Education Bureau Circular No. 5/2012

From : Secretary for Education

To : Supervisors/Heads of all aided secondary

schools, caput schools and special schools

with a secondary section

Ref. : (7) in EDB(NETADM)/SNET/1/3/1(1)

Date: 18 May 2012

c.c. : Supervisors/Heads of all private secondary schools/DSS schools, Heads of

Sections/Government secondary schools

Enhanced Native-speaking English Teacher Scheme in Secondary Schools

Payment of Contract Gratuity and Payment of Tax before Leaving Hong Kong

SUMMARY

This circular informs schools and Native-speaking English Teachers (NETs) of the procedures for (a) the payment of gratuity to NETs upon their satisfactory completion of the contract; and (b) the payment of tax by NETs before leaving Hong Kong at the end of the contract. This circular supersedes the Education Bureau (EDB) Circular Memorandum No. 78/2011 dated 20 May 2011 on the same subject.

DETAILS

Payment of Contract Gratuity

- 2. Upon satisfactory completion of the full period of appointment required by the Letter of Appointment, the NET may be paid a gratuity for the period of service completed, including school holidays taken within the period of service. Specifically, the payment of gratuity is subject to the confirmation of the School Management Committee (SMC) / Incorporated Management Committee (IMC) that the performance and conduct of the NET during the period of service are satisfactory.
- 3. The end-of-contract gratuity should normally be paid in two instalments:
 - (a) An interim gratuity covering the completed period of resident service is normally payable to the NET not earlier than four clear working days before the commencement of the summer vacation prior to the expiry of the contract.
 - (b) The balance for the period of the summer vacation immediately prior to the expiry of the Contract will be paid not earlier than 4 clear working days before the expiry of the Contract.

- 4. For the special conditions which affect the payment of gratuity, please refer to the relevant Section on Gratuity and Retention Incentive under the "Memorandum on the Terms and Conditions of Service for Appointment as Teachers under the Enhanced Native-speaking English Teacher (NET) Scheme in Secondary Schools" attached to the circular memorandum on "Enhanced Native-speaking English Teacher (NET) Scheme in Secondary Schools —Letter of Appointment" issued to schools annually.
- 5. Supervisors of aided secondary schools, caput schools and special schools with a secondary section concerned should complete the attached application form for arranging payment of gratuity. Completed forms should reach the Finance Division of the Education Bureau, via the respective Senior School Development Officer, at least 4 weeks before the expected date of payment.

Payment of Tax before Leaving Hong Kong

- 6. The gratuity is taxable. Section 52(6) of the Inland Revenue Ordinance stipulates that 'the employer of any individual who is chargeable to tax under Part III (Salaries Tax) and is about to leave Hong Kong for any period exceeding 1 month shall give notice in writing to the Commissioner of the expected date of departure of such individual. Such notice shall be given not later than 1 month before the expected date of departure.'
- 7. For further information about the procedures for payment of tax before leaving Hong Kong to be followed by the schools (i.e. the employers) and the NETs (i.e. the employees) who are about to leave Hong Kong, the schools and the NETs are advised to visit the Inland Revenue Department Homepage at http://www.info.gov.hk/ird (Tax Information individuals/Businesses -> Individuals -> What you need to do: About to leave Hong Kong).

ENQUIRY

8. For enquiries about contract gratuity, please contact the Senior School Development Officer of the respective District School Development Section. With respect to the payment of tax, schools and the NETs should contact the respective Inland Revenue Department assessors on the telephone number shown on the Employer's Return and the Tax Return-Individual.

Mrs T W HONG for Secretary for Education

	Serial No. :								
Name o	of School:								
School	Code:	Tel. No:			Fax No :				
	is obligatory. The informat	used for payment o ion collected may bes. Request for person	f Contract Grat be disclosed to onal data access	uity to the Native-speaki other government depar s and correction should b	ng English Teacher (NET). Th tments/agencies authorized to e addressed to the Accounting ng.	process personal data for			
	n I (to be completed by So I certify that the following Name:	•		acher (NET) is entit	led to a Contract Gratuit	y.			
2. 4. 6. 7.	4. Date of Commencement of Contract: Day Month Year 5. Date of Completion of Contract: Day Month Year 6. Period(s) of no-pay leave during the contract:								
7.	Contract Period	(a) Total basic salary received	(b) Percentage of basic salary	(c) Amount of Contract Gratuity entitled (c) = (a)x(b)	(d) Amount of employer's contribution to the MPF Scheme for the NET	(e) Amount of Gratuity payable to the NET (e) = (c) - (d)			
	From To	(\$)	(%)	(\$)	(\$)	(\$)			
8.	8. Payment (see note (1) below): Proposed Date Amount of C								
	First payment		/	/	\$				
(b) (c)	Second payment I certify that the above info I undertake to inform the Bureau via the Senior Sch possible if there is any provided and to repay the Contract Gratuity to the sta	e Funds Section ool Development change in the Government for a	of the Edu Officer as so above inform	oon as Signature of Supervisor:		School Chop			

Contract Gratuity to the staff concerned.

signature of		School Chop
Supervisor:		
Name: ()	
Date:		

Note:

(1) The first payment of gratuity covering the completed period of resident service is payable to the NET not earlier than 4 clear working days before the commencement of the summer vacation at the end of the contract. The second payment relating to the period of summer vacation at the end of the contract should be made not earlier than 4 clear working days before the expiry of the contract.

The completed application form should reach the Funds Section, via the SSDO, at least 4 weeks before the expected date of the first payment.

Section II (to be completed by SSDO)	* put a $\lceil \checkmark \rfloor$ in the appropriate \square	
For paras. 1 to 6 of Section I, I confirm that	Signature of	
☐ they are correct.	SSDO():	
☐ they are correct except para(s) which	ch Name : ()
has/have been amended and initialled by me.	Date:	

Section III (to be completed by Finance Division)

Received on	Payment Voucher No.	Amount	Payment Date	Prepared by	Date	Checked by	Date
		\$	/ /				
		\$	/ /				