

To: <fso@fso.gov.hk>
 CC:
 Subject: ENLARGING THE

TAXATION BASE

04.01.2007 03:02 PM

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Dear Financial Secretary Mr. Tang,

I had been one of those supporting the GST to widen the taxation base for the good of Hong Kong. Unfortunately, it did not go through, mainly because political elements.

As an alternative, taxing through electricity consumption will help to enlarge the taxation base all the same. The merits:

Easier to manage to save administration expenses.
 Less felt by small consumers, as it may mean only a few dollars a month for grass-root families.
 Probably no objections from the Middle Classes to pay a few percents more for electricity instead of taxing them for all expenditures.
 Retailers probably do not mind paying a little more for electricity to save them setting up the GST accounts. Comparing to rents they are paying, it does not mean any burden to their operations.
 Little higher electricity bill would not affect commercial and industrial investments in Hong Kong, which offer them something better in general taxations and freedom of trade they can hardly find elsewhere.
 Resistance from political parties may be managed easier, as what better can they suggest to earn for the government to look after social expenses, which are on regular increases year by year.

Paying a little will entitle The Grass Roots as tax payers, that would build up their self-esteem for contributions to the society they are living. This will bring up all citizens alike to the same level, rich or poor, to pay tax according to their means and resources.

You have been a very talented Financial Secretary for Hong Kong, which should prosper further under your leadership.

A Happy Citizen
 (Nelson Lee)