

## Background

In the 2021/22 Budget, the Financial Secretary has proposed various one-off relief measures for enterprises.

## Issue

- Reduce profits tax for 2020/21 by 100%, subject to a HK\$10,000 ceiling for each business
- Waive rates for non-domestic properties for 2021/22, subject to a ceiling of HK\$5,000 per quarter in the first two quarters and HK\$2,000 per quarter for the remaining two quarters for each rateable non-domestic property
- Waive business registration fees for 2021/22

- Continue to waive 75% of water and sewage charges payable by non-domestic households for eight months starting from April 2021, subject to a monthly cap of HK\$20,000 and HK\$12,500 respectively per household
- Continue to grant the 75% rental or fee concession currently applicable to eligible tenants of government properties and eligible short-term tenancies and waivers for 6 months (tenants who have to close their properties at the request of the Government can receive 100% waiver)
- Launch the 90% Guarantee Product and the one-year Special 100% Guarantee Product under the SME Financing Guarantee Scheme, which provides enterprises with low interest

loans or interest subsidies, as well as a principal moratorium during which only interest payments have to be made; extend the application period to the end of 2021; further increase the maximum loan amount per enterprise from the total amount of employee wages and rents for 12 months to that for 18 months and raise the loan ceiling from HK\$5 million to HK\$6 million; extend the maximum repayment period from 5 years to 8 years; and extend the maximum duration of the principal moratorium from 12 months to 18 months

## Questions

If you have any questions, please contact Mary Ho [mary.wfho@crowe.hk](mailto:mary.wfho@crowe.hk) or Cyrus Chow [cyrus.chow@crowe.hk](mailto:cyrus.chow@crowe.hk).