

**PYXIS MARKETING COMPANY, LIMITED**

(A MEMBER OF SUN INTERNATIONAL GROUP)

1301 East Ocean Centre, 98 Granville Road, Tsimshatsui East, Kowloon, Hong Kong.

Telephone: 722 6868 Fax: 739 8648

12th October, 2006**Tax Reform****Financial Services and the Treasury Bureau
4/F., Main Wing, Central Government Offices
Lower Albert Road,
Hong Kong.****Re: GST Consultation**

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 our economy in short and long term.

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,

For and on behalf of
Pyxis Marketing Co Ltd

(Signed)

David Sun
Director