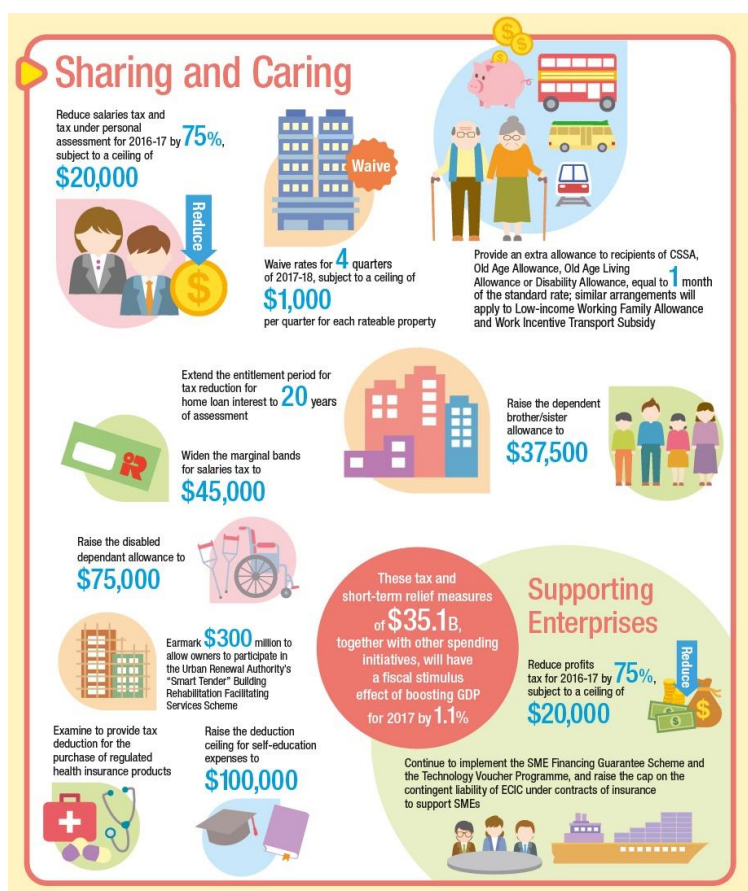


2017-18 Hong Kong Government Budget - Poverty Alleviation Measures



60. Having regard to the current economic situation, the complicated and uncertain global political and economic climate in the coming year, as well as the Government's fiscal surplus, there will be a series of measures include—

- reducing salaries tax and tax under personal assessment for 2016-17 by 75 per cent, subject to a ceiling of \$20,000. The reduction will be reflected in the final tax payable for 2016-17;
- reducing profits tax for 2016-17 by 75 per cent, subject to a ceiling of \$20,000. The reduction will be reflected in the final tax payable for 2016-17;
- waiving rates for four quarters of 2017-18, subject to a ceiling of \$1,000 per quarter for each rateable property; and
- providing an **extra allowance to social security recipients, equal to one month** of the standard rate Comprehensive Social Security Assistance payments, Old Age Allowance (OAA), OALA or Disability Allowance. Similar arrangements will apply to **LIFA and Work Incentive Transport Subsidy**.

61. In addition to the above one-off measures, after taking into account the Government's fiscal position in the short to medium term, the following five recurrent tax measures starting from 2017-18 so as to relieve the burden on taxpayers–

- (a) widening the marginal bands for salaries tax from the current \$40,000 to \$45,000;
- (b) **raising the disabled dependent allowance** from the current \$66,000 to \$75,000;
- (c) raising the dependent brother/sister allowance from the current \$33,000 to \$37,500;
- (d) extending the entitlement period for the tax reduction for home loan interest from 15 years of assessment to 20 while maintaining the current deduction ceiling of \$100,000 a year; and
- (e) raising the deduction ceiling for self-education expenses from the current \$80,000 to \$100,000.

68. Given the higher-than-expected surplus for this financial year, a forward-looking approach will be taken to put \$61 billion of the surplus to good use–

- (a) earmarking a total of \$30 billion to **strengthen elderly services and rehabilitation services for persons with disabilities**, and to enable them to fully integrate into the community and enjoy equal opportunities;
- (b) earmarking a total of \$20 billion for sports development as announced in the Policy Address. To provide better community and sports facilities for public use, the Government will launch 26 projects in the coming five years to develop new or improve existing sports and recreation facilities in different districts;
- (c) reserving \$10 billion for supporting I&T development in Hong Kong; and
- (d) deploying \$1 billion for **youth development**, including the provision of \$700 million for the Education Bureau to strengthen its efforts in promoting vocational and professional education and training (VPET), facilitating the training and professional development of principals and teachers, and **enhancing support for local post-secondary students, including those pursuing self-financing post-secondary programmes.**

Let's pray for the Government policy and the budget can help the people in need!

May the Lord reign in our society!