



25/09/2006 23:30

 Urgent Return Receipt

To: taxreform@fstb.gov.hk

cc:

Subject: Tax Reform

Dear Sir/Madam,

I would like to express my strong objection to the proposed GST. The GST will add significant costs to businesses in Hong Kong, and will damage Hong Kong's retail businesses and other types of businesses as well. The GST will be difficult to administer, and the administration and enforcement overhead will entail significant additional public expenditure.

There are other ways to broaden the tax base of Hong Kong, which are easier to administer and having a lesser degree of impact than GST. For example, environmental tax, energy tax, CO2 tax can serve to improve our environment and broaden the tax base. Increasing the tax rate for salary tax and reducing the amount of allowances can broaden the tax base. Increasing the tax rate for corporate tax can broaden the tax base. Taking more proactive actions to attract more investment into Hong Kong, like the case of Singapore, can draw in more businesses and raise the corporate tax income of the government. In short, there are better alternatives than GST.

I object to the GST proposal.

W. W. Hui
Hong Kong citizen