

Hong Kong and Estonia
Comprehensive Avoidance of Double Taxation Agreement

Highlights

Under the agreement:

- double taxation will be avoided in that any Estonian tax paid by Hong Kong residents in respect of income derived from sources in Estonia will be allowed as a credit against the Hong Kong tax payable on the same income, subject to the provisions of the tax laws of Hong Kong;
- Estonia's withholding tax rate for Hong Kong residents on royalties will be capped at 5 per cent while the current rate is at 10 per cent;
- Hong Kong airlines operating flights to and from Estonia will only be taxed in Hong Kong with respect to their profits, and will not be taxed in Estonia; and
- profits from international shipping transport earned by Hong Kong residents arising in Estonia will not be taxed in Estonia.