

Bills Committee on Inland Revenue (Amendment) Bill 2012

**List of follow-up actions arising from the discussion
at the meeting on 4 June 2012**

At the meeting on 4 June 2012, the Administration was requested to provide written response to the following concerns/requests:

- (a) to enhance the clarity of the proposed new section 26E(4)(d) added to the Inland Revenue Ordinance, as the current drafting could be misinterpreted by readers who did not know the background or purpose of this provision to the effect that those home owners who had been allowed deduction of home loan interest for ten assessment years (whether continuous or not) prior to the assessment year commencing on 1 April 2012 would not enjoy the additional five years of home loan interest deduction; and
- (b) the implications including the estimated loss in tax revenue if the proposed extension in the total entitlement years for home loan interest deduction could be given retrospective effect.

Council Business Division 1
Legislative Council Secretariat
7 June 2012