



Yau, Chi-Wai

To: taxreform@fstb.gov.hk

cc:

Subject: My opinion 1

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Urgent

Return Receipt

Dear FS,

I am a taxpayer and paid HK\$160,000 last year. I understand that GST is a way to improve/widen the tax income. However, several points I want to point out:

1. Too complicated - The proposed GST system is too complicated and unfair. To my experience in other countries, shops have to do a lot of paper work for those tourists want to get tax refund. As you understand, tax is already be a burden to them. It is not fair to get them more things to do. Hong Kong is an efficient and fast-pace city. Such tax system will cause negative effect to the operation.

Thus, if GST is on the way, I recommend to levy a 3% GST and no refund, same as US. It will not cause any problem to tourists. 3% means very little percentage of their overall spendings. Also, let the inbound maximum value of goods be raised to HK\$30,000, rather than several thousands. It only makes a number of long lines at airport for tax claims. What a horrible scene to tourists!

2. Political pressure - Hong Kong is now getting more and more from a number of minority groups. Fortunately, most of them are not taxpayers and thus they know the Govt or taxpayers are not obliged to satisfy them. However, if GST is implemented, everyone is taxpayer and is entitled to ask more from the Govt. You can't say NO to them....Therefore, be careful. It still goes on, please also consider the minimum wage/salary. It is the only way to counter the pressure from lower level. Yes, you may face with Corporate/Business sectors pressure, but at least you can show your gesture of "caring", and, you may consider to lower the profits taxation to compensate them.

3. Lobbying - So far, Govt has not given any "professional" or "academic" advice/study on the subject matter. We all know the immediate cons from GST, but no one knows the upside from those independent third party. Please let me or all HK people to learn more about the GST. We are bored by those sensational "talks".

Thanks.