



Chan Chan

To: taxreform@fstb.gov.hk

cc:

Subject: GST

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Urgent

Return Receipt

Dear Henry

I trust that your belief in GST has not moved by the recent objections raised. They are expected. In deed, as you said, this is a consultation period and everyone is encouraged to discuss the issue. The long period of consultation is well planned and let people steam off their anguish sentiments in nine months time, if not longer period should be allowed – but I think nine-month is enough.. No tax introduced, however convincing, will be welcomed. The answer to the question “do you agree to let me take money from your purse?” need not be guessed. On the other hand, if the question is changed to “Do you agree to let me take only \$10 instead of your agreed \$16?”, you may expect a different answer. Therefore, the salaries taxpayers should agree to the GST proposal if you are tactful enough to demonstrate to them a rosier picture.

Last but not the least, do not listen to the pretentious Academic NS Cheung’s argument (see today’s Apple Daily). He always tries to pretend to be authoritative by quoting some encounters with previous FSs. If he were so good in economics and management, he would not be “wanted” by the `<?xml:namespace prefix = st1 ns = "urn:schemas-microsoft-com:office:smarttags" />`US government and would have to hide in Mainland China. His so-called economic theory has never been taken seriously by any one with good economic knowledge!! The fault in his argument is obvious when the proposed 5% GST is compared with the much higher tax rate imposed by the PRC.

Regards,

A GST supporter