

## **Enhanced “Well-off Tenants Policies”**

### **Frequently Asked Questions**

#### **(A) Declaration on occupancy status and domestic property ownership in Hong Kong**

**Q1: The Subsidised Housing Committee (SHC) of the Housing Authority (HA) endorsed on 24 May 2023 the biennial declaration on occupancy status and domestic property ownership in Hong Kong by public rental housing (PRH) tenants. What should be declared in details?**

**A1:** Starting from 1 October 2023, all PRH households are required to make declarations on occupancy status and domestic property ownership in Hong Kong every two years since admission to PRH. For tenants exempted from declaring their income and assets under the “Well-off Tenants Policies” (WTP), only their occupancy status is required to declare but not the particulars of domestic property ownership.

There are two types of declaration forms to be completed by tenants:

(i) Declaration Form on Occupancy Status and Particulars of Domestic Property Ownership in Hong Kong -

- Households who are not included in the declaration cycle under the WTP are required to fill in this declaration form to declare that they have continuously resided in the flats and complied with the terms in the tenancy agreement regarding occupancy status, including no non-occupation / subletting / engaging in illegal activities inside the premises or non-domestic usage.
- Households are also required to make declarations whether they have domestic property ownership in Hong Kong with details in this declaration form, and undertake to declare to the HA after having acquired a domestic property in Hong Kong (within one month of entering into any agreement, including preliminary agreement).
- Households exempted from declaring their income and assets under the WTP only need to make a declaration on the part of “occupancy status” in this declaration form and do not need to complete the part of “domestic property ownership in Hong Kong”. Categories of households exempted from the WTP include those with all members
  - (a) aged 60 or above;
  - (b) receiving Comprehensive Social Security Assistance (CSSA);

- (c) eligible for / receiving Disability Allowance (DA) from the Social Welfare Department (SWD);
- (d) in different combinations of (a), (b) and/or (c) above; or
- (e) on shared tenancies.

(ii) Declaration Form on Occupancy Status –

If households are required to declare their income, assets and whether they have domestic property ownership in Hong Kong biennially pursuant to the WTP (i.e. households who have been living in PRH for ten years or have been granted a new tenancy under the Policy on Grant of New Tenancy / households with their applications under the Tenancy Management Policies for PRH approved Note) are required to fill in the “Declaration Form on Occupancy Status” to declare that they have continuously resided in the flat and complied with the terms in the tenancy agreement regarding occupancy status.

The above declaration forms will be issued alongside with the declaration cycle under the WTP in April and October. The first batch of tenants will cover those who have been living in PRH for two to less than eight years. To streamline administrative arrangements, the first declaration will not include all-elderly-members households. Declaration forms will be distributed to them in subsequent batches.

Households are also required to authorise the HA to check their information with relevant government bureaux/departments (B/Ds) and public/private organisations. If tenants are found to have made a false statement, they are liable to criminal prosecution. Households who refuse to make declarations or fail to make declarations within the specified time may have their PRH tenancies terminated.

**Q2: Will the enhanced WTP shorten the length of residence to two years for declarations of income and assets?**

**A2: No, it will not.** The current arrangement of declaring income, assets and domestic property ownership in Hong Kong under the WTP remains unchanged. Households with less than ten years’ residence <sup>Note</sup> are only required to declare biennially their occupancy status and whether they have any domestic property ownership in Hong Kong, and not required to declare their income and assets. Households who own domestic property in Hong Kong or refuse to make

declarations / fail to make declarations within the specified time may have their tenancies terminated. As for elderly households (all family members are aged 60 or above) and other households exempted from declaration under the WTP, they only need to declare their occupancy status every two years.

(Note: Excluding households who are granted a new tenancy under the Policy on Grant of New Tenancy and households with their applications under the Tenancy Management Policies for PRH approved. They are required to declare their income and assets biennially pursuant to the WTP, irrespective of their length of residence.)

**Q3: Is it necessary for all household members to sign the new declaration form on occupancy status and particulars of domestic property ownership in Hong Kong? If tenants or household member(s) have reasonable grounds for not residing in the flat temporarily and not declaring the information within the specified time, will that be handled with discretion?**

A3: The particulars of the principal tenant and all household members listed on the tenancy agreement are required to be provided. The principal tenant and all household members aged 18 or above are required to sign the declaration form. If an individual household member is unable to reside in the flat during the assessment period for compassionate reasons (e.g. hospitalisation due to illness), the Housing Department (HD) may exercise discretion to allow that household member to postpone making a declaration as long as documentary proof can be provided. If the household is unable to provide documentary proof due to special reasons for the time being, the principal tenant / household members are required to make their declarations first, and the HD staff will follow up on the case. However, the principal tenant / other household members are required to provide their particulars and submit the declaration form within the specified time.

