



23/07/2006 00:15

 Urgent Return Receipt

To: taxreform@fstb.gov.hk  
cc:  
Subject: Sales Tax

To whom it may concern:

I strongly believe Sales Tax is not good for Hong Kong economy at this time.

First, Hong Kong is famous as a tax free city. Although tourists can refund their tax when they leave Hong Kong, the extra steps of refunding and the extra money they pay for shopping will definitely discourage tourists for spending money.

Second, at this time, Hong Kong economy is just showed some good signs. It is at the beginning stage of economy recovery. It is still very unstable. At this time, if the government increases the tax, the economy will definitely become worse. Especially for Sales Tax, it will absolutely discourage Hong Kong citizen from shopping. Imagine you have to pay 5% extra for everything, from daily essentials to a luxury car, this 5% will be enormous. It is definitely discourage people from spending money, and greatly affect their daily life and their savings plan.

Third, the expense of collecting Sales Tax is wasting the citizens' money. It is an expense for operation. Why we need to spend this extra money for nothing?

Fourth, when you look at the Sales Tax in other countries, everyone does not like it. If the government decide to collect it anyways, I am sure there will be definitely a drop on the trust between two parties.

Thus, collecting Sales Tax is unwise. It will absolutely cause damage on the current government, citizens, the tourist industry, and the economy.

Middle-Class worker,  
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