

POLICY ADDRESS 2021

TAX MEASURES AND

FINANCIAL SUPPORT

律師事務所



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The 2021 Policy Address, presented on 16 November 2020 by Chief Executive Ho Iat Seng, bring some changes to face the economic challenges caused by the pandemic. In this report, C&C Lawyers & Notaries analyses and summarises the Tax Measures and Financial Support that will be made available to the population of Macau. For your convenience, we outline below what remains the same, what is no longer applicable, and what is new for the next year.

TAX MEASURES

COMPLEMENTARY TAX

	2020	2021
Tax: 3% - 12% Individual persons: income from commercial or industrial activity Corporate persons: net profit	<ul style="list-style-type: none">- Exemption limit is fixed for income up to MOP 600,000- Rate of 12% for income that exceeds that amount- Exemption on income obtained or generated in Portuguese-speaking countries, provided that it had been taxed there- Deduction of qualified research and development expenses on collectable matter up to the maximum value of MOP 15 million – for Group A companies- Exemption on income from investments in bonds traded in Macau by Mainland Chinese authorities and state-owned companies- Tax deduction in the fixed amount of MOP 300,000 for companies- All donations in cash and assets to respond to situations caused by COVID-19 are considered as costs for the year	<ul style="list-style-type: none">- Exemption limit is fixed for income up to MOP 600,000- Rate of 12% for income that exceeds that amount- Exemption on income obtained or generated in Portuguese-speaking countries, provided that it had been taxed there- Deduction of qualified research and development expenses of the up to the maximum value of MOP 15 million – for Group A companies- Exemption on income from investments in bonds traded in Macau by Mainland Chinese authorities and state-owned companies- Exemption on interest and income earned on securities issued in Macau

PROFESSIONAL TAX

	2020	2021
Tax: 7% - 12% Labor income	<ul style="list-style-type: none"> - 30% deduction on the taxable income - 30% annual fixed deduction on the calculated tax - Limit of the exemption fixed in MOP 144,000 - Limit of the exemption fixed in MOP 198,000 for employees aged over 65 or with an incapacity degree of 60% or higher - Refund of 70% of the tax paid in 2018 with a maximum amount of MOP 20,000 	<ul style="list-style-type: none"> - 30% deduction on the collectable matter - 25% annual fixed deduction of the calculated tax - Limit of the exemption fixed in MOP 144,000 - Limit of the exemption fixed in MOP 198,000 for employees aged over 65 or with an incapacity degree of 60% or higher - Refund of 70% of the tax paid in 2019 with a maximum amount of MOP 14,000

INDUSTRIAL TAX

	2020	2021
Annual tax: Industrial, commercial activities, services etc.: MOP 150-MOP 500; Banks: MOP 20,000-MOP 180,000	<ul style="list-style-type: none"> - Exemption of the industrial tax payment Filing obligations are maintained 	<ul style="list-style-type: none"> - Exemption of the industrial tax payment Filing obligations are maintained

TOURISM TAX

	2020	2021
Tax: 5% Services provided by hotels and similars, health clubs, saunas, massage and karaokes	<ul style="list-style-type: none"> - Exemption for restaurants - Exemption of the tourist tax payment on hotels and similars, health clubs, saunas, massages and karaokes for a period of 6 months (May-October) 	<ul style="list-style-type: none"> - Exemption for restaurants

STAMP DUTY ON TRANSFER OF ASSETS

	2020	2021
Tax: 1%-3% Stamp duty of 5% Paid by the purchaser in the temporary or definitive transfer between living persons, as payable of free property title.	<ul style="list-style-type: none"> - Exemption of the stamp duty on the transfer of properties in the first MOP 3 million: <ul style="list-style-type: none"> ▶ Property for housing ▶ Permanent resident not owning any properties 	<ul style="list-style-type: none"> - Exemption of the stamp duty on the transfer of properties in the first MOP 3 million: <ul style="list-style-type: none"> ▶ Property for housing ▶ Permanent resident not owning any properties

STAMP DUTY

	2020	2021
<ul style="list-style-type: none"> - Insurance: 2%-5% over the premiums' value - Bank operations: 1% on interests and commissions - Auctions: 5% on the auction or adjudication price - Entertainment: 10% on the price - Advertising: 10% on the license cost; 2% on the advertisement cost - Government securities: 2% on the value - Permits and licenses: 10% on the license cost 	<ul style="list-style-type: none"> - Exemption of the stamp duty on insurance policies and bank operations - Exemption of the stamp duty on auctions - Exemption of the stamp duty on shows, exhibitions and entertainment tickets - Exemption of the taxes and duties on publicity and advertising - Exemption of the stamp duty on the issuing or purchase of State securities from local governments and companies of the People's Republic of China issued in the Macau SAR - Exemption on the issue of the administrative permits and licenses 	<ul style="list-style-type: none"> - Exemption of the stamp duty on insurance policies and bank operations - Exemption of the stamp duty on auctions - Exemption of the stamp duty on shows, exhibitions and entertainment tickets - Exemption of the taxes and duties on publicity and advertising - Exemption of the stamp duty on the issuing, purchase and sale or transfer of rights of debt securities issued in the Macau SAR