**Q4: Further to the above question, if the principal tenant or individual household member(s) have reasonable grounds for not being able to sign the declaration form, do they still need to submit the declaration form?**

A4: If there are special reasons (e.g. a household member is studying or working abroad), the principal tenant may send the declaration form by post or electronic means to that household member for completion, and supporting documents shall be provided. When that household member returns to reside in the flat during vacation/school holidays, the HD staff must be notified for following up and keeping record of the occupancy status of that household member who is required to sign the declaration form for re-submission. Tenants can also register as users of “iHousing” and submit the declaration form online.

**Q5: At present, tenants with ten years' residence are required to declare their household income and assets every two years under the WTP, are they still required to submit a declaration form in parallel to declare their household status every two years?**

**A5: Yes.** Starting from 1 October 2023, households who are included in the biennial declaration cycle under the WTP are required not only to declare on the declaration form their household income, assets and domestic property ownership in Hong Kong, but also complete the “ Declaration Form on Occupancy Status” to declare that they have continuously resided in the flat and complied with the terms in the tenancy agreement regarding occupancy status. For the convenience of households, the distribution and submission of both forms are to be made concurrently.

**Q6: Since the HD staff will conduct biennial inspection to verify the occupancy status of PRH households, why is it still necessary for tenants to declare their occupancy status on their own?**

**A6:** As public housing is a valuable social resource, PRH households have a responsibility to strictly comply with the terms in the tenancy agreement, including the use of their flats for domestic purpose only. The biennial inspection conducted by the HD staff are just one of the ways to ensure that valuable public housing resources are not being abused by ascertaining that the flats are used for domestic purpose only and verifying whether tenants have breached the terms in the tenancy agreement. In order to enhance efforts in combating tenancy abuse and ensure the proper use of public housing resources, the HA requires PRH households to make biennial declaration that they have continuously resided in the flats and complied with the terms in the tenancy agreement regarding occupancy status after admission to PRH, with a view to enhancing deterrent effect through a legally binding declaration mechanism. Tenants are also required to authorise the HA to verify their information with relevant B/Ds and public/private organisations. Households who refuse to make declarations or fail to make declarations within the specified time may have their PRH tenancies terminated.

**Q7: The HD requires households to declare their occupancy status every two years. Whether households only need to continuously reside in their flats and comply with the terms in the tenancy agreement regarding occupancy status at the time of declaration, but not at other times?**

A7: **No. Households are required to comply with the relevant terms and conditions at all times and not to abuse the tenancy.** According to the tenancy agreement, households should take up the tenancy of PRH flats within one month after the commencement of the tenancy, and thereafter retain regular and continuous residence therein, and comply with the terms in the tenancy agreement regarding occupancy status.

**Q8: PRH households are required to declare biennially that they have retained continuous residence in their PRH flats after admission to PRH. What is meant by “continuous residence in PRH flats”?**

A8: According to the tenancy agreement, households should take up the tenancy of PRH flats within one month after the commencement of the tenancy, and thereafter retain regular and continuous residence therein. If a household member is unable to retain regular and continuous residence in the flats for special reasons, such as studying or working abroad for a period of time, and will later resume continuous residence therein, the HD will not regard this as a breach of the relevant terms in the tenancy agreement depending on the rationale of the case. Therefore, if individual household members have special circumstances, they are required to provide supporting documents to the HD for follow-up action.

**Q9: In what ways shall a tenant declare to the HA within one month after having purchased/owned a domestic property in Hong Kong?**

A9: Tenants can download and complete the form “Declaration Form on Domestic Property Ownership in Hong Kong” which is available on the HA/HD website, or they can notify the HA/HD/respective estate office in any form.

### **(B) Well-off Tenants Policies**

**Q10: Which PRH tenants are required to make declarations under the WTP? What are the arrangements?**

A10: The Housing Subsidy Policy and the Policy on Safeguarding Rational Allocation of Public Housing Resources are (commonly referred to as the ‘Well-off Tenants Policies’ (WTP)). Under the WTP, households who have been living in PRH for ten years are required to declare their income, assets and whether they own any domestic property in Hong Kong biennially. In addition, households who are granted a new tenancy under the Policy on Grant of New Tenancy and households with their applications under the Tenancy Management Policies for PRH approved

are also required to make a declaration biennially pursuant to the WTP, irrespective of their length of residence. While tenants who have been living in PRH flats for less than ten years are not required to declare their household income and assets, they are required to, starting from 1 October 2023, declare whether they own any domestic property in Hong Kong every two years.

For PRH households who are required to declare their income and assets under the WTP, if their family income exceeds five times the PRH income limits (PRHILs) and/or the household net asset value declared exceeds 100 times the PRHILs / they

refuse to make a declaration, they are required to vacate their PRH flats. Tenants or household members who have domestic property ownership in Hong Kong are required to vacate their PRH flats, irrespective of their length of residence.

