



Tax cut on stocks fails to rouse market

Money glitz | Caroline Zheng 26 Oct 2023



The HSI ended 93 points higher. Sing Tao

Caroline Zheng

Hong Kong will lower the stamp duty on stock trading to 0.1 percent for both buyers and sellers from 0.13 percent, with an aim to complete the legislative procedures by the end of next month.

The market's response, however, was tepid.

The SAR government had raised the levy to the current level from 0.1 percent in August 2021 amid the pandemic.

The Standard Channel



[More>>](#)

Lowering the rate back to the level before the adjustment in 2021 was decided by John Lee in an attempt to lower transaction costs while taking into consideration the government's fiscal revenue, sources said.

A government-appointed task force did not recommend how much to lower the rate to, the sources added. The task force, which was set up in August to study ways to enhance market liquidity, had earlier submitted its proposals to the administration.

On other recommendations such as maintaining trading under severe weather, sources said the arrangements are expected to launch next summer.

The Securities and Futures Commission and Hong Kong Exchanges and Clearing are working on the technical details to allow brokers to use banking services during bad weather, they added.

HKEX and financial regulators will review and explore ways to narrow the minimum trading spreads, and are expected to consult the market in the second quarter of next year.

The bourse operator will also cut market data fees later this year and will aim to implement its revised listing rules for the Growth Enterprise Market board in the first quarter of next year.

MARLEIGH
The Franklin Building apartment

香港獨家發售 新禧全新公寓
The Franklin Building apartment

指定洋房別墅可享 印花稅津貼

熱賣 再度加推 限時折扣

英國劍橋 Marleigh 長期展銷廳

開放時間: 星期一至五 早上11時 - 下午8時
地址: 遠東發展大廈地下 九龍彌敦道204號 (港鐵佐敦站D出口旁)

- 提供 3, 4, 5 房 淨房別墅及 1, 2 房分層單位
- 可於今年入住或選購樓花單位, 首期 10% 起
- 57 英畝綠色空間, 環境愜意寧靜, 盡享英式愜活生活
- 屋苑內設有小學 Marleigh Primary Academy
- 交通 Cambridge North Train Station 輕鬆穿梭倫敦歐洲以外城市
- 距離市中心只需約 15 分鐘

索取更多資料 / 登記, 請聯繫

代理: **FIRST** 第一置業物業
+852 9281 5258
enquiries@first-tp.com
WhatsApp 查詢

Carlson Tong Ka-shing, who chairs the 13-member task force, believes the short-term measures could lift investor sentiment and help boost turnover when the external environment improves.

A former SFC chairman, Tong said cutting such taxes will have a great impact on the government, which will see a decline of HK\$4 billion in revenue per year for every drop of 0.01 percentage points.

Financial sector lawmaker Robert Lee Wai-wang, a member of the task force, said although the cut is not a bold one, he understood the need to strike a balance to maintain fiscal health.

But the Hong Kong Securities and Futures Professionals Association said the slight cut is far from enough to boost market liquidity, believing the government should further cut the tax or even remove it to attract international capital.

Brokerage Tiger Brokers, however, said it may encourage more high-frequency trading.

In other measures to strengthen Hong Kong's role as a financial center, HKEX will establish a new integrated fund platform within the next year to expand the fund distribution network.

Hong Kong stocks pared their gains to close only 93 points higher at 17,085 following the release of the policy address after surging over 470 points at one time on China's 1 trillion yuan (HK\$1.1 trillion) sovereign bond plan to prop up the economy.

And shares in HKEX fell 4.1 percent as the cut on stock stamp duties failed to meet market expectations.

caroline.zheng@singtaonewscorp.com

Other Money glitz News

[More Money glitz News >>](#)

Power bills shrink as oil prices fall (27 Oct 2023)

Tragedy strikes as taxis collide at roundabout near Disneyland (27 Oct 2023)

Love overflows for orphaned sisters (27 Oct 2023)

Baby bonus due in first quarter (27 Oct 2023)

Raising taxes off table despite costs of economic boosters (27 Oct 2023)

More checks in works for civil service (26 Oct 2023)

Teens set to smile with new subsidy (26 Oct 2023)

'Smartlane' for faster airport screening (26 Oct 2023)

All aboard: Kai Tak transit system proposal (26 Oct 2023)

Youth to be spurred into action (26 Oct 2023)