PROPERTY TAX

	2020	2021
<p>Tax:</p> <ul style="list-style-type: none"> - 6% for non-rented buildings - 10% on rented buildings <p>Rented buildings: value of the rent</p> <p>Non-rented buildings: rental value listed in the land registry</p>	<ul style="list-style-type: none"> - Reduction to 8% of the property tax of rented buildings - Exemption of payment on the housing properties for Macau resident persons - Buildings allocated for hotel and similar activities, offices, commerce and industry: <ul style="list-style-type: none"> ▶ Deduction of MOP 3,500 on the payable property tax ▶ Deduction of 25% on the remaining property tax - For buildings that aren't for the above mentioned purposes, deduction of MOP 3,500 on the payable property tax applicable to Macau resident persons 	<ul style="list-style-type: none"> - Reduction to 8% of the property tax of the rented buildings - Deduction of MOP 3,500 from the property tax applicable to Macau resident persons

ROAD TAX

	2020	2021
Tax: Motorcycles and mopeds: 25%-45% Cars: 50%-90%	<ul style="list-style-type: none"> Exemption of the road tax payment for commercial vehicles 	

OTHER FEES

	2020	2021
	<ul style="list-style-type: none"> Exemption from the license fee for wet market vendors, rent from market stalls, health inspection of fresh products and live animals Exemption from the license fee for displaying advertising and publicity material of commercial units Exemption from administrative, exploration, inspection, survey, issuance and renewal fees, licenses applied to vessels, operating fees for various sectors of activity 	<ul style="list-style-type: none"> Exemption from the license fee for wet market vendors, rent from market stalls, health inspection of fresh products and live animals Exemption from the license fee for displaying advertising and publicity material of commercial units

FINANCIAL MEASURES

RESIDENTS

	2020	2021
Wealth Partaking Scheme	<ul style="list-style-type: none"> MOP 10,000 Residents MOP 6.000 Non-Permanent Residents 	<ul style="list-style-type: none"> MOP 10,000 Residents MOP 6.000 Non-Permanent Residents
Central Provident Fund	<ul style="list-style-type: none"> Activation Sum MOP 10,000 Additional Sum MOP 7.000 	<ul style="list-style-type: none"> Activation Sum MOP 10,000
Healthcare Subsidy Scheme	<ul style="list-style-type: none"> MOP 600 for permanent residents MOP 600 additional support 	<ul style="list-style-type: none"> MOP 600 for permanent residents
Birth Allowance	<ul style="list-style-type: none"> MOP 5,418 (can be requested by both parents) 	<ul style="list-style-type: none"> MOP 5,418 (can be requested by both parents)
Fourth phase of the Continuing Education Development Plan		<ul style="list-style-type: none"> MOP 6.000 for Macau residents aged over 15 until 31/12 of any of the years 2020 to 2023 Duration: 1st September 2020 to 31st August 2023

Electricity Tariff Subsidy	<ul style="list-style-type: none"> - MOP 200/month (for each household) - Exemption of the electricity bills payment for 3 months for households 	<ul style="list-style-type: none"> - MOP 200/month (for each household)
Water Tariff Subsidy	<ul style="list-style-type: none"> - MOP 200/month (for each household) - Exemption of the water bills payment for 3 months: integral for households. 	<ul style="list-style-type: none"> - MOP 200/month (for each household)
Bus Tariffs	<ul style="list-style-type: none"> - Macau Pass holders: MOP 3 for normal route and MOP 4 for express route - Student card holder: 50% - Holder of elderly and disabled person card: Free 	<ul style="list-style-type: none"> - Macau Pass holders: MOP 3 for normal route and MOP 4 for express route - Student card holder: 50% - Holder of elderly and disabled person card: Free
Consumption Subsidy	<ul style="list-style-type: none"> - Macau Pass Card: 1st upload: MOP 3,000 2nd upload: MOP 5,000 	

ELDERLY

	2020	2021
Elderly subsidy	<ul style="list-style-type: none"> - MOP 9,000/year 	<ul style="list-style-type: none"> - MOP 9,000/year
Elderly pension	<ul style="list-style-type: none"> - MOP 3,740/month 	<ul style="list-style-type: none"> - MOP 3,740/month