All household members aged 18 or above listed in the declaration form are required to sign the form to indicate their knowledge of, consent to and compliance with the terms and conditions of the declaration form. Tenants must also authorise the HA to check their information with relevant B/Ds and public/private organisations, and are liable to criminal prosecution if found to have given false information.

**Q11: Who are exempted from declaration of income, assets and ownership of domestic property in Hong Kong under the WTP?**

A11: The following households are exempted from the WTP:

Members are all

- (a) aged 60 or above;
- (b) receiving CSSA;
- (c) eligible for / receiving DA from the SWD;
- (d) in different combinations of (a), (b) and/or (c) above; or
- (e) on shared tenancies.

While the above persons are exempted from declaration of income and assets, under the measures to enhance efforts in combating tenancy abuse, they are **still required to make declarations every two years after admission to PRH that they have continuously resided in the flats and complied with the terms in the tenancy agreement regarding occupancy status** (e.g. no cases of non-occupation / subletting / engaging in illegal activities inside the premises or non-domestic usage). Tenants are also required to authorise the HA to check their

information with relevant B/Ds and public/private organisations.

**Q12: If there is a member in a household who is eligible for DA given out by the SWD but has not applied for such an allowance, can such a household benefit from the more lenient approach and exemption under the WTP for households with member(s) receiving DA?**

A12: Households with all members receiving DA from the SWD are exempted from the WTP. Households with some members (i.e. not all members) receiving DA are allowed to continue to live in their PRH flats even if their income or asset value exceeds the relevant limits, but they will need to pay the corresponding additional rent based on their income level. PRH tenants with family income exceeding five times the PRHILs are required to pay double net rent or market rent (whichever is higher) plus rates. Nevertheless, households with domestic property ownership in Hong Kong are still required to vacate their PRH flats even if they have members receiving DA.

For member(s) who are eligible for DA but have not applied for such an allowance, if they are able to submit a designated Medical Assessment Form issued by the Director of Health or the Chief Executive of Hospital Authority or a registered medical practitioner of a private hospital, certifying that the “disabling condition” of the household members is assessed in accordance with the definition of such a condition under the CSSA Scheme or the Social Security Allowance Scheme in order to substantiate their “disabling condition” is eligible for DA as at the assessment day as specified on the relevant declaration form of the HA (this arrangement is similar to the practice of the Inland Revenue Department in respect of handling application for disabled dependant allowance), or if there is a letter issued by the SWD which confirms the household members’ eligibility for DA (i.e. indicating that they are permanently eligible for DA or still eligible for DA as at the assessment day as specified on the declaration form), the more lenient approach mentioned above will also be applicable.

**Q13: If, in a three-person household, two of the members are aged over 60 while the remaining member is eligible for DA, will such a household be exempted from the WTP?**

A13: Households whose members are all (a) aged 60 or above; or (b) receiving CSSA; or (c) eligible for / receiving DA from the SWD; or in different combinations of (a), (b) and/or (c) above are exempted from the WTP.

In other words, tenants whose members do not all fall under categories (a), (b) and/or (c); or are not all in combinations of these categories above are required to declare their income, assets and domestic properties in Hong Kong biennially pursuant to the WTP.

**Q14: If all members are (a) aged 60 or above; (b) receiving CSSA; (c) eligible for/receiving DA from the SWD; (d) in different combinations of (a), (b) and/or (c) above; or (e) on shared tenancies, they are exempted from declaring their income and assets. Are they also exempted from submitting the new declaration form on occupancy status and particulars of domestic property ownership in Hong Kong?**

A14: No, they are not. If tenants are under the categories that they are exempted from declaration under the WTP, they must make declarations every two years that they have continuously resided in the flats and complied with the terms in the tenancy agreement regarding occupancy status after admission to PRH. **However, they do not need to declare if they own any domestic property in Hong Kong.** They are also required to authorise the HA to check their information with relevant B/Ds and public/private organisations. Those who refuse to make declarations or fail to make declarations within the specified time may have their tenancies terminated.

#### **Matters relating to Arrangements for Declaration of Income and Assets**

**Q15: How do tenants make their declarations? What is the assessment period for income and net asset value to be declared?**

A15: At the stage of completing declaration forms –

- (i) tenants will first declare whether they have domestic property ownership in Hong Kong. If affirmative, they will no longer need to fill in details of their family income or family asset level as they have to vacate their PRH flats, irrespective of the income/asset levels;
- (ii) concerning assets, tenants will only be required to declare whether or not their total household net asset value exceeds 100 times the PRHILs. Neither detailed information nor supporting documents will be required at this stage; and
- (iii) for tenants who have declared that they have no domestic property ownership



in Hong Kong and their total household net asset value does not exceed 100 times the PRHILs, they will be required to fill in their household income details (e.g. monthly salary). No supporting documents will be required at this stage. However, when conducting examination, the HD may request tenants to provide relevant supporting documents where necessary.

