ 24500
(b) subsection (3)(b)	\$ 7000
(c) subsection (4)(a)	\$ 1200
5. Section 30B(1) (dependent brother or dependent sister allowance)	\$ 24500
6. Section 31 (child allowance)-	
(a) subsection (1)	(i) \$24500 for the first and second child
	(ii) \$12500 for each subsequent child
(b) subsection (5)	\$136500
7. Section 31A(1) (disabled dependent allowance)	\$ 15000
8. Section 32(1) (single parent allowance)	\$ 45000

(Added 24 of 1996 s. 11. Amended 42 of 1997 s. 6)

For the year of assessment 1997/98

FIRST COLUMN (section)	SECOND COLUMN (the prescribed amount or percentage)
1. Section 28 (basic allowance)-	
(a) subsection (1)(a)	\$100000
(b) subsection (1)(b), being the first reference to the prescribed amount	\$ 0
(c) subsection (1)(b), being the references to the prescribed amount in subparagraphs (i) and (ii)	\$100000
(d) subsection (1)(b), being the prescribed percentage	0%
2. Section 29 (married person's allowance)-	
(a) subsection (3)(a)	\$200000
(b) subsection (3)(b), being the first reference to the prescribed amount	\$ 0
(c) subsection (3)(b), being the references to the prescribed amount in subparagraphs (i), (ii) and (iii)	\$200000
(d) subsection (3)(b), being the prescribed percentage	0%
3. Section 30 (dependent parent allowance)-	
(a) subsection (3)(a)	\$ 27000
(b) subsection (3)(b)	\$ 8000
(c) subsection (4)(a)	\$ 1200
4. Section 30A (dependent grandparent allowance)-	
(a) subsection (3)(a)	\$ 27000
(b) subsection (3)(b)	\$ 8000
(c) subsection (4)(a)	\$ 1200
5. Section 30B(1) (dependent brother or dependent sister allowance)	\$ 27000
6. Section 31 (child allowance)-	
(a) subsection (1)	(i) \$27000 for the first and second child (ii) \$14000 for each subsequent child
(b) subsection (5)	\$152000
7. Section 31A(1) (disabled dependant allowance)	\$ 25000
8. Section 32(1) (single parent allowance)	\$ 75000

(Added 42 of 1997 s. 6. Amended 31 of 1998 s. 23)

For the years of assessment 1998/99 to 2002/03 inclusive

FIRST COLUMN (section)	SECOND COLUMN (the prescribed amount or percentage)
1. Section 28 (basic allowance)	\$108000
2. Section 29 (married person's allowance)	\$216000
3. Section 30 (dependent parent allowance)-	
(a) subsection (3)(a)	\$ 30000
(b) subsection (3)(b)	\$ 30000
(c) subsection (4)(a)	\$ 12000
4. Section 30A (dependent grandparent allowance)-	
(a) subsection (3)(a)	\$ 30000
(b) subsection (3)(b)	\$ 30000
(c) subsection (4)(a)	\$ 12000
5. Section 30B(1) (dependent brother or dependent sister allowance)	\$ 30000
6. Section 31 (child allowance)-	
(a) subsection (1)	(i) \$30000 for each of the first and second children
	(ii) \$15000 for each subsequent child
(b) subsection (5)	\$165000
7. Section 31A(1) (disabled dependant allowance)	\$ 60000
8. Section 32(1) (single parent allowance)	\$108000

(Added 31 of 1998 s. 23. Amended 24 of 2003 s. 11)

For the year of assessment 2003/04

FIRST COLUMN (section)	SECOND COLUMN (the prescribed amount)
1. Section 28 (basic allowance)	\$104000
2. Section 29 (married person's allowance)	\$208000
3. Section 30 (dependent parent allowance)-	
(a) subsection (3)(a)	\$ 30000
(b) subsection (3)(b)	\$ 30000
(c) subsection (4)(a)	\$ 12000
4. Section 30A (dependent grandparent allowance)-	
(a) subsection (3)(a)	\$ 30000
(b) subsection (3)(b)	\$ 30000
(c) subsection (4)(a)	\$ 12000
5. Section 30B(1) (dependent brother or dependent sister allowance)	\$ 30000
6. Section 31 (child allowance)-	
(a) subsection (1)	\$30000 each for the first to the ninth child
(b) subsection (5)	\$270000
7. Section 31A(1) (disabled dependant allowance)	\$ 60000
8. Section 32(1) (single parent allowance)	\$104000

(Added 24 of 2003 s. 11)

For the year of assessment 2004/05 and
for each year after that year

FIRST COLUMN	SECOND COLUMN
(section)	(the prescribed amount)
1. Section 28 (basic allowance)	\$100000
2. Section 29 (married person's allowance)	\$200000
3. Section 30 (dependent parent allowance)-	
(a) subsection (3)(a)	\$ 30000
(b) subsection (3)(b)	\$ 30000
(c) subsection (4)(a)	\$ 12000
4. Section 30A (dependent grandparent allowance)-	
(a) subsection (3)(a)	\$ 30000
(b) subsection (3)(b)	\$ 30000
(c) subsection (4)(a)	\$ 12000
5. Section 30B(1) (dependent brother or dependent sister allowance)	\$ 30000
6. Section 31 (child allowance)-	
(a) subsection (1)	\$30000 each for the first to the ninth child
(b) subsection (5)	\$270000
7. Section 31A(1) (disabled dependant allowance)	\$ 60000
8. Section 32(1) (single parent allowance)	\$100000

(Added 24 of 2003 s. 11)