WORKERS

	2020	2021
Subsidized training	<ul style="list-style-type: none"> - Subsidy in the maximum amount of MOP 6.656 for unemployed and newly graduated locals attending training courses organised by the Government - Subsidy of MOP 5.000 for employed workers or their employers attending training courses to improve technical skills 	<ul style="list-style-type: none"> - Subsidy in the maximum amount of MOP 6.656 for unemployed and newly graduated locals attending training courses organised by the Government - Subsidy of MOP 5.000 for employed workers or their employers attending training courses to improve technical skills
Cash handout plan for workers	<ul style="list-style-type: none"> - MOP 15,000 for local workers (excluding those that received professional tax return in the maximum amount of MOP 20.000) 	

STUDENTS

	2020	2021
Subsidy to purchase school manuals	<ul style="list-style-type: none"> - Secondary education: MOP 3.550/school year - Primary education: MOP 3.000/school year - Kindergarten: MOP 2.400/school year 	<ul style="list-style-type: none"> - Secondary education: MOP 3.550/school year - Primary education: MOP 3.000/school year - Kindergarten: MOP 2.400/school year
School material subsidy	<ul style="list-style-type: none"> - Higher education: MOP 3.300 - Families with financial difficulties: <ul style="list-style-type: none"> ▶ Secondary education: MOP 3.350/school year ▶ Primary education/ kindergarten: MOP 2.600/school year - Macau students attending schools in the Guangdong province: <ul style="list-style-type: none"> ▶ Secondary education: MOP 1.700/school year ▶ Primary education: MOP 1.450/school year ▶ Kindergarten: MOP 1.150/school year 	<ul style="list-style-type: none"> - Higher education: MOP 3.300 - Families with financial difficulties: <ul style="list-style-type: none"> ▶ Secondary education: MOP 3.350/school year ▶ Primary education/ kindergarten: MOP 2.600/school year - Macau students attending schools in the Guangdong province: <ul style="list-style-type: none"> ▶ Secondary education: MOP 1.700/school year ▶ Primary education: MOP 1.450/school year ▶ Kindergarten: MOP 1.150/school year
School fees subsidy	<ul style="list-style-type: none"> - Families with financial difficulties: <ul style="list-style-type: none"> ▶ Complementary secondary education: maximum MOP 9.000/school year ▶ General secondary education: maximum MOP 6.000/school year ▶ Primary education/ kindergarten: maximum MOP 4.000/school year - Macau students attending schools in the Guangdong province: <ul style="list-style-type: none"> ▶ Secondary and primary education: maximum MOP 6.000/school year ▶ Kindergarten: maximum MOP 8.000/school year 	<ul style="list-style-type: none"> - Families with financial difficulties: <ul style="list-style-type: none"> ▶ Complementary secondary education: maximum MOP 9.000/school year ▶ General secondary education: maximum MOP 6.000/school year ▶ Primary education/ kindergarten: maximum MOP 4.000/school year - Macau students attending schools in the Guangdong province: <ul style="list-style-type: none"> ▶ Secondary and primary education: maximum MOP 6.000/school year ▶ Kindergarten: maximum MOP 8.000/school year
Food subsidy	<ul style="list-style-type: none"> - Families with financial difficulties: MOP 3,950/school year 	<ul style="list-style-type: none"> - Families with financial difficulties: MOP 3,950/school year

