



21/08/2006 12:39

☐ Urgent☐ Return Receipt

To: <taxreform@fstb.gov.hk>

cc:

Subject: Public Consultation on GST

Dear Sir,

I generally support GST because HK need more money in future for increased public expenditure on medical care, social welfare & higher education due to the aging population. Also, I feel that the upper and middle class have a duty to help and care for the less privileged in our society.

HK business and households, particularly those in the middle and lower working class, have been suffering from the high land prices and unfair property development practice. Government is to blame because Govt. together with major land developers (cartels) have regulated the land supply such that land prices and the completed building (flat) costs are sky-high. As a result, both business operators and ordinary households have suffered from the spiral rents and high flat prices.

As part of the GST scheme, Government should, therefore, abandon the high land price policy and take steps to release more land into the housing market and make property developers (cartels) fair and less greedy – in the end a reduction of rent and cost of domestic flats will benefit everyone in the long term.

Another measure is to exempt from GST the basic living necessities, such as public transport, water, sewage, rice, bread, meat, vegetables etc.

The granting of lump sum to individual households may not be necessary if the above measures are adopted.

Regards,
S C Lee