



policy

The Hong Kong Chief Executive's 2023 Hong Kong Policy Address

The Hong Kong Chief Executive, John Lee, delivered his second [Policy Address](#) on 25 October 2023 (2023 Hong Kong Policy Address), titled "A Vibrant Economy for a Caring Community", centered around the overarching objectives of boosting the economy, fostering development, improving the well-being of the people of Hong Kong and promoting youth development.

A brief summary of some areas covered in the 2023 Policy Address:

Strengthen the Competitiveness of the Hong Kong Stock Market

- The rate of stamp duty on Hong Kong stock transfers will be reduced from 0.13 percent to 0.1 percent.
- The Hong Kong Exchange and Clearing Limited (HKEX) and the financial regulators will review and explore the possibility of reducing the minimum trading spread to facilitate the market prices of liquid but spread-constrained stocks.
- The HKEX has published its recommendations for GEM Listing reform and commenced consultation. The HKEX plans to implement the revised Listing Rules in the first quarter of 2024 after public consultation.
- Strengthen offshore RMB business by introducing offshore Mainland government bond futures and increasing the variety of RMB investment products, with a view to strengthening Hong Kong's position as an offshore RMB Centre.
- Establishment of a new integrated fund platform within the next year to expand Hong Kong's fund distribution network, enhance market efficiency and lower transaction cost.

Support Small and Medium Enterprises in Hong Kong

- An inter-departmental E-commerce Development Task Force will be established to assist SMEs in developing e-commerce to implement policies assisting SMEs in developing e-commerce business on the Mainland.

- Provide a more flexible repayment option under the SME Financing Guarantee Scheme.
- Support digital transformation of SMEs by providing subsidies for SMEs in retail and food and beverage sectors in applying for electronic payment and other digital packages.

Hong Kong's status as an International Trade Centre

- To organise more outbound missions with Hong Kong and Mainland enterprises to promote business opportunities.
- Additional offices will be set up along the Belt and Road Initiative to conduct business and trade and strengthen trade promotional efforts in these emerging countries.
- To continue consolidating business co-operation and connections with the markets of ASEAN and the Middle East and strive for Hong Kong's early accession to the Regional Comprehensive Economic Partnership.

Stamp duties eased for Hong Kong property buyers under the 2023 Hong Kong Policy Address

- Buyer's Stamp Duty and the New Residential Stamp Duty have been reduced by half, from 15 percent to 7.5 percent. This reduction aims to alleviate the additional cost for Hong Kong Permanent Residents to purchase additional residential property, and the additional cost for non-HKPRs in their purchase of residential properties.
- The applicable period for the Special Stamp Duty has been shortened from three years to two years.
- The introduction of a stamp duty suspension arrangement on properties for "overseas talent".

National Security under the 2023 Hong Kong Policy Address

- The legislation regarding the enactment of Article 23 of the Basic Law, which concerns national security, is expected to be completed in 2024.
- To enhance cybersecurity in critical infrastructure, including energy, telecommunications, transportation, and financial institutions to address the increasing risk of cyberattacks globally. A bill will be introduced into the Legislative Council in 2024.

Enhancing Hong Kong's Competitiveness under the 2023 Hong Kong Policy Address

- The development of a "headquarters economy" to attract enterprises from outside Hong Kong to set up headquarters and/or corporate divisions in Hong Kong.
- InvestHK and the HKEX will actively engage with Hong Kong listed companies domiciled overseas, encouraging them to re-domicile to Hong Kong. The Government plans to introduce a mechanism to facilitate the re-domiciliation process and legislative amendments will be introduced in the first half of 2024.
- "Multiple-entry Visa" to the Mainland for foreigners working in companies registered in Hong Kong.
- Visa policies for employment will be relaxed for Vietnamese, Laotian and Nepalese talent.
- A "Capital Investment Entrant Scheme" will be established, allowing eligible investors who make an investment of HK\$30 million or above in assets such as stocks, fund, bonds, etc (excluding real estate) can apply for entry into Hong Kong.
- A "Vocational Professionals Admission Scheme" will be established, enabling eligible participants to stay in Hong Kong for one year after graduation to seek jobs.

"Promote Fertility and Create a Childbearing Environment" in Hong Kong

- A one-off Newborn Baby Bonus of HK\$20,000 will be provided for each newborn if one parent has been a Hong Kong permanent resident for at least three years.

- The tax deduction ceiling for home loan interest or domestic rents will be increased from HK\$100,000 to HK\$120,000 for taxpayers who live with their first child born today until the child reaches the age of 18.
- A “Families with Newborns Flat Selection Scheme” will be introduced to enhance the chance of families with newborns to purchase subsidised sale flats.

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