

Immediate Release

**The HKVCA Welcomes the Announcement of a Tax Concession for Carried Interest  
in the Policy Address 2020**

Hong Kong, November 26, 2020 – The Hong Kong Venture Capital and Private Equity Association (HKVCA) welcomes the announcement of a tax concession for carried interest issued by private equity funds operating in Hong Kong in the Policy Address 2020.

H. Chin Chou, Chairman of the HKVCA, said, “The Policy Address by the Hong Kong Chief Executive mentioned the proposed concessionary rate of tax for private equity carried interest – and provided some new detail about the government’s plan to introduce this shortly in LegCo. It will definitely strengthen the position of Hong Kong as a premier fund hub for private equity.”

“We are very pleased that the Hong Kong government has provided significant support for the private equity sector in 2020. In August Hong Kong’s limited partnership fund structure was launched and has already been taken up by more than 40 parties. The concessionary tax rate for carried interest shows the government’s commitment to maintaining Hong Kong as a leading private equity centre in Asia,” commented John Levack, Vice Chairman of the HKVCA.

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HKVCA is a member-based trade association which was established in Hong Kong in 1987 currently with 480 members of whom 300 are Hong Kong based private equity managers across the full spectrum of the industry from venture capital, through growth capital and growth buyouts to institutional fund investors, fund of funds and secondary investors. HKVCA represents small teams investing in start-ups as well as 9 of the 10 largest global private equity firms.