

HK-Macao tax arrangement in force

The Comprehensive Avoidance of Double Taxation Arrangement (CDTA) with Macao signed in November 2019 has entered into force after the completion of the relevant approval procedures. The CDTA will be in effect in Hong Kong in respect of taxes on income derived for any year of assessment beginning on or after April 1, 2021, a Government spokesman said today (August 20).

Macao was the 19th largest trading partner of Hong Kong in 2019. The CDTA will bring about a greater degree of certainty on tax liabilities for those who engage in cross-boundary business activities, and will help promote bilateral trade and investment activities.