

Section B

Chapter 26: Exempting, Deferred Payment or Refund of Rental Deposit

Tenants of Public Rental Housing

Upon signing up of a tenancy agreement for public rental housing unit, the tenant has to pay a rental deposit equivalent to the amount of one month's rent. The deposit is kept by the Hong Kong Housing Authority (HA) to safeguard against any loss from rent default or damages of the fixtures and provisions in the housing unit by the outgoing tenant. The rental deposit will be fully refunded without any interest to the ex-tenant upon termination of tenancy, provided that the ex-tenant does not own any debts to HA. This arrangement is in line with the current practice in the private sector.

HA has the following arrangements on payment of domestic rental deposit:

1. Exemption of Payment of Rental Deposit upon Signing up of Tenancy Agreement

Tenants of all elderly members household (Note 1) (AEM) or receiving Rent Assistance Scheme (RAS) with all family members (including tenant) not receiving Comprehensive Social Security Assistance (CSSA) can apply for exemption from paying rental deposit at time of signing up of tenancy agreement. CSSA (Note 2) households are not exempted as Social Welfare Department (SWD) will normally grant special allowance to them for payment of rental deposit.

2. Deferred Payment of Rental Deposit

Upon signing up of tenancy agreement, AEM-cum-CSSA households can apply for deferral in payment of rental deposit. The tenant has to authorise Housing Department (HD) to refer his/ her case to SWD for arrangement of granting rental deposit allowance. Tenant can approach the estate office to pay back the rental deposit after receipt of the said allowance.

3. Refund of Rental Deposit

(a) Domestic Tenants with Special Needs

The sitting tenants of AEM, RAS (Note 3) or CSSA who have paid the rental deposit out of their own pockets and have never been granted any allowance for rental deposit by SWD, either in part or in full, can apply to HD for refund of rental deposit. HD will process their application for refund according to their circumstances. In normal practice, the deposit refunded will be used to offset rent payment of the housing unit. If the households concerned subsequently do not belong to the categories of AEM, RAS or CSSA, they have to inform HD of such changes

immediately and to pay back the amount of rental deposit as stipulated in the tenancy agreement

(b) Termination of Tenancy

- (i) Ex-tenants who have terminated the tenancy for divorce, move out or other reasons can apply for refund of rental deposit. On application, the applicant has to return the original copy of the rental deposit receipt to HD. If the receipt is lost, he/ she is required to make a statutory declaration in respect of the loss of receipt. If ex-tenant does not owe any debts to HA, HD will arrange the refund within 14 days from the date of collection of all requisite documents (e.g. the original copy of receipt, statutory declaration for loss of receipt, etc.).
- (ii) For transfer of tenancy cases, the new tenant has to obtain prior written consent from ex-tenant (except that ex-tenant is deceased) for transfer of the deposit in application for refund of rental deposit. In general practice, the deposit refunded will be used to offset the rent payment for the housing unit.
- (iii) If the ex-tenant has left Hong Kong for a long period, he/ she can authorise in writing a third party to collect the deposit on his/ her behalf. For deceased tenant without inheritance in the tenancy and the deposit amount does not exceed HK\$4500, the next-of-kin of the late tenant can apply for refund of rental deposit. The applicant has to undertake in writing that he/ she will indemnify HA for any loss if a relative or the executor of the estate of late tenant subsequently claims for the deposit against HA. If ex-tenant does not owe any debts to HA, HD will arrange the refund within 14 days from the date of collection of all the requisite documents (e.g. the original copy of receipt, statutory declaration for loss of receipt, authorisation and undertaking etc.).

Licensees of Interim Housing

As licensees of interim housing also pay deposit when signing up occupation licence, the above arrangements of rental deposit apply to them as well.

Note 1: All family members including the tenant have attained the age of 60.

Note 2: The tenant (either the whole household or part of the household including the tenant or the tenant only) is receiving CSSA.

Note 3: The family has been approved by Housing Department for Rent Assistance Scheme.