Take the declaration cycle in October 2023 as an example. The HD will issue declaration forms to the tenants concerned in early October 2023. They are required to declare the total amount of income received by every household member during the assessment period (i.e. from 1 October 2022 to 31 October 2023) and whether or not their net asset value as at the specified date (i.e. 31 October 2023) exceeds 100 times the PRHILs. They are required to fill in the declaration form on or after 1 November 2023 and return the completed declaration form by 30 November 2023.

**Q16: Will household members be allowed to declare their income and assets separately?**

A16: Individual household members may choose to declare their income and assets separately. However, if household members opt to make a declaration separately, each member will then need to fill in detailed information on their assets (instead of only declaring whether or not their total net assets value exceed 100 times the PRHILs) for the HD to assess whether the net asset level of the entire household exceeds the relevant limit, but no supporting documents will be required at this stage. If individual household members fail to return the completed declaration forms on or before the specified date, the tenants concerned will be regarded as opting not to make a declaration, and will be required to vacate their existing PRH flats.

**Q17: Are tenants required to declare their assets outside Hong Kong?**

A17: Households who own assets like lands / landed properties (including domestic and non-domestic properties) outside Hong Kong are required to include the income generated from such lands / landed properties and their net asset values **when declaring income and assets for the HD to assess whether their income and asset levels exceed the relevant limits.** Tenants with income or net asset value exceeding the relevant limits will be required to vacate their PRH flats. Upon identification of suspicious cases or receipt of complaints, the HD will carry out investigations and contact the departments / organisations concerned outside Hong Kong where necessary.

In accordance with Section 26(1)(a) of the Housing Ordinance (Cap. 283), any person who knowingly makes any false statement to the HA in respect of any particulars specified in the declaration form shall be guilty of an offence and shall be liable on conviction to a fine at Level 5 (the maximum fine is HK\$50,000) as specified in Schedule 8 of the Criminal Procedure Ordinance (Cap. 221) and to imprisonment for six months. In addition, irrespective whether or not such persons shall be prosecuted or convicted, the HA may terminate their Tenancy Agreement by virtue of the power conferred by section 19(1)(b) of the Housing Ordinance in accordance with its prevailing policy.

**Q18: Will there be any special arrangements for households who have received compensation due to injuries sustained at work or in other accidents?**

A18: Under the WTP, tenants who have received compensation for loss of earning power due to injuries sustained at work or in traffic and other accidents may submit an application for deduction of such compensation from their total individual asset value.

Tenants who are not in any exempted categories but with some household member(s) receiving DA are allowed to continue to live in their PRH flats even if their household income or assets exceed the relevant limits, but they will need to pay the corresponding additional rent based on their income level. Having said that, tenants with domestic property ownership in Hong Kong will still be required to vacate their PRH flats, even if they have member(s) receiving DA.

Besides, lump-sum insurance claims, statutory/non-statutory compensations and special financial assistance received due to death of household members in the tenancy, and claims under critical illness insurance policies received by household members in the tenancy may be deducted from the calculation of net asset value.

**Q19: Some tenants with irregular income, bonus or commission, or with sudden increase in income in the month of declaration, may have their income level exceeding the relevant limit. Has the situation of such tenants been taken into consideration under the WTP?**

A19: Based on the arrangement of income calculation under the WTP, irregular income is apportioned by month over the service period. On the other hand, if their household income drops below the relevant income limit for a continuous period

of three months, or if the immediate drop in income below the said limit is due to a permanent reason (e.g. due to death / moving out of a household member), the tenants concerned may apply for payment of rent at an appropriate level.

**Q20: How to declare income under the WTP when receiving incentive payment for child care services under the Social Welfare Department (“Foster Care Services” and “Neighbourhood Support Child Care Project”)?**

A20: Starting from 1 April 2024, half of the incentive payment for child care services under the Social Welfare Department (“Foster Care Services” and “Neighbourhood Support Child Care Project”) are exempted from income calculation for the purpose of WTP declaration. The average monthly amount to be declared is calculated based on half of the total incentive payment received during the declaration period divided by 12 months.

