

# [HKMA releases guideline on fund certification for carried interest tax concession](#)

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA) issued today (July 16) a guideline on the certification of funds under Schedule 16D to the Inland Revenue Ordinance (IRO) in relation to tax concessions for carried interest (Guideline).

The Inland Revenue (Amendment) (Tax Concessions for Carried Interest) Ordinance 2021 was enacted to give profits tax and salaries tax concessions in relation to eligible carried interest received by, or accrued to, qualifying persons and qualifying employees on or after April 1, 2020 from the provision of investment management services to certified investment funds. The tax concessions aim to attract more private equity funds to operate and be managed in Hong Kong, thereby promoting the development of the investment management and related professional services industries in Hong Kong.

As defined in section 2 of Schedule 16D to the IRO, a certified investment fund means a fund within the meaning of section 20AM of the IRO that is certified by the Monetary Authority (MA) to be in compliance with the criteria for certification published by the MA. The Guideline sets out the criteria for certification and other matters in relation to the MA's certification. With immediate effect, the certification scheme is open to applications by funds.

The Guideline is available at the [HKMA's website](#).