

Hong Kong

.. ***Taxation and Tax Planning***

20th Edition



Patrick Kin-wai Ho
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Features of the Book

- ✿ Written in easily understood English
- ✿ Meeting students' needs by explaining how to study taxation and achieve better examination results
- ✿ "Learning objectives" at the beginning of each chapter assists students to understand what they are going to learn in each chapter
- ✿ "Questions to test your knowledge" at the end of each chapter reminds students what they have learnt
- ✿ More than 170 tables to make the knowledge more easily understandable
- ✿ More than 220 numerical examples to demonstrate the requisite knowledge
- ✿ More than 110 concept maps to visually present the relationship of the key elements or components of a particular difficult tax issue or concept
- ✿ 47 "examination questions" at the end of each section and 28 "mock examination questions" testing students' tax knowledge with suggested answers and time allowed for their reference
- ✿ Major rewrites in Chapters 4, 8, 9, 10, 11, 12, 16, 19, 25, 26, 27, 38 and 45 to provide a better understanding of difficult topics
- ✿ The law was updated up to 30 April 2021

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Preface

The objective of ***Hong Kong Taxation and Tax Planning (20th Edition)***, as always, is to provide readers with a wide range of Hong Kong taxation knowledge from the foundation to the advanced level (including tax planning) with easily understood materials. More than 40 new numerical examples and 10 new tables were added to this edition. This edition in total contains more than 170 tables, 20 diagrams, 110 concept maps, 220 numerical examples and 60 essay exercises explaining difficult concepts.

During the period from 1 May 2020 to 30 April 2021, there were at least three amendments in Inland Revenue Ordinance (IRO) and one amendment in the Stamp Duty Ordinance (SDO). These include the rewriting of insurance business, the addition of ship leasing activities, the change of tax rebate (also called tax reduction) from 200% to 100%, and the change of the charge of stamp duty on non-residential property from double stamp duty of Scale 1 back to normal stamp duty of Scale 2.

The Inland Revenue Department (IRD) issued 2 new Departmental Interpretation and Practice Notes (DIPNs) No. 61 and 62 on the exemption of fund and relief on ship leasing business respectively. IRD also revised 7 DIPNs during the year. The relevant materials were included in this edition.

In view of the complexity of the aircraft leasing and the ship leasing businesses, the authors split the then existing Chapter 26 of "Ship Owners, Aircraft Owners and Aircraft Lessors" into 2 chapters, one for shipping business and another for aircraft business. This facilitates readers to grasp the tax law involved more easily. The chapter on insurance business was also substantially revised to cater for the law amendments passed.

As the law applicable to the concessionary deductions for salaries tax and personal assessment changed greatly from the year of assessment 2019/20, the authors re-wrote the part of salaries tax with addition of more than 20 numerical examples to illustrate the complex treatment in salaries tax. With the revision of China Individual Income Tax (IIT) from 2019, Chapter 45 was revised to include the law amendments with examples.

In this edition, besides the routine minor amendments, Chapters 1, 2, 3, 4, 6, 7, 8, 9, 10, 11, 12, 13, 16, 19, 22, 24, 25, 26, 27, 30, 31, 32, 38, 40 and 45 were rewritten to provide a better understanding of difficult topics.

The law of this book was updated to the end of April 2021.

Patrick K.W. Ho & Kelvin P.L. Mak
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