



22/10/2006 15:06

 Urgent Return Receipt

To: taxreform@fstb.gov.hk
 cc:
 Subject: 稅制改革

Dear,

I would like to express my opinion on GST. I used to live in country that has GST, I experienced it and I against the idea of GST because:

- 1) There is always a mess when spending resulted in spending less. E.g . It is difficult to distinguish the marking price is tax inclusive or not.
- 2) There is always grey area in transaction:
 - a. If transaction is without a receipt, it is difficult to distinguish if the 'tax' really goes to the Government or to the shop owner, e.g. local shops.
 - b. Some 'services' cannot be categorized. E.g. a mortgage should classify as a product or a service or not? If a mortgage is taxable, then would a buying of a house be doubled tax?
- 3) For travelers, they have no obligation in supporting our Government. It is so put off when spending does include tax especially Hong Kong is claimed 'shopping heaven'.
- 4) All in all, the whole GST mechanism is complicated. It creates too much accounting issues and result in more accounting 'service' and more GST that never ends.

On the Contrary, based on the idea that '有入必有出', I would like to proposed the idea of 'rubbish tax'. E.g. \$xx / litre to household, office, warehouse or even construction sites... benefits as follow:

Who ever uses; pays

Everybody creates rubbish. The more product a person consumes, the more rubbish generates ultimately.

Environmental friendly

It also solves the problem of solid rubbish in Hong Kong

Target group: Hong Kong citizens only

Travelers also create rubbish, however it should have once-off absorbed in their accommodation fee

Minimal administration

It is simple, everybody can understand easily. Tax collected at rubbish collection centre or rubbish dumping field, only cleaning company or a small group of cleaners are affected during the whole administration.

I'm happy to discuss further, do contact me if necessary.

Kin.