



25/10/2006 22:14

☐ Urgent☐ Return Receipt

To: taxreform@fstb.gov.hk  
cc:  
Subject: re; GST

Dear Sir/Madam,

I am writing with further comments.

If the Government intends to proceed with GST, then it must balance it with spending such tax received.

If so, I consider the Government's one off or short term subsidies to the relatively poor or low income class is not enough nor attractive enough. Rather, since the GST is for the long term, the Government should also provide something to HK for the long term. I suggest that the old age pension should be the sweetener to make this medicine acceptable to society.

Most people who pay GST will be HK people who will live and die here. They will need money in their old age. If they pay tax such as GST during their lives, isn't it nice to receive some money back when they get old? Thus, an old age pension along the lines of recent public suggestions, that upon 60 or 65 years old, the Government provides a small pension of 2,500 or 3,000 dollars will make it acceptable to pay a GST of 5% now.

Short term subsidies for only the low income is simply not good enough. I would like to support GST, but if it is only to broaden the tax base and if the Government is only giving a small section of society a short term subsidy, then most people will find it unacceptable.

Best regards,  
KH Chan