

# Information for NETs Leaving the Scheme

## Paying Tax

The Inland Revenue Ordinance (IRO) provides that any person chargeable to tax and intending to leave Hong Kong shall notify the Inland Revenue Department (IRD) not later than 1 month before the expected date of departure. Upon receipt of the notification, the IRD will decide whether the person leaving is required to settle all tax liabilities prior to departure.

The employer of the individual is also required to give notification to the IRD of the impending departure of the employee at least 1 month before the expected departure date. At the same time, the employer must also temporarily withhold payments of salaries and all other moneys to that employee until the IRD issues a "letter of release".

Failure to comply with such requirements by the individual or the employer may result in penal actions.

The link below describes the procedures for tax clearance.

Source:

<https://www.ird.gov.hk/eng/pdf/pam46e.pdf>

## MPF Withdrawal

Permanent departure from Hong Kong is one reason a person may withdraw funds.

Documents required to withdraw funds include:

1. Identity document (e.g. HK ID Card)
2. Claim form for payment of accrued benefits on grounds of Permanent Departure from Hong Kong / Total Incapacity / Terminal Illness / Small Balance / Death [MPF(S) – W(O)]
3. Statutory declaration form [MPF(S) – W(SD2)]
4. Documentary proof satisfying the trustee that you are permitted to reside in a place outside Hong Kong

You can obtain the forms from your trustee. The website below contains a link to all approved trustees (bank or financial companies approved to handle MPF).

Contact your trustee directly to enquire about the administrative procedures for making a request and the necessary documents. In general, upon receipt of all required documents, the trustee is required to pay the accrued benefits to you within 30 days.

Source:

[http://www.mpfa.org.hk/eng/main/employee/early\\_withdrawal\\_of\\_benefits.jsp](http://www.mpfa.org.hk/eng/main/employee/early_withdrawal_of_benefits.jsp)

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## **Passage Reimbursement**

Passage reimbursement FORM C needs to be filled out by the NET and the school to claim your flight ticket home. Since you will not be returning, only the ticket receipt and itinerary needs to be submitted, not the boarding pass.

### **PNET FORM C:**

[https://www.edb.gov.hk/attachment/en/sch-admin/admin/about-sch-staff/net-scheme/PNET\\_Fringe\\_Benefits\\_Form\\_C.pdf](https://www.edb.gov.hk/attachment/en/sch-admin/admin/about-sch-staff/net-scheme/PNET_Fringe_Benefits_Form_C.pdf)

### **SNET FORM C:**

[https://www.edb.gov.hk/attachment/en/sch-admin/admin/about-sch-staff/net-scheme/SNET\\_Fringe\\_Benefits\\_Form\\_C.pdf](https://www.edb.gov.hk/attachment/en/sch-admin/admin/about-sch-staff/net-scheme/SNET_Fringe_Benefits_Form_C.pdf)

These forms are also on the EDB website under “Form C - Application for Reimbursement of Passage/Baggage Allowance”:

<https://www.edb.gov.hk/en/sch-admin/admin/about-sch-staff/net-scheme/remuneration-package.html>

**NOTE:** These forms take some time to process, so the EDB says the NET and schools should make arrangements for final payment. The EDB begins processing forms received on the 7<sup>th</sup> of each month. This means if yours arrives on the 8<sup>th</sup> or later, it will be processed the following month.

## **Baggage Allowance**

The same FORM C needs to be filled out by the NET and the school to claim your baggage allowance. Receipts should be submitted in advance before your flight along with the passage reimbursements so as not to delay payment. Baggage allowance can only be claimed one time. If you claim it once, then return to work in the Scheme a few years later, you will not be eligible for the Baggage Allowance.

### **PNET FORM C:**

[https://www.edb.gov.hk/attachment/en/sch-admin/admin/about-sch-staff/net-scheme/PNET\\_Fringe\\_Benefits\\_Form\\_C.pdf](https://www.edb.gov.hk/attachment/en/sch-admin/admin/about-sch-staff/net-scheme/PNET_Fringe_Benefits_Form_C.pdf)

### **SNET FORM C:**

[https://www.edb.gov.hk/attachment/en/sch-admin/admin/about-sch-staff/net-scheme/SNET\\_Fringe\\_Benefits\\_Form\\_C.pdf](https://www.edb.gov.hk/attachment/en/sch-admin/admin/about-sch-staff/net-scheme/SNET_Fringe_Benefits_Form_C.pdf)

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### **Gratuity**

The school is responsible for completing the gratuity form. Here are the EDB guidelines:

From May-August, send the completed Application Form for Payment of Contract Gratuity attached to EDBC No. 5/2012 on “Payment of Contract Gratuity and Payment of Tax before Leaving Hong Kong” to the Finance Division of EDB via the respective SSDO, **at least 4 weeks before the expected date of payment.**

**First Payment** – Payable to the NET not earlier than 4 clear working days before the commencement of the summer vacation prior to the expiry of the contract.

**Second Payment** - Payable to the NET not earlier than 4 clear working days before the expiry of the contract.

The gratuity forms for **PNETs** and **SNETs** are on the EDB website under “Application form for the Payment of Contract Gratuity”:  
<https://www.edb.gov.hk/en/sch-admin/admin/about-sch-staff/net-scheme/remuneration-package.html>

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