

# Immediate adjustment to first registration tax rates for private cars

The Government announced in the Gazette today (February 24) that the following adjusted first registration tax (FRT) rates for private cars (PCs) take effect from 11am on February 24, 2021 (Hong Kong time):

	Original tax rates	Adjusted tax rates
Private car taxable value:		
(a) on the first \$150,000	40%	46%
(b) on the next \$150,000	75%	86%
(c) on the next \$200,000	100%	115%
(d) on the remainder	115%	132%

Concurrently, the FRT concession cap under the "One-for-One Replacement" Scheme for electric private cars (e-PCs) has been adjusted from \$250,000 to \$287,500 so as to continue promoting the use of electric vehicles, whereas the FRT concession cap for e-PCs in general is maintained at the present level of \$97,500.

"There will be no change to the tax rates of the other classes of motor vehicles and the application procedures for the first registration remain unchanged. Moreover, for PCs ordered/arranged to import into Hong Kong by the vehicle owners for personal use before 11am on February 24, 2021 (Hong Kong time), but have not been first registered, so long as the local registered distributors/registered importers/vehicle owners submit an application with relevant supporting documents to the Transport Department (TD) for exemption from paying FRT at the new tax rates, subject to the application being approved by the TD after verification, the old FRT rates will be applicable to the PC concerned," a spokesman for the TD said.

"If the PC concerned is approved to pay FRT at the old rates and granted with the FRT concession under the 'One-for-One Replacement' Scheme at the same time, it can only enjoy the old FRT concession cap under the Scheme, i.e. \$250,000," the spokesman added.

For enquiries, members of the public can call 1823 or the TD's Hong Kong Licensing Office at 2804 2637.