

Inland Revenue (Amendment) (Tax Deductions for Assisted Reproductive Service Expenses) Ordinance 2025 takes effect upon gazettal

The Government published in the Gazette today (February 28) the Inland Revenue (Amendment) (Tax Deductions for Assisted Reproductive Service Expenses) Ordinance 2025 (Amendment Ordinance) to amend the Inland Revenue Ordinance to introduce a tax deduction for assisted reproductive (AR) service expenses under salaries tax and personal assessment, with immediate effect. The relevant bill was passed in the Legislative Council on third reading on February 19 this year. The tax deduction is applicable to qualifying AR service expenses paid starting from the year of assessment 2024/25.

All AR services received for medical reasons are qualifying AR services for claiming the tax deduction, meaning the following two categories of persons are eligible to claim tax deduction for relevant expenses:

- (i) infertile couples or persons under specified circumstances, including persons undergoing sex selection of embryos to avoid sex-linked genetic diseases, or single persons continuing to receive a procedure where gametes were, or an embryo was, placed in the body of a woman pursuant to the procedure when they were the parties to a marriage; and
- (ii) cancer patients or any other patients who may be rendered infertile as a result of chemotherapy, radiotherapy, surgery, or other medical treatment.

Expenses paid by a taxpayer, by the taxpayer's spouse (who is not living apart from the taxpayer), or by both of them for the qualifying AR services are allowable deductions for the taxpayer. The maximum amount of deduction allowable for a year of assessment is \$100,000. For married taxpayers, the maximum amount of deduction allowable for both the taxpayer and the spouse is \$100,000 in total.

The Inland Revenue Department may request the taxpayer to provide the Proof of Qualifying AR Service Expenses in support of the deduction claimed. The Government has published a standard form of the Proof, which is available on the website of the Council on Human Reproductive Technology (CHRT) (www.chrt.org.hk/english/publications/files/form_of_proof.pdf). For members of the public who have paid for the abovementioned qualifying AR service expenses on or after April 1 last year (regardless of whether such services were received in the current year of assessment), and intend to claim tax deductions for such expenses, they may now obtain the Proof retrospectively from centres holding an artificial insemination by husband licence, a treatment licence or a storage licence issued by the CHRT (licensed centres). The Proof should be signed by a registered medical practitioner who holds clinical responsibility for the relevant reproductive technology procedure,

certifying the date and amount of qualifying AR service expenses paid by the taxpayers for their tax deduction claims.

Members of the public may visit the Inland Revenue Department's website (www.ird.gov.hk/eng/tax/ars.htm) for more information on tax deductions for AR service expenses. Information on the licensed centres is available on the CHRT's website (www.chrt.org.hk/english/licensed/licensed.html).