

**EFFECT OF THE PROPOSED  
ONE-OFF REDUCTION OF SALARIES TAX,  
TAX UNDER PERSONAL ASSESSMENT AND PROFITS TAX**

**Year of Assessment 2022/23**

Salaries tax and tax under personal assessment –  
100% tax reduction subject to a cap at \$6,000 per case

Assessable Income	No. of taxpayers	Average amount of tax reduction	Average % of tax reduced
\$200,000 and below	181 000	\$850	100%
\$200,001 to \$300,000	391 000	\$3,380	85%
\$300,001 to \$400,000	346 000	\$4,490	48%
\$400,001 to \$600,000	417 000	\$5,280	25%
\$600,001 to \$900,000	298 000	\$5,680	11%
Above \$900,000	267 000	\$5,880	2%
Total	1 900 000	—	—

*Note: As at 31 December 2022, Hong Kong had a working population of 3.67 million.*

Profits tax –  
100% tax reduction subject to a cap at \$6,000 per case

Assessable Profits	No. of businesses#	Average amount of tax reduction	Average % of tax reduced
\$100,000 and below	43 100	\$4,060	100%
\$100,001 to \$200,000	17 200	\$6,000	37%
\$200,001 to \$300,000	10 100	\$6,000	22%
\$300,001 to \$400,000	7 000	\$6,000	16%
\$400,001 to \$600,000	9 800	\$6,000	11%
\$600,001 to \$900,000	8 800	\$6,000	8%
Above \$900,000	37 500	\$6,000	0.2%
Total	133 500	—	—

*Note: As at 31 December 2022, there were about 1.27 million corporations and 295 000 unincorporated businesses in Hong Kong.*

# Including 100 300 corporations and 33 200 unincorporated businesses.