

Overview	Legal Change	Action required
<b>Hong Kong SAR Government Anti-epidemic Fund.</b> First round	Hong Kong SAR Government has established the Anti-epidemic Fund. The first round is already being distributed to the eligible applicants.	Review the detail and consider if your business is eligible for either the first or second subsidy.
<b>Hong Kong SAR Government Anti-epidemic Fund.</b> Second round	<p>On 8 April 2020, the Government announced the Anti-epidemic Fund - second round.</p> <p>The second round measures include a HK\$80 billion Employment Support Scheme ("ESS").</p> <p>Under the ESS:</p> <ul style="list-style-type: none"> <li>• The employment subsidy to be offered is based on 50% of the monthly salary, capped at HK\$18,000 (i.e. the maximum subsidy amount will be HK\$9,000), for a period of six months.</li> <li>• It is a condition an application for ESS that employers undertake that they will not implement redundancy.</li> <li>• All employers who have been making Mandatory Provident Fund (MPF) contributions for employees are eligible.</li> </ul>	Further details can be found on: <a href="https://www.coronavirus.gov.hk/eng/anti-epidemic-fund.html">https://www.coronavirus.gov.hk/eng/anti-epidemic-fund.html</a>
<b>Wage Subsidy only.</b>	<p>It is a requirement that 100 per cent of the wage subsidies provided by the Government are spent on wage costs.</p> <p>Employers cannot use the subsidy for any other purpose.</p> <p>The Government says it will put in place very robust 'after the event' auditing because they do not want to impose detailed vetting before paying out.</p>	Keep clear records and audit trails to ensure that you can show the subsidy was used for wage costs only.
<b>Timing of ESS Subsidy Payments.</b>	The ESS subsidy will be paid to employers in two payments, with the first not later than June 2020.	Understand the cashflow implications of the payment timetable.
<b>General Tax Payment Timetable.</b>	The deadline for payment of taxes for year of assessment 2018/19 will be automatically extended for three months, with details to be announced by the Inland Revenue Department.	This delay will assist cashflow. Make sure you do not pay tax earlier than now required.

**This is a high level general update only. Legal advice should be obtained on specific circumstances.**