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Tax Reform  
Financial Services and the Treasury Bureau  
4/F, Main Wing, Central Government Offices  
Lower Albert Road  
Hong Kong

**Re: GST Consultation**

We have been investing in the retailing business in Hong Kong for many years. On behalf of our company, I write to register our **opposition** to the introduction of GST in Hong Kong.

We strongly believe that GST will have a great negative impact to the economy of Hong Kong in short and long term. The painful experience gained in Canada, Australia, Japan and others after the launch of GST had proved.

It will depress both domestic and tourists consumption, increase inflation, tarnish Hong Kong's 'shopping paradise' image, destroy Hong Kong's low and simple tax system which in turn deters foreign investments. Furthermore, the complex administrative work required will incur huge capital costs and operating costs to Government and commercial sectors alike.

To protect Hong Kong's competitive advantage, we strongly suggest the Government should maintain the present simple and low tax system.

Yours sincerely

(Signed)

K T Sin  
Director

/cc