**Q21: Some households with members who have received lump-sum retirement benefits after retirement may need to vacate their PRH flats due to their level of assets exceeding the relevant limits, even though they may no longer have regular income in future to meet their ends. Have the needs of such households been taken into consideration under the WTP?**

A21: The WTP are not applicable to households whose members are all aged 60 or above. Having regard to the need of those approaching retirement age to rely on their savings and assets to meet their ends, the asset limit for one-person to three-person households with all members aged over 55 is the same as that of a four-person household. Moreover, having considered that some families may need to rely on lump-sum retirement benefits received upon retirement to meet their ends, the tenants may deduct the lump-sum retirement benefits received under Mandatory Provident Fund (MPF) schemes, Occupation Retirement Schemes (ORS) and Civil Service Pension Schemes during the calculation of total net asset value. If the long service payment / severance payment is being offset during the withdrawal of retirement benefits, such long service payment / severance payment would be treated as part of the retirement benefits and will be excluded from the calculation of total net asset value.

(Note: The Government has adopted the abolition of MPF offsetting arrangement which is expected to take effect in 2025.)

Regarding the lump-sum retirement benefits received under MPF schemes, since the voluntary contribution on the part of the employer is considered a part of the retirement protection, it may be deducted from the calculation of total net asset

value. However, the voluntary contribution on the part of the employee may be withdrawn from the MPF account at any time before retirement. As there is no difference in nature between employee's MPF contribution and general savings, such an amount of contribution is not deductible and shall be included in the calculation of total net asset value.

As regards the lump-sum retirement benefits received under the ORS, the accrued benefits of employees' own contributions under the ORS (i.e. contribution of employees in addition to the contribution made based on the terms of the scheme) shall be included in the calculation of total net asset value and is not deductible. However, the lump-sum retirement benefits received under ORS by individual household member upon early resignation before reaching the retirement age may be deducted from the calculation of total net asset value.

**Q22: Regarding the lump-sum retirement benefits, insurance claims, statutory/non- statutory compensations and special financial assistance that could be deducted from the calculation of net asset value, what is the amount of deduction in subsequent declaration cycles?**

A22: Such payments will continue to be deductible in full in subsequent declaration cycles.

### **Refusal to make a declaration or making a false statement**

**Q23: What are the possible consequences for tenants who refuse to make a declaration, fail to make a declaration within the specified time or make a false statement during declaration?**

A23: In accordance with Section 27(a) of the Housing Ordinance (Cap. 283), any person who refuses to make declarations in respect of any particulars required by the Declaration Form under Section 25(1), or fails to make declarations within the specified time, shall be guilty of an offence and shall be liable on conviction to a fine at level 4 (the current maximum fine is HK\$25,000) and to imprisonment for three months. In addition, whether or not the persons concerned are prosecuted or convicted, the HA can invoke section 19(1)(b) of the Housing Ordinance to terminate their tenancies by issuing a Notice-to-quit (NTQ) according to the WTP.

In accordance with section 26(1)(a) of the Housing Ordinance (Cap. 283), any person who knowingly makes any **false statement** in furnishing the particulars specified in the Declaration Form under section 25(1) shall be guilty of an offence

and shall be liable on conviction to a fine at level 5 (the current maximum fine is HK\$50,000) and to imprisonment for six months. In addition, whether or not the persons concerned are prosecuted or convicted, the HA can invoke section 19(1)(b) of the Housing Ordinance to terminate their tenancies by issuing an NTQ. The ex-tenants and all household members aged 18 or above are barred from re-applying for PRH for a period of **five years** from the following day after the date of tenancy termination. Even if their PRH applications are approved in the future, they will not be allocated flats better than the previous ones in terms of geographical location, age of building and floor level.

**Q24: If tenants are required to vacate their PRH flats due to making false statements / non-disclosures of income and assets exceeding the limits or having ownership of domestic properties when making declarations under the WTP, are they allowed to apply for a fixed-term licence after being given an NTQ?**

A24: In accordance with 26(1)(a) of the Housing Ordinance (Cap. 283), any person who knowingly makes any **false statement** in furnishing the particulars specified in a requisition under section 25(1) shall be guilty of an offence and shall be liable on conviction to a fine at level 5 (the current maximum fine is HK\$50,000) and to imprisonment for six months. In addition, according to the relevant policies, whether or not the persons concerned are prosecuted or convicted, the HA can invoke section 19(1)(b) of the Housing Ordinance to terminate their tenancies by issuing an NTQ.

Tenants who are given an NTQ pursuant to the WTP may apply for a fixed-term licence. However, tenants who are given an NTQ on grounds of having made false statements are not allowed to apply for a fixed-term licence.

**Q25: Are tenants given an NTQ on 31 August 2023 with their tenancies terminated on 30 September 2023 on grounds of having made false statements / breached the terms of the tenancy agreement / violated the Marking Scheme for Estate Management Enforcement barred from re-applying for PRH for a period of five years?**

A25: No, they are not. As measures to enhance efforts in combating tenancy abuse comes into effect on 1 October 2023, the debarment on re-applying for PRH for a period of five years applies to cases with tenancies terminated after 1 October 2023. In other words, if the NTQ is issued on 30 September 2023 and **the**

**tenancy is terminated on 31 October 2023**, the ex-tenants and all household members aged 18 or above at the time of the tenancy termination will be barred from re-applying for PRH for a period of **five years**.

