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 Urgent Return Receipt

To: taxreform@fstb.gov.hk
cc:
Subject: My Views on GST

I write to register my support for the introduction of a GST. The tax base in HK presently is too narrow and this is neither unhealthy nor conducive to sustainable development, as rightly pointed out in the consultation document. It is also not fair that only a slice of the population is shouldering a heavy portion of the tax income of the government.

However small the amount from the less able people, the tax net should be cast as wide as possible so that most people feel the pride that they are contributors, not free riders. GST is a way to enhance the sense of civic responsibility. Besides, this will also help forestall wanton waste of resources as majority of the people in society are contributors towards the public purse.

As for the way of returning the GST, I register my support for the option as mentioned in Table 17 on p. 80 of the consultation document. Reducing salary tax and widening tax bandwidths contribute towards a more equitable and sustainable tax system in a society like HK with an ever aging population and a consistently low birth rate.

Besides, I suggest the Government to consider and explore the Land Departure Tax as another way to widen the tax base. The per capita rate can be very small but the cumulative out-turn could be steady and sizeable. As a corollary point, I applaud the Government's cancellation of the Estate Duty a year ago. This helps create endless opportunities for financial management in HK.

F. O. LEE