





Competitive Tax Regime

Low and Simple Tax System

 Hong Kong's independent tax system and its low tax policy are enshrined in the Basic Law. Companies are subject to profits tax of no more than 16.5%, while salaries tax on individuals does not exceed 15%.

 Hong Kong does not levy global tax.

 For shipping, profits derived from international shipping operations are not subject to profits tax in Hong Kong.




Hong Kong upholds a simple tax system. Its low, predictable and one-for-all tax regime provides certainty for commercial undertakings and makes conditional concessions and rebates unnecessary. Hong Kong has no other tax streams. Most government administration fees for commercial operations are charged on a cost-recovery basis.



 A free port, Hong Kong has no tariffs on imports, except on a few products such as liquor (30%+ alcoholic) and tobacco.


Hong Kong ranked 3rd among 189 economies and 1st in Asia in terms of ease of paying taxes in the *Paying Taxes 2017*, a unique study of its kind jointly conducted by PwC and The World Bank Group.

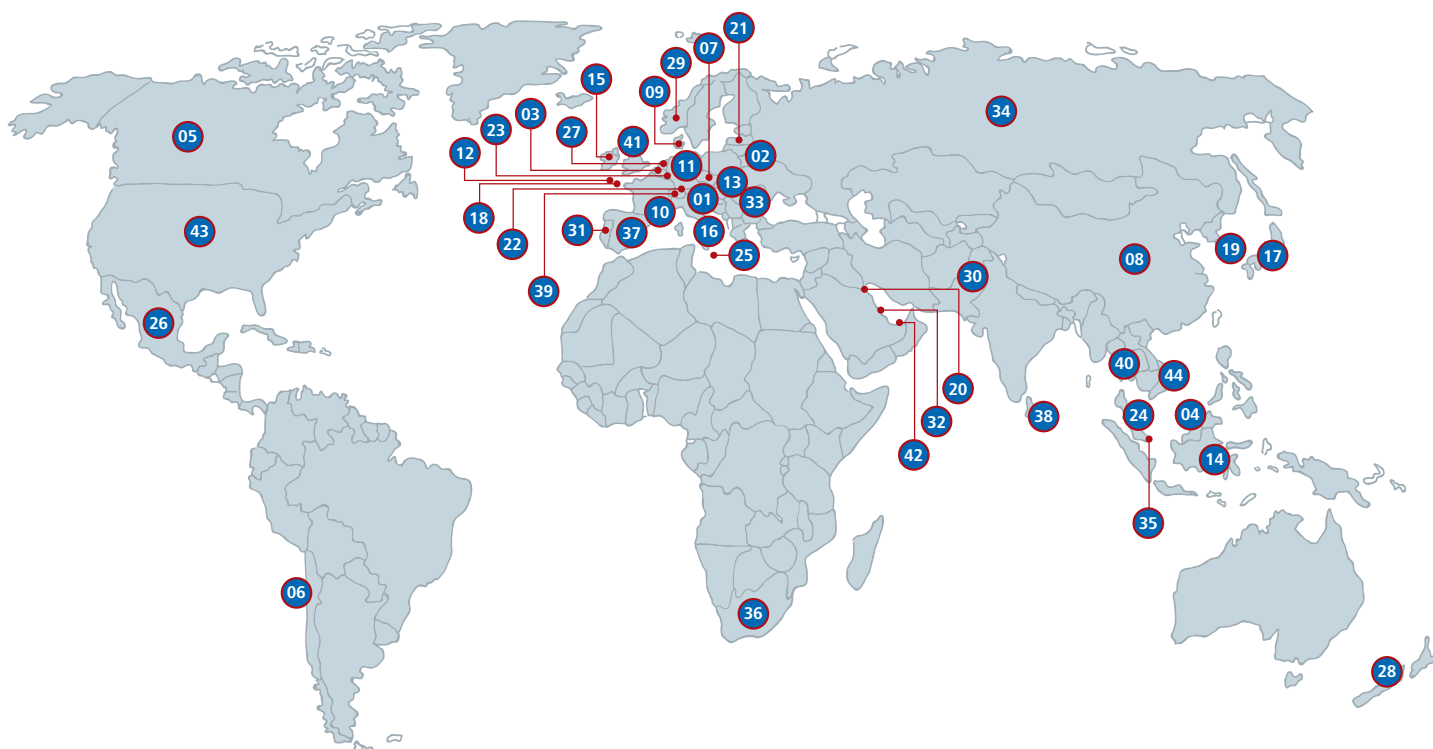
Shipping Incentives

-  Hong Kong practises a shipping incentives tax regime to facilitate shipping activities.
-  Income from international carriage of goods and towage is exempt from profits tax for ships registered in Hong Kong.
-  Charter hire income is also exempt from profits tax for international operations, regardless of the nationality of the ships concerned.



Double Taxation Relief

-  The Hong Kong SAR Government has entered into bilateral double taxation relief arrangements with 44 trading partners for the avoidance of double taxation on income derived from international shipping operations to reduce the overall tax burden on our shipping community. More negotiations are being conducted with other trading partners.



Trading Partners:

01. Austria	10. France	19. Korea	28. New Zealand	37. Spain
02. Belarus	11. Germany	20. Kuwait	29. Norway	38. Sri Lanka
03. Belgium	12. Guernsey	21. Latvia	30. Pakistan	39. Switzerland
04. Brunei	13. Hungary	22. Liechtenstein	31. Portugal	40. Thailand
05. Canada	14. Indonesia	23. Luxembourg	32. Qatar	41. The United Kingdom
06. Chile	15. Ireland	24. Malaysia	33. Romania	42. United Arab Emirates
07. Czech	16. Italy	25. Malta	34. Russia	43. The United States
08. Mainland China	17. Japan	26. Mexico	35. Singapore	44. Vietnam
09. Denmark	18. Jersey	27. The Netherlands	36. South Africa	

[As of April 2017]