### **Termination of Tenancy**

**Q26: According to the WTP, under what circumstances are PRH households required to vacate their PRH flats? If PRH households are required to vacate their flats but have temporary housing needs, what arrangements will the HD make? How will the HD handle cases with compassionate grounds and provide assistance?**

**A26:** Under the WTP, PRH households are required to vacate their PRH flats when their family income exceeds five times the prevailing limits, the total household net asset value exceeds 100 times the prevailing PRHILs, or they own private domestic properties in Hong Kong, or they opt not to make declarations in the Income and Asset Declaration Form under the WTP, or/and they refuse to declare their occupancy status and particulars of domestic properties ownership in Hong Kong in the declaration form.

Tenants whose tenancy is terminated under the WTP with temporary housing needs may apply for a fixed-term licence valid for a maximum period of four months. Upon the expiry of the licence period, the tenants concerned must move out. Whether during the four-month licence period or upon the expiry of the licence period, the HD will not re-assess the tenants' eligibility for PRH. If there are extenuating circumstances (e.g. sudden loss of income due to unexpected incidents), the households concerned may lodge an appeal in writing to the Appeal Panel (Housing) against the termination of tenancy no later than 15 days after the date on which the NTQ has been issued. However, the Appeal Panel (Housing) will not entertain the ex-tenants' request for extension of the fixed-term licence period.

If the termination of tenancy under the WTP involves making false statements, the tenants will not be issued a fixed-term licence. They and all household members aged 18 or above at the time of the tenancy termination are barred from re-applying for PRH for a period of five years from the following day after the date of tenancy termination. Even if their PRH applications are approved in the future, they will not be allocated units better than the previous ones in terms of geographical location, age of building and floor level.

**Q27: For tenants whose tenancy is terminated under the WTP and are issued a fixed-term licence, are they eligible to purchase subsidised sale flats (SSFs) with the green form (GF) status during the licence period?**

**A27: No, they are not.** In light of the keen demand for SSFs and to ensure rational use of public housing resources, the SHC of the HA endorsed on 26 April 2023 that holders of a fixed-term licence of the HA will no longer be eligible for purchasing SSFs as GF applicants. As such, holders of a fixed-term licence under the Policy on Grant of New Tenancy will also no longer be eligible for purchasing SSFs as GF applicants. If holders of the relevant fixed-term licence fulfil the relevant eligibility, they can still apply to purchase SSFs as white form (WF) applicants.

**Q28: Further to the above question, what is the timeline for issuing NTQ?**

**A28: Regarding Income and Asset Declaration Form under the WTP:**

- (i) **Domestic Property Ownership in Hong Kong:** The NTQ will be issued within four months from the commencement of a declaration cycle. (For the declaration cycle in April, the NTQ will be issued by late August of the same year; for the declaration cycle in October, the NTQ will be issued by late February of the following year);
- (ii) **Assets exceeding limits / declaration form not returned on time or opting not to make a declaration:** The NTQ will be issued within eight months from the commencement of a declaration cycle. (For the declaration cycle in April, the NTQ will be issued by late December of the same year; for the declaration cycle in October, the NTQ will be issued by late June of the following year);
- (iii) **Income exceeding limit:** The NTQ will be issued before the end of a declaration cycle. (For the declaration cycle in April, the NTQ will be issued by late February of the following year; for the declaration cycle in October, the NTQ will be issued by late August of the following year.)

Declaration Form on “Occupancy Status and Particulars of Domestic Property Ownership in Hong Kong”:

- (i) **Having Domestic Property Ownership in Hong Kong:** The NTQ will be issued within four months from the commencement of a declaration cycle. (For the declaration cycle in April, the NTQ will be issued by end of August of the same year; for the declaration cycle in October, the NTQ will be issued by end of February of the following year);

- (ii) **Tenancy Abuse:** The HD staff will carry out in-depth investigation of suspected cases of tenancy abuse, regardless of whether the household has submitted the declaration form on time, and will issue the NTQ within two months upon confirmation of ineligibility for PRH and not later than eight months after the commencement of a declaration cycle (whichever is earlier). (For the declaration cycle in April, the NTQ will be issued by end of December of the same year; for the declaration cycle in October, the NTQ will be issued by end of June of the following year);
- (iii) **Refusal to make a declaration:** The NTQ will be issued within eight months after commencement of a declaration cycle. (For the declaration cycle in April, the NTQ will be issued by end of December of the same year; for the declaration cycle in October, the NTQ will be issued by end of June of the following year.)

In addition, if a tenant takes the initiative to declare domestic property ownership in Hong Kong or is found to own domestic property in Hong Kong (whether during the declaration cycle or not) by the HD, an NTQ will be issued within two months after the case is found substantiated.

