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cc:  
Subject: GST

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- Urgent
- Return Receipt

Dear Henry

I don't believe the media's allegation that you yourself do not genuinely believe on the feasibility of GST. Although ex-governor Patten is not considered a friend of the Chinese government, he has the political wisdom to say that it requires many political skills (one of which is the accounting skill – see below) to promote GST. He is well remembered as the one who took the advantage to overthrow Thatcher when she tried to sell the Head Tax.

It is the right time to sell GST when the Hong Kong Government is not "elected" by the people of <?xml:namespace prefix = st1 ns = "urn:schemas-microsoft-com:office:smarts" />Hong Kong. When democracy is actuated in the future, there will be no chance at all for any elected government to take this suicidal move of promoting, not to mention adopting, GST.

To sell GST, you must be honest to admit to the public that there is not much trust by the people of Hong Kong on the Government's utilization of the 20-30 billions generated by GST. Therefore, the marketing strategy is to make promise to the public and to table before them that a certain percentage of the new revenue will be used to finance the welfare of the aging population; a certain percentage for deduction of salaries tax, a certain percentage for education and medical benefit etc. The transparency of this allocation is the key to the success in linking the GST with the people's benefits. This is commonly known as presentation skill in the profession of accountancy. This promise is easily honoured in future budget – just ask any CPA for assistance and he will construct the table of allocation of fund in the generally accepted accounting principle (GAAP) as promised.

Regards

a retired FCPA