

HONG KONG SPECIAL ADMINISTRATIVE REGION**ORDINANCE NO. 12 OF 2007**

Donald TSANG
Chief Executive
21 June 2007

An Ordinance to amend the Housing Ordinance to replace section 16(1A), (1B), (1C), (1D) and (1E) of the Ordinance with—

- (a) provisions relating to review of the rent of certain residential units;
- (b) provisions requiring the Housing Authority to vary the rent of those units with reference to the change in an index reflecting the level of household income of certain tenants of residential units;
- (c) provisions specifying when the Housing Authority shall not, or is not required to, make such a variation; and
- (d) provisions empowering the Housing Authority to round down the amount of the rent in such a variation and to make determinations in relation to the compilation of such an index.

[1 January 2008]

Enacted by the Legislative Council.

1. Short title

This Ordinance may be cited as the Housing (Amendment) Ordinance 2007.

2. Commencement

This Ordinance shall come into operation on 1 January 2008.

3. Leases of land in estates

Section 16(1A), (1B), (1C), (1D) and (1E) of the Housing Ordinance (Cap. 283) is repealed.

4. Section added

The following is added—

“16A. Variation of rent for residential estates

- (1) The Authority shall review the relevant rent—
 - (a) as soon as practicable after 1 January 2010; and
 - (b) as soon as practicable after the second anniversary of the expiry date of the second period for the last review under this subsection.
- (2) Despite section 16, the Authority shall not vary the relevant rent unless the variation is carried out under subsection (4).
- (3) This section—
 - (a) does not apply to—
 - (i) an adjustment in the rent of a residential tenant where the total household income or total value of the household assets, or a combination of that income and that value, as determined by the Authority, is greater than a threshold established by the Authority for the purposes of an increase in the rent; and
 - (ii) a re-adjustment in the rent of that tenant where the total household income or total value of the household assets, or a combination of that income and that value, as determined by the Authority, is less than that threshold; and
 - (b) does not apply to—
 - (i) an adjustment in the rent of a residential tenant where the total household income or total value of the household assets, or a combination of that income and that value, as determined by the Authority, is less than a threshold established by the Authority for the purposes of a reduction in the rent; and
 - (ii) a re-adjustment in the rent of that tenant where the total household income or total value of the household assets, or a combination of that income and that value, as determined by the Authority, is greater than that threshold.
- (4) Subject to subsection (5), the Authority—

- (a) if satisfied on a review of the relevant rent that the income index for the second period is higher than the income index for the first period by more than 0.1%, shall as soon as practicable after the review increase the relevant rent by the rate of the increase of the income index or 10%, whichever is less; and
 - (b) if satisfied on a review of the relevant rent that the income index for the second period is lower than the income index for the first period by more than 0.1%, shall as soon as practicable after the review reduce the relevant rent by the rate of the reduction of the income index.
- (5) The Authority shall not vary the relevant rent—
 - (a) on or before 1 January 2010; or
 - (b) where the relevant rent is varied under subsection (4), before the second anniversary of the date of the last variation.
- (6) In varying the relevant rent, the Authority may round down the amount of the relevant rent to the nearest dollar.
- (7) For the purpose of a review of the relevant rent—
 - (a) the Authority may compile—
 - (i) an index that reflects the level of the mean monthly household income of any class of residential tenant over the first period; and
 - (ii) an index that reflects the level of the adjusted mean monthly household income of that class of residential tenant over the second period; and
 - (b) the Commissioner for Census and Statistics shall, in relation to the compilation of such an index, compute the index.
- (8) In this section—
 - “adjusted mean monthly household income” (經調整後的家庭每月平均收入), in relation to any class of residential tenant identified for the purpose of a review of the relevant rent, means the mean monthly household income of that class of residential tenant assessed on the basis of the distribution of the household size of that class of residential tenant over the first period for that review;
 - “first period” (第一期間)—
 - (a) in relation to the first review of the relevant rent after 1 January 2010, means a period of 12 months expiring on 31 December 2007;
 - (b) in relation to a subsequent review of the relevant rent, means—

- (i) the second period for the last review of the relevant rent in consequence of which the relevant rent was varied; or
- (ii) in the absence of a review in consequence of which the relevant rent was varied, a period of 12 months expiring on 31 December 2007;

“income index” (收入指數) means an index computed under subsection (7)(b);

“land” (土地) does not include land in respect of which the Authority has granted to a person a licence, or a permit, to occupy;

“relevant rent” (有關租金) means the rent subject to the payment of which any land in an estate is let for residential purposes under section 16(1) but does not include the rent of a residential tenant who is required to pay a higher rent after an adjustment under subsection (3)(a)(i) or is permitted to pay a lower rent after an adjustment under subsection (3)(b)(i);

“residential tenant” (住宅租戶) means a tenant of the land in an estate let for residential purposes under section 16(1);

“second period” (第二期間)—

- (a) in relation to the first review of the relevant rent after 1 January 2010, means a period of 12 months expiring on 31 December 2009;
- (b) in relation to a subsequent review of the relevant rent, means a period of 12 months expiring on the second anniversary of the expiry date of the second period for the last review.”.