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2006/12/06 12:43 AM

Urgent

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To: taxreform@fstb.gov.hk

cc:

Subject: Oppose the impose of GST in HK (Please consider seriously)

To whom it may concerns,

I oppose the impose of the GST in HK due to the following reasons:

1. Weakening Hong Kong unqiness and competitive advantages (cannot compare with other cities)
2. Lower the domestic spending

First of all, I think the SAR government can put yourself in other people point of view in seeing this GST matters.

For international company, why they choose HK to set up there company? One of the major reasons is the tax benefits they may have in HK. When they set up company, they might usually bring their staff together to HK for their business. They will calculate the all the related cost before making the decision to enter HK. If HK impose the GST, I guess the cost will seriously be harmed and they may choose other countries.

Why not they set up their companies in China directly if HK has no tax benefits. Remember, businesses are all about the cost and benefits. Please consider in other ppl point of views.

Second, it will also lower internal domestic spending leading to a chain effect.

Goods and services increase in price --> ppl in HK spend less money --> companies have lower profit --> company try to cut cost and employ less ppl ---> ppl in HK has higher unemployment rate ---> poor economy

This would be a long lasting effect in general. The effect will be poorer in the time of economy recession. In comparsion to history in HK, which one happen more frequent, poor situation is due to financial difficulties or due to high unemployment????

In general, i have no doubt that GST has more poor effects to HK then good. I oppose the impose of the GST in HK

Before doing further action on GST, please consider the discussion is in-depth and for the benefits of the public but not only the government!

(govenment getting more \$ = country will be safer in difficult, but does not mean the economy will be good.)

P.S. GST may even make HK economy downturn

Regards,  
Citizen of HK