



07/08/2006 12:01
 Urgent
 Return Receipt

To: "taxreform@fstb.gov.hk" <taxreform@fstb.gov.hk>
cc:
Subject: Comments

To a large extent I agree to the tax reform. However, there's probs w/ the proposed taxing structure. The current suggestion of a flat 5% on everything is unacceptable because HK's a very diff place from other countries, like Oz, where the wealthy & poor is not that extreme. If u place 5% tax on everything even the necessities, it'll be a heavy load to the poor. So I suggest that tax, maybe heavier tax shd be imposed to luxury goods/brands ... say, buying Mercedes (can use price range as a cut-off between luxury & necessity), wines, etc. But raw mat'ls (say raw food) shdn't be taxed. So it's more to a theory of rich can afford paying more & poor pays less, so as to narrow down the gap.

It's really fair since it's easier for rich people to pay a bit more, but will be a very heavy load for the poor to pay even 5% more.

Salary tax shd be decreased by 5% if for flat rate.

Rgds,

Katherine Li

Fixed Income, Currency & Commodities