

From:
 To: <ceo@ceo.gov.hk>
 Cc:
 Sent: Wednesday, October 11, 2006 3:25 PM
 Subject: GST - Absolutely not a solution

Dear Sirs,

1. Policy Address has no surprises, cannot help the poor and sandwich citizens.
2. GST is not the way out, please review the whole tax systems.
3. May consider to adjust the tax levied for the below aspects:
 - a. stamp duties for warrants and derivatives traded in the HK Exchanges;
 - b. progressive government rate and rent (i.e. high % for the high value property);
 - c. standardize to use property tax for the rental income (i.e. abandon to levy profit tax on rental income because some irrelevant expenses are always deducted);
 - d. progressive profit tax and property tax (higher % for the higher income);
 - e. higher tax rate on the cigarette, wine, private car;
 - f. increase airport tax in the view of passengers growth;
- d. higher bet tax;
4. Save money by considering the below:
 - a. Stop the waste money \$10 billions 市建局 projects in Kwan Tong and Mong Kok and use money saved for building up new town in Yuen Long, Sheung Shui, Tseung Kwan O. If these stupid and luxury 市建局 projects have commercial values, property developers will do it ourselves and not the government's businesses.
 - b. Audited the \$100 billions railway projects because the projects valuation is ten time over the same standard built in China.
- c. Cut the government's car expenses.
- d. Cut the rental allowance, medical allowance and education allowance provide to the staff of government.
- e. Perform audit of government properties and assets regularly to improve the utilization rate.

Please seriously consider the above suggestions, thanks.

Best regards,

(Name Provided)

(Editor's note: The sender requested anonymity.)