



Starting from 1st January, 2018, the **Insurance Authority (IA)** collects a levy on insurance premiums from policyholders through insurance companies in accordance with the law. The levy rate starts at 0.04% of the insurance premium per policy year and increases gradually to 0.1%. The amount of the levy imposed on each policy is subject to a cap.

Details of the levy rates and caps are set out below:

	Phase 1	Phase 2	Phase 3	Phase 4
Policy Effective Date and Policy Anniversary Date Thereafter	1 st January, 2018 to 31 st March, 2019	1 st April, 2019 to 31 st March, 2020	1 st April, 2020 to 31 st March, 2021	From 1 st April, 2021 onwards
Levy Rate	0.04%	0.06%	0.085%	0.1%
Levy Cap (Life Insurance)	HK\$40	HK\$60	HK\$85	HK\$100
Levy Cap (General Insurance)	HK\$2,000	HK\$3,000	HK\$4,250	HK\$5,000

Policyholders must pay the levy in accordance with the law. If a policyholder does not pay the levy as required, the IA may impose on the policyholder a penalty and may recover the outstanding levy as a civil debt due to the IA.

For further information, please refer to the following dedicated IA webpages.

Webpage: <http://www.ia.org.hk/en/levy>

FAQ: http://www.ia.org.hk/en/infocenter/faqs/faqs_levy.html