



# 10 ways to maximise your wealth as an expatriate living in Hong Kong

Living in a foreign country can be exciting and paying lower income tax rates can be rewarding. But, many expatriates are still faced with incredibly complex financial decisions.

As an expatriate living in Hong Kong, what can you do to maximise your financial position? Here are 10 ways to help you grow and preserve your financial assets.

## 01 Review your pension schemes

Find out if you can continue to contribute and grow your pensions in your home country. Know your tax reliefs and obligations that arise from maintaining your pension schemes. Check the rules about moving pension pots out of your home country and consider your options, whilst taking professional advice. If necessary, you may wish to inform your pension provider that you are a non-resident.

## 02 Take advantage of a low tax environment

Don't return home with nothing to show for your time in Hong Kong! Hong Kong offers you a friendly investment and tax environment. Take advantage of the various tax-efficient investment opportunities and invest for your future. The benefits you build up may be advantageous even after you return home. Some of these investments can also further assist with estate and succession planning.

## 03 Review your mortgage options

If you are a Hong Kong resident and intend to buy a property back home, consider engaging with a mortgage broker who is familiar with expat mortgages so that you can better assess the rates and the lenders available. Oftentimes, the rates for expats are much higher.

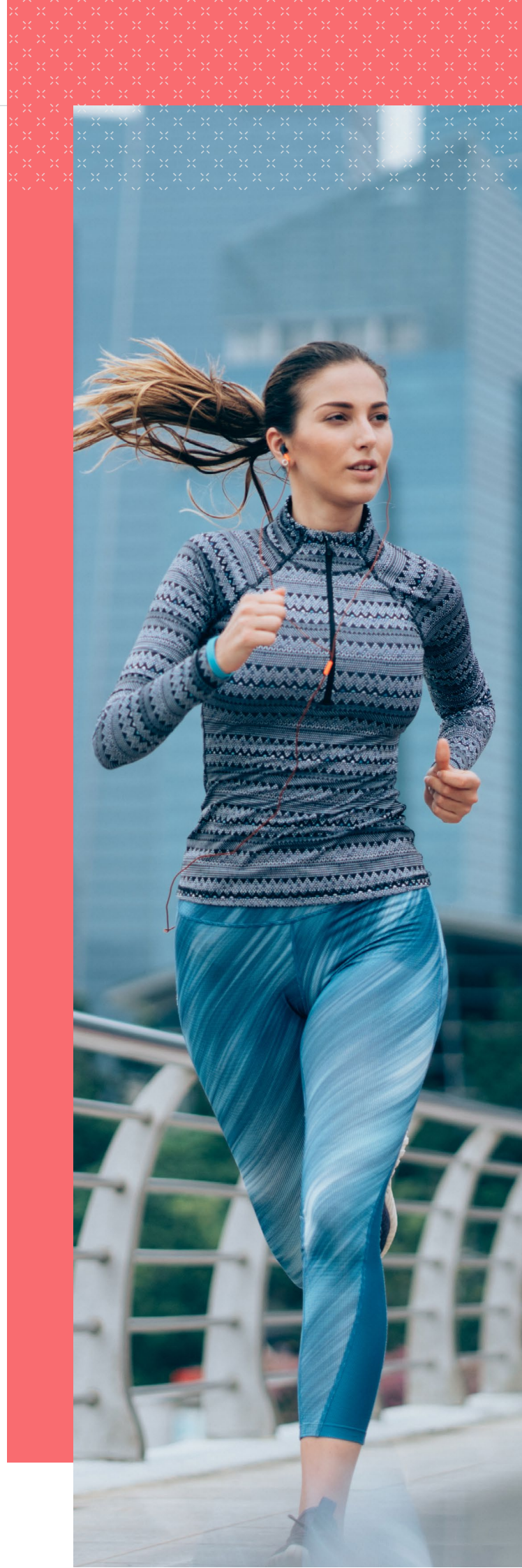
## 04 Review your existing protection and insurance plans

Consider taking out specific plans for your time here in Hong Kong. Check with your provider whether your insurance plans back home are still valid. If not, consider taking out similar plans here to ensure that you remain covered. You can also purchase international health insurance plans.

Protect your valuable items under a Home and Contents insurance if you are renting in Hong Kong. Likewise, if you still own a property back home, check with your provider if it is still covered by your existing policy now that you have moved abroad.

## 05 Get the best foreign exchange rates

If you transfer funds between countries regularly, consider using a multi-currency bank account or the services of an FX company.



## 06 Ensure you're enrolled in an MPF scheme

The Mandatory Provident Fund (MPF) is a compulsory retirement savings scheme for Hong Kong residents. All employees in Hong Kong who have an employment contract of 60 days or more must join an MPF scheme – it also applies to those who are self-employed and aged between 18 and 65 years old.

Both employers and employees make contributions to the scheme. An employee can claim tax deduction for their mandatory contributions made, subject to the maximum amount of 18,000 HKD. You can also make additional tax-exempt voluntary contributions up to a value of 60,000 HKD a year.

In general, you can take the benefits from your MPF when you reach 65 years old however there are circumstances when you can withdraw your MPF fund earlier. For example, you can withdraw your fund if you decide to leave Hong Kong permanently.

## 07 Understand the State Pension rules back in your home country

If applicable to your scenario, check if you are eligible to continue contributing to your State Pension back home so that you can maximise your retirement funds.

## 08 Be aware of your ongoing tax obligations back home

If you are renting out your property back home, the income you receive may be taxable in your home country. So, make sure that you are aware of the tax rules.

## 09 Ensure your existing Wills and Power of Attorneys remain valid

In addition, consider appointing a trusted temporary guardian who can look after your children should the unthinkable happen.

## 10 Do a complete review of your finances

Track how you are moving towards your goals. A St. James's Place Partner can help you perform a comprehensive financial review. We work with carefully selected specialists from various industries, including legal, mortgage and tax advisory, giving you access to an extensive range of high-quality products and services all backed by the high standards of service you expect.



**Make the most of your time in Hong Kong. Take advantage of the various tax-efficient investment opportunities available to you today.**

## Who we are

Managing your money should be simple. That's why we're making it personal. We have a fundamental belief that many people today are under-insured, under-invested and under-returned. This is why we do what we do – to work with you to address these for your future and that of generations to come.

At SJP, we give you face-to-face, one-to-one guidance to help you achieve your life goals. We also provide access to our leading range of investment products. As a UK FTSE 100 company with over £154 billion in managed funds, we are proud to work with the best advisory talent available to you. Working with your SJP Partner, you will build a personal, mutual relationship, and they will always work with one goal in mind. That goal is set by you and underpins your financial future and confidence in us.

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The levels and bases of taxation and reliefs from taxation can change at any time. The value of any tax relief depends on individual circumstances. You are advised to seek independent tax advice from suitably qualified professionals before making any decision as to the tax implications of any investment.

Advice relating to a will, power of attorney and mortgage involves the referral to a service that is separate and distinct to those offered by St. James's Place.



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