

立法會
Legislative Council

LC Paper No. LS169/00-01

**Paper for the House Committee Meeting
of the Legislative Council
on 5 October 2001**

**Legal Service Division Report on
Subsidiary Legislation Gazetted on 28 September 2001**

Date of Tabling in LegCo : 10 October 2001

Amendment to be made by : 7 November 2001 (or 14 November 2001 if extended by resolution)

Part I **Securities and Futures Commission Ordinance**

**Securities and Futures Commission Ordinance (Cap. 24)
Securities and Futures Commission (Levy) (Securities) (Amendment) Order 2001
(L.N. 189)**

**Securities and Futures Commission (Levy) (Futures Contracts) (Amendment)
(No. 2) Order 2001 (L.N. 190)**

L.N. 189 specifies that the rate of levy to be paid to the Securities and Futures Commission under section 52(1) of the Securities and Futures Commission Ordinance (Cap. 24) by an Exchange Traded Funds Market Maker for the purchase and sale in such a capacity of shares in Exchange Traded Funds shall be 0% of the consideration. Exchange Traded Funds are mutual funds or unit investment trusts that hold portfolios of securities which generally reflect the price and yield performance of the underlying portfolios of securities and which are listed or traded on the Stock Exchange Company as a single security. The Tracker Fund of Hong Kong is an example of Exchange Traded Funds.

2. L.N. 190 amends the Securities and Futures Commission (Levy) (Futures Contracts) Order (Cap. 24 sub. leg.) so as to reduce the levy in relation to all stock futures contracts from \$1.00 to \$0.20 for every leviable transaction in each market of the Futures Exchange Company.

3. Members may refer to LegCo Brief (Ref: SUD42(2001)VI) dated 28 September 2001 issued by the Financial Services Bureau for background information.

4. Both Orders will come into operation on 16 November 2001. The legal and drafting aspects of the Orders are in order.

Part II **Commodities Trading Ordinance**

Commodities Trading Ordinance (Cap. 250)

Commodities Trading (Contract Levy) (Amendment) (No. 2) Rules 2001 (L.N. 191)

5. Under section 79A(1) of the Commodities Trading Ordinance (Cap. 250), the Hong Kong Futures Exchange Limited is required to pay to the Securities and Futures Commission a levy at the prescribed rate on every leviable transaction for purposes of the compensation fund. The levy is currently \$0.50 on every leviable transaction in respect of futures contracts other than the Mini-Hang Seng Index Futures Contracts. These Rules reduce the levy to \$0.10 on every leviable transaction in respect of all stock futures contracts.

6. Members may refer to LegCo Brief (without reference number) dated 28 September 2001 issued by the Securities and Futures Commission for background information.

7. The Amendment Rules will come into operation on 16 November 2001. The legal and drafting aspects of the Amendment Rules are in order.

Part III **Miscellaneous**

Public Health and Municipal Services Ordinance (Cap. 132)

Designation of Libraries (No. 3) Order 2001 (L.N. 192)

8. This Order designates Shop Nos. 101-102, First floor, Kingswood Ginza, Phase 2, 18 Tin Yan Road, Tin Shui Wai, Yuen Long as a library. The effect of this Order is to vest the management and control of the Tin Shui Wai Public Library in the Director of Leisure and Cultural Services and to enable him to exercise his statutory functions in respect of this library under the Public Health and Municipal Services Ordinance (Cap. 132).

9. The legal and drafting aspects of the Order are in order.

Tax Reserve Certificates (Fourth Series) Rules (Cap. 289 sub. leg.)
Tax Reserve Certificates (Rate of Interest) (No. 10) Notice 2001 (L.N. 193)

10. This Notice fixes at 1.0% per annum the rate of interest payable on tax reserve certificates issued on or after 3 October 2001. The legal and drafting aspects of the Notice are in order.

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