



To: <taxreform@fstb.gov.hk>  
cc:  
Subject: Opinion on proposed GST

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☐ Urgent  
☐ Return Receipt

To : The Financial Secretary

Fr : Siu Lai Sheung

**Re : Comment on proposed GST**

I am against the proposed GST in respect of the tax levied on commercial properties.

We have been working so hard for the past years until the retired age. We are investing in office premises as the retirement income for ourselves. (as there was no MPF in the past).

The proposed GST on commercial properties are not fair. Why discriminate commercial properties while residential properties have the exemption? Remember, majority of the businesses in HK are of small to medium size cap. The result of the GST will be:

1. No one will invest in commercial properties but turn to residential properties. You may have the mis-perception that the yield from commercial properties are higher than residential properties. The fact is they are similar. There are times the return on commercial properties is relatively lower because bank charge higher interest rate and the agency commission for commercial is higher than residential.

2. Tenants will rent less space and employ less staff because they have to bear the GST in the rental.

3. Investors will turn to buy residential properties and may boost up the price and there will be an imbalance of property distribution.

As a matter of fact, I'm putting my commercial property on the market for sale now and will direct my money to other places where they have a fair tax system, not discriminating one sector from the other.

Please remove the GST on commercial properties and don't twist the property market by imposing unfair measures.

thanks for your consideration