



kwok andy

To: taxreform@fstb.gov.hk
cc:
Subject: Question about the GST

2006/07/19 02:29 PM

Urgent
 Return Receipt

I want to know how to calculate the Selling Price when implant the GST. Did the following calculation is correct?

No GST

Raw Material 5.00, Other Cost 2.00, Salary 2.00, Profit 1.00, Then sell 10.00

With GST

Raw Material = $5.00 \times 1.05 = 5.25$

Other Cost = $2.00 \times 1.05 = 2.10$

Salary = 2.00

Profit = 1.00

Selling Price = $(5.25 + 2.1 + 2 + 1) \times 1.05$
= 10.8675

Means 8.675% more than no GST

I think if you can disclosure the calculation method, then the opposite sound may little. Otherwise NO ONE will belive our Financial Secretry, Public Office and also the Government. As the Official of Singapore said.