**Q29: Can a tenant lodge an appeal if he/she is aggrieved by the termination of tenancy? What is the appeal mechanism?**

A29: A tenant whose tenancy is terminated through the issuance of an NTQ under section 19(1)(b) of the Housing Ordinance may lodge an appeal to the Appeal Panel (Housing) in writing not later than 15 days after the date on which the NTQ has been issued. Upon receipt of the appeal letter, the Appeal Panel (Housing) will arrange for a hearing for the case. The appeal will be heard by an appeal tribunal composed of three members. In determining an appeal against a termination, the appeal tribunal may confirm, amend, suspend or cancel the NTQ. The appellant and the HA will be notified in writing of the appeal tribunal's determination within 14 days after the determination has been made.

**Q30: If a tenant has lodged an appeal against an NTQ issued under the WTP but have waited for a hearing or determination for a period exceeding the four-month limit of temporary occupation, is the tenant required to vacate the flat immediately?**

A30: In general, the Appeal Panel (Housing) will complete the procedures of handling an appeal in three months. If the procedures cannot be completed within four months due to special reasons, the tenant may be allowed to stay in the flat at



discretion until the appeal is determined. The HD will follow up on the tenancy according to the determination.

**Q31: Will the HD provide assistance to households facing housing difficulties and unable to vacate their PRH flats after the four-month period?**

A31: If the licencees are in housing difficulties because of the recovery of the flat, the HD may arrange for their admission to a transit centre, during which they can continue to look for alternative accommodation themselves, including applying for transitional housing subject to meeting relevant conditions. Where necessary, the HD will help referring the case to the SWD or social welfare agencies/ organisations for offering assistance with the consent of the licencees. Having stayed in a transit centre for three months and passed the “homeless test” to verify that they have no other accommodation and fulfilled the eligibility criteria for PRH, they will be arranged for admission to interim housing.

### **Domestic Property**

**Q32: What is meant by “domestic property”?**

A32: “Domestic property” includes any domestic property, uncompleted private domestic property, rooftop structure approved by the Buildings Department (BD), domestic building lots and Small House Grants approved by the Lands Department (LandsD) in Hong Kong.

**Q33: What is meant by having domestic property ownership in Hong Kong?**

A33: Ownership of Domestic Property in Hong Kong means the tenant and/or his/her household member(s) –

- a. own(s), co-own(s) or has/have an interest in any domestic property in Hong Kong; or
- b. has/have entered into any agreement (including preliminary agreement) to purchase any domestic property in Hong Kong; or
- c. hold(s) more than 50% of shares in a company which owns, directly or through its subsidiaries, any domestic property in Hong Kong.
- d. is a beneficiary of the estate of any deceased person which includes any domestic property or land in Hong Kong

**Q34: In case only individual household member has domestic property ownership, would the entire household be required to vacate its PRH flat?**

A34: The entire household is taken as a basis of calculation and assessment under the WTP. In other words, if any household member owns domestic property in Hong Kong, the entire household will be required to vacate its PRH flat.

**Q35: If a tenant/household member has changed ownership of / sold its domestic property prior to the declaration exercise, would the tenant be regarded as owning the property and asked to vacate his/her PRH flat?**

A35: In making the declaration, the tenant/household member concerned is required to declare whether he/she and any household member owns any domestic property only. Please note that according to the enhanced WTP, starting from 1 October 2023, PRH tenants and all household members are required to declare to the HA after purchasing domestic property in Hong Kong (within one month upon entering into any agreement, including preliminary agreement).

**Q36: Regarding the Income and Asset Declaration Form under the WTP issued in October 2023, the original “assessment date” for declaring ownership of domestic property in Hong Kong is deleted. Whether it is to tighten the declaration requirements for ownership of domestic property in Hong Kong under the WTP?**

A36: No, it is not. According to the revised WTP, PRH households with domestic property ownership in Hong Kong have been required to vacate their PRH flats since October 2017, irrespective of their levels of household income or assets. However, under the then mechanism, the HA did not require PRH households who have been living in PRH flats for less than ten years to declare whether they have ownership of domestic property in Hong Kong. To optimise the declaration arrangements, the SHC of the HA endorsed a series of new measures in May 2023 to enhance the requirements on PRH households’ declaration of domestic property ownership in Hong Kong. Households only need to truthfully declare in the relevant declaration form whether they have domestic property ownership in Hong Kong. In addition, starting from 1 October 2023, PRH tenants and/or their household member(s) are required to take initiative to declare to the HA after purchasing domestic property in Hong Kong (within one month upon entering into any agreement, including preliminary agreement).

