

**Inland Revenue (Amendment) Bill 2018**  
**Debate and voting arrangements**

- Object of the Bill :** To amend the Inland Revenue Ordinance (Cap. 112) to:
- (a) give effect to certain proposals concerning tax concessions in the Budget for the 2018-2019 financial year;
  - (b) introduce a new personal disability allowance;
  - (c) provide for the meaning of certain references for the purposes of calculating a person's net chargeable income for computing provisional salaries tax;
  - (d) introduce additional grounds for the holding over of payment of provisional salaries tax and provisional profits tax, and provide for the extension of the time limit for an application for the holding over of those taxes on those grounds; and
  - (e) provide for incidental and related matters.

<b>First debate</b>	<b>: Clauses with no amendment</b>	<b>– Clauses 1 to 8 and 10 to 15</b>
<b>Voting</b>	<b>: To vote on the above clauses standing part of the Bill together</b>	
<b>Second debate</b>	<b>: Clauses with amendments proposed by the Secretary for Financial Services and the Treasury (“SFST”)</b>	<b>– Clauses 9 and 16</b>
Joint debate on the original clauses and the amendments.		
<b>Clauses 9 and 16</b>		
As the Bill will be enacted before the Inland Revenue (Amendment) (No. 6) Bill 2017, SFST's amendments seek to renumber “Schedule 44” as “Schedule 43” to reflect the actual order of the Schedule after the enactment of the Bill.		
<b>Voting</b>	<b>: To vote on the above amendments, and then the original clauses or the clauses as amended standing part of the Bill</b>	

**SFST's amendments**

(set out in LC Paper No. CB(3) 575/17-18 issued on 9 May 2018)

Council Business Division 3  
Legislative Council Secretariat  
15 May 2018

\* The proposals include:

- (i) widening the marginal bands for salaries tax and increasing the number of tax bands, and adjusting the marginal tax rates;
- (ii) reducing the salaries tax, profits tax and tax under personal assessment payable for the year of assessment 2017/18 by 75%, subject to a ceiling of \$30,000 in each case;
- (iii) raising the allowance and additional allowance for dependent parent or grandparent aged 60 or above and dependent parent or grandparent aged between 55 and 59 respectively;
- (iv) raising the child allowances and the maximum amount of those allowances; and
- (v) raising the deduction ceiling for elderly residential care expenses.