



香港稅務學會

**THE TAXATION INSTITUTE OF HONG KONG**

*(Incorporated in Hong Kong as a company limited by guarantee)*

12 October 2006

**BY HAND**

President of the Legislative Council  
Legislative Council Building  
8 Jackson Road  
Central  
Hong Kong

Dear Madam President

**Broadening the Tax Base  
Ensuring our Future Prosperity**

I write on behalf of the Taxation Institute of Hong Kong (the "Institute") in relation to the consultation launched by the HKSAR Government in July 2006.

The Institute has always believed<sup>1</sup> that the tax base of Hong Kong is too narrow and this feature is unhealthy for our fiscal system in the long run. The launching of the consultation process is the best opportunity for us and the public alike to decide on the best available option for Hong Kong to broaden our tax base.

In order to be fair to all sectors of the community and to provide enough time for the public and professional and industry bodies to comment on a highly complex subject such as GST, it is pertinent for (i) the HKSAR Government to maintain the consultation period until the end of March 2007; and (ii) the Legco members not to draw pre-mature conclusions on this subject.

Yours sincerely,

(Signed)

**Kenneth Leung  
Vice President**

<sup>1</sup> Please refer to our budget submission to the Financial Secretary dated 11 January 2006 which can be downloaded on <http://www.tihk.org.hk>.