**Q37: Why there is no “assessment date” for declaring ownership of domestic property in Hong Kong in the new version of the Income and Asset**

**Declaration Form under the WTP issued in October 2023, but there is an “assessment date” for household income and assets?**

A37: While household income and assets change/fluctuate from time to time, it is necessary to specify an “assessment date” as the basis for calculating income and assets, which serves as the vetting criteria and to maintain consistency. However, domestic properties in Hong Kong are fixed assets. Households with domestic property ownership in Hong Kong at any time are required to vacate their PRH flats, irrespective of the value of the property. In this connection, domestic property and income/assets are different in nature.

**Q38: If households only have partial ownership of a domestic property, or the size of the domestic property owned may even be smaller than that of their existing PRH flats, could they be exempted from the “no-domestic-property” requirement?**

A38: The definition of “domestic property” follows that under the eligibility criteria for PRH applicants and the purchase of HOS flats. Whether the flat is wholly owned and the size of the flat are not relevant considerations.

An Assistant Director of the HD may exempt households from the “no-domestic-property” requirement on a discretionary basis if they fulfill the following conditions –

(a) acquired interest in domestic properties through operation of law (e.g. upon a divorce, inheritance) but are not in a position to dispose of such interest (e.g. because their interest is minimal or consensus cannot be reached with other interested parties); and

(b) are unable to reside in the premises.

However, such households are still required to declare the income generated from the properties and their net asset value pursuant to the WTP for the HD to assess whether their income and asset levels exceed the relevant limits. Households with income or assets ultimately exceeding the relevant limits will still be required to vacate their PRH flats.

**Q39: For households who have purchased SSFs (including HOS/GSH) that are yet**

**to be completed using GF status, if at subsequent declaration their income exceeds five times the limit / their net asset value exceeds 100 times the limit / a household member owns a domestic property in Hong Kong, can the tenants continue to live in the PRH flat and surrender it until the HOS/GSH flats they have purchased are completed and ready for intake?**

A39: If PRH households purchase SSFs which are yet to be completed using GF status (or purchase the flats using WF status even though they are entitled to GF status, and all household members in the tenancy are the same as those on the WF application who undertake to vacate their PRH flats until they take over the flats concerned), even if their household income exceeds five times the PRHILs and their net asset value exceeds 100 times the PRHILs, **they can continue to live in the PRH flats and pay the prevailing level of rent.** They are not required to surrender the PRH flat until the SSFs are completed and ready for intake. If the households' income exceeds five times the PRHILs, they are required to pay double net rent or market rent (whichever is the higher) plus rates. If PRH households purchase/own any private domestic property in Hong Kong after purchasing SSFs which are yet to be completed, they will be required to surrender their flats. In case of tenants having temporary housing needs, a fixed-term licence may be granted for a maximum period of four months.

**Q40: If some household members have purchased SSFs (HOS) using WF status or purchased private domestic property which is yet to be completed, will they be allowed to vacate the flat after the SSFs/domestic property concerned are completed and ready for intake?**

A40: According to the prevailing mechanism, if **some** household members have purchased SSFs (HOS) using WF status or purchased private domestic property, the HD will issue an NTQ to the tenants concerned, requiring them to surrender their flats, irrespective of whether the property concerned has been completed. **However, if the tenant household is eligible for GF status, and the tenant and all household members purchased the HOS flat under the same application using WF status and undertook to surrender the PRH flat,** they will not be required to surrender their PRH flats before the completion of the property they have purchased, and they may continue to pay the prevailing level of rent.

**Q41: For PRH households who have ownership of private domestic property in Hong Kong, are they still eligible for purchasing flats under HOS (GF status)/GSH/HOS Secondary Market Scheme (GF status)?**

A41: **No, they are not.** As endorsed by the SHC of the HA on 26 April 2023,

for PRH households who apply for purchasing flats under HOS (GF status)/GSH/HOS Secondary Market Scheme (GF status), the applicants and household members with their names listed on the application form should not have owned or co-owned any domestic property in Hong Kong during the period from 24 months preceding the closing date for submitting the application up to the time of signing the provisional agreement for sale and purchase. The above revised eligibility criteria has been implemented with effect from the application commencement date of HOS 2023 onwards.

**Q42: If the tenant is a New Territories indigenous villager and is entitled to Small House Grants, will the tenant be required to vacate his/her PRH flat?**

A42: Domestic property includes any domestic property, uncompleted private domestic property, rooftop structure approved by the BD, domestic building lots and Small House Grants approved by the LandsD in Hong Kong.

According to prevailing arrangements of PRH application, if any household member in the tenancy has obtained Small House Grants approved by the LandsD, this will not be regarded as having ownership of private domestic property as long as relevant documents (e.g. (but not limited to) records in the Land Registry) can be provided to prove that the land granted and any structure on top are not owned by any of the household members in the tenancy at the time of making the declaration.

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