



2006/07/31 10:04 AM
 Please respond to guyshirra
 Urgent
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To: taxreform@fstb.gov.hk
 cc:
 Subject: GST

I have lived in HK since 1967 and am a permanent resident. I intend to stay here....

I am a HKG pensioner. My pension is my wife's and my own sole income.

I do not believe that HK would be HK any more with a GST. HK is not and should never be like Singapore. Even less should it be like the UK which is an abominable mess. Introducing a GST would risk becoming both.

I would prefer to see a tax on other forms of income not currently taxed? Dividends for example. It seems that many very wealthy people live comfortably without paying any tax at all. Let us put a stop to that before taxing the poor through a GST.

I am concerned at the costs of administering a GST whereas a dividend tax would be simple.

A GST would also encourage tax evasion and smuggling. At present, because the income tax system is patently fair (except for those very rich who avoid it) the vast majority pay up in full.

You would have a lot of UK type payment for goods and services for cash to avoid GST.

If you DO prevail, then at least exclude the basic necessities of life:

Food and drink (alcohol is already taxed) but not restaurants, fuel (already taxed), water, rent, medicine and health care.

It is a ridiculous UK type expensive and insulting solution to repay the poor with compensatory allowances. **DON'T TAX THEM IN THE FIRST PLACE!!**

While on the subject, use tax to get gas guzzlers off the road; there should be a huge increase in first registration and annual road tax for private cars over 1.5 litres. There is absolutely no need for these "Chelsea Tractor" 4 wheel drive monsters etc. I would favour a 100% first registration tax at least.

You must also encourage green fuel; bio deisel, ethanol etc.

Thank you.

Guy Shirra, Sai Kung, Hong Kong