Work Incentive Transport Subsidy Scheme Monthly Income and Asset Limits

Annex

<u>From the claim month of February 2017</u>, the monthly income and asset limits of the Work Incentive Transport Subsidy (WITS) Scheme are adjusted as follows:

New Monthly Income and Asset Limits

Household Size	Application for Subsidy <u>from February 2017 onwards</u>		
	New Monthly Income Limit	New Monthly Asset Limit (1)	New Effective Income Level ⁽²⁾ (for reference only)
1 person or individual-based application*	To be announced	\$91,500	To be announced
2 persons	\$17,000	\$123,000	\$17,894
3 persons	\$19,500	\$184,500	\$20,526
4 persons	\$22,800	\$246,000	\$24,000
5 persons	\$23,900	\$246,000	\$25,157
6 persons or above*	To be announced	\$246,000	To be announced

Monthly Income and Asset Limits before Adjustment

Household Size	Application for Subsidy <u>from February 2016 to January 2017</u>		
	Monthly Income Limit	Monthly Asset Limit (1)	Effective Income Level ⁽²⁾ (for reference only)
1 person or individual-based application	\$10,000	\$88,500	\$10,526
2 persons	\$16,600	\$120,000	\$17,473
3 persons	\$18,900	\$180,000	\$19,894
4 persons	\$22,100	\$240,000	\$23,263
5 persons	\$22,800	\$240,000	\$24,000
6 persons or above	\$25,200	\$240,000	\$26,526

Under the existing annual adjustment mechanism of the WITS Scheme, the income limits for these two groups would need to be adjusted downward with reference to the median monthly domestic household income in the third quarter of 2016. The Labour Department proposes to freeze the income limits for these two groups in the annual adjustment exercise for 2017 as a special one-off arrangement, pending consultation with the Legislative Council. The income limits for these two groups will be announced later.

Note: (1) The asset limit is increased by \$35,000 for each elderly applicant or (in household-based application) household member aged 60 or above.

(2) Under the WITS Scheme, "income" does not include employees' mandatory contributions to Mandatory Provident Fund (MPF) schemes (i.e. 5% of employees' salary). "Effective Income Level" refers to income before deducting mandatory employees' MPF contributions. "Effective Income Level" is for reference only, and income assessment is based on "Monthly Income Limit".