

A BILL

To

Amend the Stamp Duty Ordinance to give effect to 2 proposals in the Budget introduced by the Government for the 2010–2011 financial year.

Enacted by the Legislative Council.

1. Short title

This Ordinance may be cited as the Stamp Duty (Amendment) Ordinance 2010.

2. Commencement

This Ordinance is deemed to have come into operation on 1 April 2010.

3. Chargeable agreements for sale

(1) Section 29C(12)(a) of the Stamp Duty Ordinance (Cap. 117) is amended by repealing “and”.

(2) Section 29C(12)(b)(ii)(B) is amended by repealing the full stop and substituting “; and”.

(3) Section 29C(12) is amended by adding—

“(c) the amount or value of the consideration for the agreement does not exceed \$20,000,000.”.

(4) Section 29C(13)(a) is amended by repealing “where the requirement set out in subsection (12)(b) is satisfied, the Collector shall” and substituting “if the requirements set out in subsection (12)(b) and (c) are satisfied, the Collector must”.

(5) Section 29C(13)(b) is amended by repealing “where the requirement set out in subsection (12)(b) is not satisfied, the Collector shall” and substituting “if the requirements set out in subsection (12)(b) and (c) are not satisfied, the Collector must”.

4. First Schedule amended

(1) The First Schedule is amended by repealing head 1(1)(i) and substituting—

“(i) where the amount or value of the consideration exceeds \$6,720,000 but does not exceed \$20,000,000 and the instrument is certified in accordance with section 29 at \$20,000,000	(i) 3.75% of the amount or value of the consideration
(j) where the amount or value of the consideration exceeds \$20,000,000 but does not exceed \$21,739,120 and the instrument is certified in accordance with section 29 at \$21,739,120	(j) \$750,000 plus 10% of the amount by which the amount or value of the consideration exceeds \$20,000,000
(k) in any other case	(k) 4.25% of the amount or value of the consideration”.

(2) The First Schedule is amended, in head 1(1), in Note 1, by repealing “(h)” and substituting “(j)”.

(3) The First Schedule is amended, in head 1(1), in Note 1, by repealing “(i)” and substituting “(k)”.

(4) The First Schedule is amended by repealing head 1(1A)(i) and substituting—

“(i) where the amount or value of the consideration exceeds \$6,720,000 but does not exceed \$20,000,000 and the instrument is certified in accordance with section 29G at \$20,000,000	(i) 3.75% of the amount or value of the consideration
(j) where the amount or value of the consideration exceeds \$20,000,000 but does not exceed \$21,739,120 and the instrument is certified in accordance with section 29G at \$21,739,120	(j) \$750,000 plus 10% of the amount by which the amount or value of the consideration exceeds \$20,000,000
(k) in any other case	(k) 4.25% of the amount or value of the consideration”.

Explanatory Memorandum

The object of this Bill is to amend the Stamp Duty Ordinance (Cap. 117) (“the Ordinance”) to give effect to 2 proposals in the 2010–2011 Budget.

2. Clause 3 amends section 29C(12) of the Ordinance so that section 29C(11) of the Ordinance, which provides for the deferred payment of stamp duty chargeable on an agreement for sale made in respect of residential property, does not apply to an agreement for sale the consideration for which exceeds \$20 million.

3. Clause 4 amends the Schedule to the Ordinance to increase the stamp duty payable in respect of a conveyance on sale or an agreement for sale of immovable property if the instrument involves a consideration exceeding \$20 million.