



2006/07/18 07:55 PM

Please respond to adam.bell

☐ Urgent

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To: <taxreform@fstb.gov.hk>

cc:

Subject: Proposal for HK GST

Dear Sir/Madam,

I note that the government is now proposing to introduce GST, in my recollection having not so long ago stated that this would not be addressed for several years to come.

Aside from the apparent turnaround, there are a number of issues which will clearly be of concern to many residents.

1. The issue of placing a tax on healthcare - is this necessary ? is this in replacement for the health savings scheme floated by the government last year ? or is this proposal still on the table ? Whilst I oppose applying GST to healthcare, this may be preferable to a health savings scheme or further increases in costs, however I urge that this be dealt with proactively and transparently.

2. What if any relief will be apply for self employed people?

3. Will this tax apply to education ? school fees in HK continue to rise and burden many residents, whilst the real quality of education in my opinion continues to be eroded.

HK has run successfully for many years on simplicity. Like many residents I share the sense of apprehension that the apparently sudden reactivation of this proposal issue has raised. Whilst the government clearly has to take the initiative to broaden the tax base, and consultation is the way to start, I very much hope that this will be approached in alignment with current issues, and the views of Hong Kong residents as to how this should be approached, and not become an ill conceived and largely token exercise as we witnessed with the MPF.

Yours faithfully
Adam Bell