



To: taxreform@fstb.gov.hk
cc:
Subject: re: Comment

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☐ Urgent
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Tax reform is necessary but needs to be "targeted", and "restricted" in scope for the benefit of the community

Reform is necessary -

-so that government may maintain services and departments at a consistent spending. Rather than big cuts one year and sudden increases in spending another year.

-Income from land sales should not make up a large part of government income.

But should be reformed as follows :-

-Incremental increases in tax, e.g. initial taxes on luxury goods such as tobacco, alcohol (spirits and liquer), cars and heavily polluting large cars

such as off road vehicles. Small increases such as 3% to start with but slowly increasing to 5% maximum.

-No taxes on basic necessities such as food, clothing, baby /children goods such as baby food/ school uniforms/books.

-RAISE the age of retirement from 65 to 80. This would mean a broadening of

the tax base. From say 18 to 65 = 47 years. From 65 to 80 = 15 years or approximately 1/3 of 18 to 65. Thus, there would be a broadening of approx.

1/3 to the present tax base.

-Standard rate should be 3% with 5% on alcohol, tobacco and luxury goods such as cars.

-Instead of thinking about exemptions, we should think of imposing GST on only a small number of items such as alcohol, tobacco and environmentally polluting cars.

Thanks
KH Chan