FAMILIES IN VULNERABLE SITUATION

	2020	2021
Financial support	<ul style="list-style-type: none"> - Minimum subsistence index: MOP 4,350 - Family formed by 1-8 persons: MOP 4.350 to MOP 20.270/ month - Attribution of thirteen months of financial support - Attribution of an additional provision corresponding to two months of subsidy 	<ul style="list-style-type: none"> - Minimum subsistence index: MOP 4,350 - Family formed by 1-8 persons: MOP 4.350 to MOP 20.270 / month - Attribution of thirteen months of financial support - Attribution of an additional provision corresponding to one month of subsidy
Special support for maintenance of life for the three types of families and in vulnerable situation	<ul style="list-style-type: none"> - Learning: MOP 300-MOP 750/ month - Specific medical care: MOP 1.000-MOP 1.200/ month - Disability support: MOP 750-MOP 1.000/ month 	<ul style="list-style-type: none"> - Learning: MOP 300-MOP 750/ month - Specific medical care: MOP 1.000-MOP 1.200/ month - Disability support: MOP 750-MOP 1.000/ month
Special subsidy given through the Program of inclusion and harmony in the community	<ul style="list-style-type: none"> - Family formed by 1-8 persons: MOP 2.650 to MOP 10.100 each provision - Two annual provisions to the three types of vulnerable situations: single parents, disabled persons and chronic patients - Maximum income = 1.8 times the minimum subsistence index 	<ul style="list-style-type: none"> - Family formed by 1-8 persons: MOP 2.650 to MOP 10.100 each provision - Two annual provisions to the three types of vulnerable situations: single parents, disabled persons and chronic patients - Maximum income = 1.8 times the minimum subsistence index
Short time food support plan	<ul style="list-style-type: none"> - 10 weeks, maximum income corresponding to 1.8 times the subsistence index 	<ul style="list-style-type: none"> - 10 weeks, maximum income corresponding to 1.8 times the subsistence index
Families renting social housing	<ul style="list-style-type: none"> - Exemption of monthly rent in the maximum amount of MOP 2.000 for families whose incomes do not exceed the stipulated amount 	<ul style="list-style-type: none"> - Exemption of monthly rent in the maximum amount of MOP 2.000 for families whose incomes do not exceed the stipulated amount
Housing allowance for families on social housing waiting list	<ul style="list-style-type: none"> - MOP 1.650/ month for families formed by 1 or 2 persons - MOP 2.500 for families with 3 or more persons 	<ul style="list-style-type: none"> - MOP 1.650/ month for families formed by 1 or 2 persons - MOP 2.500 for families with 3 or more persons
Positive Life Service Program	<ul style="list-style-type: none"> - Exemption of up to MOP 6.530 on the total household income in the calculation for the attribution of social support to the beneficiary reintegrated into the labour market, with the maximum exemption period being 18 months 	<ul style="list-style-type: none"> - Exemption of up to MOP 6.530 on the total household income in the calculation for the attribution of social support to the beneficiary reintegrated into the labour market, with the maximum exemption period being 18 months
Communitarian support plan	<ul style="list-style-type: none"> - Subsidy in the maximum amount of MOP 2.000/month to those participating in the plan 	<ul style="list-style-type: none"> - Subsidy in the maximum amount of MOP 2.000/month to those participating in the plan
Subvention for full time workers with low incomes	<ul style="list-style-type: none"> - MOP 5.000 for Macau residents 	

DISABLED PERSONS

	2020	2021
Disability subsidy	<ul style="list-style-type: none"> - Slight/Moderate disability: MOP 9,000/year - Serious/deep disability or aged below 4 years old: MOP 18,000/year 	<ul style="list-style-type: none"> - Slight/Moderate disability: MOP 9,000/year - Serious/deep disability or aged below 4 years old: MOP 18,000/year
Employers of disabled persons	<ul style="list-style-type: none"> - Deduction of MOP 5,000 from the income tax or professional tax for each disabled worker 	<ul style="list-style-type: none"> - Deduction of MOP 5,000 from the income tax or professional tax for each disabled worker
Disabled workers	<ul style="list-style-type: none"> - Income subsidy up to MOP 5,000 	<ul style="list-style-type: none"> - Subsidy for the difference between the MOP 6,656 value of the minimum salary and the monthly income
Pilot plan of Financial Support in the Acquisition of Equipments for Disabled Persons		<ul style="list-style-type: none"> - Financial support up to MOP 30,000 for acquisition of auxiliary equipments or domestic equipments
Pilot plan of Subsidies for the Caregivers		<ul style="list-style-type: none"> - MOP 2,175/month
Early Intervention Services for Disabled Children		<ul style="list-style-type: none"> - Increase of the number of vacancies in the early intervention service and availability of a greater scope of services

COMPANIES

	2020	2021
Pecuniary Support Plan for Companies	<ul style="list-style-type: none"> - Support ranging between MOP 15,000 and MOP 200,000, based on the number of workers hired. Maximum amount of MOP 1 million for owners of several commercial businesses 	
Pecuniary Support Plan for Self-employed Professionals	<ul style="list-style-type: none"> - Support ranging between MOP 15,000 and MOP 200,000, based in the number of workers hired. - Support of MOP 10,000 for tenants of markets stalls, holders of hawkers licenses and tricycle licenses - Support of MOP 10,000 to each taxi driver renting the vehicle from the owner 	
Subvention of the electricity bills payment	<ul style="list-style-type: none"> - Exemption of the electricity bills payment for 3 months up to the limit of MOP 10,000 for Small and Medium Companies 	

Subvention of the water bills payment	<ul style="list-style-type: none"> - Exemption of the electricity bills payment for 3 months up to the limit of MOP 3,000 for Small and Medium Companies 	
Advantage Plans	<ul style="list-style-type: none"> - Reduction for 1 year in the requirement for the application for Small and Medium Companies - Acceleration of the processing and authorisation of the Support plans for SMEs, Guarantee of Credits Plan and Guarantee of Credits Plan for Specific Projects - Launch of the Preferential Interest Rates Plan for Small and Medium Companies and Self-employed Professionals 	<ul style="list-style-type: none"> - Reduction for 1 year in the requirement for the application for Small and Medium Companies - Maintenance of the Support plans for SMEs, Guarantee of Credits Plan and Guarantee of Credits Plan for Specific Projects

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