

SEMINAR-END EXERCISE

1. Exercise - Test yourself

	Yes	No
(a). SSD is payable if the transaction involves the sale and purchase or transfer of a commercial property.		
(b). For SSD purposes, the date of “acquisition” and the date of “disposal” of a property is the date when a chargeable agreement for sale is entered into.		
(c). Where the purchaser is a Hong Kong permanent resident acquiring the residential property on his / her own behalf, BSD is payable if a provisional agreement for sale and purchase was entered into on or after 27 October 2012		
(d). Both BSD and SSD are charged at the rate of 15%		

Exercise:

2. Mr. Chan acquired a residential property on 22 March 2011 and disposed of it on 30 November 2013. Any SSD liability when Mr. Chan disposed of the property?

Exercise:

3. Mr. Ho acquired a residential property on 10 September 2011 and disposed of it for \$6.5M on 10 March 2012. How to calculate the holding period of the property? What is the rate of SSD? What is the amount of SSD payable?

Exercise:

4. Mr Wong acquired a residential property on 1 November 2012 and disposal of it for \$3M on 1 January 2013. How to calculate the holding period of the property? What is the rate of SSD? What is the amount of SSD payable?

Exercise:

5. Ms. Cheung acquired a residential property on 15 October 2012 and disposal of it for \$4M on 15 December 2014. How to calculate the holding period of the property? What is the rate of SSD? What is the amount of SSD payable?

Exercise:

6. Mr. Chan, a non Hong Kong Permanent Resident (HKPR), signed a provisional agreement for sale to acquire a residential property on 1 November 2012 at the purchase price of \$3M. The formal agreement for sale was signed on 15 November 2012. Will Mr. Chan be liable to pay BSD?

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Exercise:

7. Mr. Lee, a Hong Kong permanent resident (HKPR), and his spouse Ms. Cheung jointly purchased a residential property on 1 November 2012 at the purchase price of \$3M. Ms. Cheung is not a HKPR. Whether the transaction is chargeable with BSD?

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Exercise:

8. Is a company whose shareholders and directors are all HKPRs liable to BSD ?

Exercise:

9. Mr. Wong and Mr. Ho jointly purchased a residential property on 1 November 2012 at the purchase price of \$4M. Mr. Wong is a HKPR whereas Mr. Ho is not. They are not close relatives (i.e. spouse, parents, children, brothers and sisters) . What is the amount of BSD payable?

Exercise:

10. Mr. Lee, entered into a provisional agreement for sale and purchase on 1 November 2012 to acquire a residential property at the purchase price of \$5M. On 30 November 2012, Ms. Cheung's name was added in the formal agreement for sale and purchase as one of the joint tenants. Ms. Cheung is neither a HKPR nor the close relative of Mr. Lee. Will Mr. Lee and Ms. Cheung be liable to pay BSD? What is the amount of BSD payable?