Government welcomes passage of Stamp Duty (Amendment) (No. 2) Bill 2023

The Government welcomes the passage of the Stamp Duty (Amendment) (No. 2) Bill 2023 by the Legislative Council today (June 21), which implements a measure to trawl for talent as announced in the 2022 Policy Address by introducing a refund mechanism under the Buyer's Stamp Duty (BSD) and the New Residential Stamp Duty (NRSD) regimes to attract talent from around the world to stay in Hong Kong for long-term development, thereby enriching the talent pool of Hong Kong.

The Deputy Chief Secretary for Administration, Mr Cheuk Wing-hing, said, "The refund mechanism will bring the overall stamp duty charged on eligible incoming talents on par with that charged on first-time home buyers who are Hong Kong permanent residents (HKPRs), hence reducing the cost of home purchase for those incoming talents who are able and wish to buy residential properties in Hong Kong. We believe that this measure will help incentivise incoming talents to purchase homes and reside in Hong Kong in the long run, which would inject impetus to the growth of Hong Kong."

Under the refund mechanism, for an eligible incoming talent who has entered Hong Kong under a designated talent admission scheme, acquired a residential property in Hong Kong on or after October 19, 2022 (i.e. the date of announcement of the 2022 Policy Address), and subsequently becomes an HKPR, he/she can apply for a refund of the BSD and the NRSD paid for the residential property which, at the time it was purchased, was the applicant's only residential property (save for replacing property) and the applicant still holds on the date of the application for refund. The Ad Valorem Stamp Duty at Scale 2 rates (i.e. the rates applicable to first-time home buyers who are HKPRs) will still be payable.

The amended Ordinance will be published in the Gazette on June 30, 2023, and the Inland Revenue Department will start accepting refund applications from incoming talent upon its gazettal.