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To: taxreform@fstb.gov.hk

cc:

Subject: Tax reform - important

Dear Sir,

I strongly supported the proposition of GST. Just a short memo to strengthen my idea.

I think the HK Government needs to explain more to the public. The existing approach of explanation is not valid. Since GST will expand the "taxable" sector, if we always mentioned the pros and cons, people just calculate their money in their own pocket and when they think they "may" lose benefit, they given objection. Given the "taxable" sector is expanded, majority of the people will object this proposition. In reality, their "concept" is wrong. What we need to explain are the following reasons:

1) Tax reform to include GST is for the benefit of the HK society. We should NOT ONLY focus on our money in the pocket "at this moment". If we want to reduce salary tax to attract good people, if we want to reduce profit tax to attract foreign investment, where can the HK Government gets the funding? We need to include GST in our tax system. Our reasons should NOT be proposing the GST to set off by the benefit of reduce salary tax, reduce profit tax and increase in subsidy. The existing explanation by the HK Government is reversed upside down. This makes the public confused.

2) Every HK citizen has the responsibility to support our country - We use the Government subsidy, we use the road, we use the garden, we are protected by the Government security. But some people is not paying! Each person should take OUR responsibility. Poor people will support less, rich people support more, its fair tax system and it is a HK citizen's responsibility to support our own living place. We should not count how much gain or loss. If HK is our home, we are contributing to our own family, more money earner contributes more, less earner contributes less, but not necessary ZERO contribution. Neverthelss, poor people who are so poor that they are unable to "survive" will be supported by increasing a reasonable subsidy after the benefit of GST. The society can maintain balance and healthy. What's wrong with this? Should some people earning less will be free from "responsibility"? We need to love our country and love HK. Public education on this issue is very important. Our contribution in GST is our love and support to our home - HK.

3) To ensure HK Government maintain a stable revenue in order to provide good services to ALL HK citizens, GST will not rely on small groups of people and this ensure the Government services will NOT be deterioriated. In the LONG RUN, HK will increase the competitiveness and ALL HK citizens will be benefited. The benefit may be even higher than what we expected.

4) The additional funds received from GST should be used to reduce salary tax and profit tax to attract good people and high investment into HK. Please ensure HK Government is not using this as a tool to "increase" revenue.

5) If GST has problems, why so many developed countries carried out? Its advantages are obviously more than the disadvantages.

In summary, to ensure HK can run a stable economy in the long run. GST is highly recommended.

I strongly supported the implementation of GST in the near future.

Best regards,
Johnson

P.S. We can obviously seeing that all "objections" are NOT reasonable reasons but each party is only focusing on their money in their pockets. This is not the idea of GST. I recommend the HK Government should do more public education on the explanation of spirit of GST.