

Bills Committee on Inland Revenue (Amendment) (No. 4) Bill 2018

**List of follow-up actions required of the Administration
arising from the discussion at the meeting on 9 July 2018**

The Administration was requested to:

- (a) in respect of the proposed section 26I of the Inland Revenue Ordinance (Cap. 112) ("the Ordinance") which defined "adopted" as "adopted in any manner recognized by the laws of Hong Kong", in relation to a taxpayer who was adopted by a same-sex couple ("the Parents") in any place outside Hong Kong according to the law of that place, please clarify whether the following individuals would qualify as the taxpayer's "specified relative" for the purposes of the proposed section 26J(1) of the Ordinance:
 - (i) the Parents;
 - (ii) the parents of each of the Parents (i.e. the taxpayer's adoptive grandparents);
 - (iii) an individual born of a heterosexual marriage to which one of the Parents was or is a party; and
 - (iv) an individual (other than the taxpayer) adopted by one or both of the Parents in any place outside Hong Kong according to the law of that place;
- (b) consider the suggestion of some members that given that administration cost took up as much as 37% of the total spending in privately purchased health insurance schemes in 2014-2015, the administration cost of those hospital indemnity insurance policies certified by the Secretary for Food and Health to be in compliance with the Voluntary Health Insurance Scheme ("VHIS policies"), or at the very least that of the standard plans under the VHIS policies, should be subject to regulation; and
- (c) in respect of the annual benefit limit for psychiatric treatment as a result of confinement in a psychiatric hospital or psychiatric ward of a hospital in Hong Kong on the recommendation by a specialist (i.e. \$30,000 per policy year) as set out in the Standard Plan Policy Template, provide for reference of the Bills Committee the number of patients using private inpatient psychiatric service in the past two years and the average treatment expenses incurred by these patients during the confinement period.