

LEGISLATIVE COUNCIL BRIEF

Hotel and Guesthouse Accommodation Ordinance
(Chapter 349)

HOTEL AND GUESTHOUSE ACCOMMODATION (FEES) (AMENDMENT) REGULATION 2001

INTRODUCTION

At the meeting of the Executive Council on 9 October 2001, the Council ADVISED and the Chief Executive ORDERED that the Hotel and Guesthouse Accommodation (Fees) (Amendment) Regulation 2001 (“the Amendment Regulation”) (at Annex A) should be made under section 22 of the Hotel and Guesthouse Accommodation Ordinance (Cap.349) (“the Ordinance”).

BACKGROUND AND ARGUMENT

2. The existing scale of licence fees for hotels and guesthouses stipulated in the Hotel and Guesthouse Accommodation (Fees) Regulations (“the Fees Regulations”) does not provide for the issue of multiple year licences. It is therefore recommended that the Amendment Regulation should be made under section 22 of the Ordinance.

The Hotel and Guesthouse Accommodation Ordinance (Cap. 349)

3. The Ordinance was enacted in 1991 to provide for a statutory licensing scheme to regulate fire and building safety of hotels and guesthouses. The licence fees payable are prescribed under the Fees Regulations made by the then Governor-in-Council. As at the end of March 2001, there were 971 licensed establishments.

The Hotel Accommodation (Miscellaneous Provisions) Ordinance 1998 ("the 1998 Ordinance")

4. The 1998 Ordinance amended the Ordinance to provide for, among others, the issue and renewal of hotel and guesthouse licences with validity periods of up to seven years. The multiple year licensing system aims to simplify the licensing process and achieve economy of scale in the issue and renewal of licences. Sufficient safeguards have been built into the Ordinance to ensure that fire and building safety standards would not be compromised as a result of the issue of multiple year licences. For example, applications for licences of validity periods of more than 12 months would be considered on a case by case basis, and multiple year licences would be issued to establishments which have good records of compliance with the fire and building safety standards. In addition, for issue of licences of validity periods of more than 36 months, the 1998 Ordinance requires annual certification by authorized persons to ensure compliance with the fire and building safety standards.

5. In order to implement the new provisions in the 1998 Ordinance for the issue or renewal of multiple year licences, the existing fee structure in the Fees Regulations, which provides for the issue of one year licences only, needs to be revised through the making of the Amendment Regulation.

6. Sections 5(c), 6, 7, 8 and 11(b) of the 1998 Ordinance, which provide for multiple year licences, have not yet come into operation. A Commencement Notice will be made by the Secretary for Home Affairs to bring these sections into force at the same time as the Amendment Regulation comes into effect. These sections are at Annex B.

Proposed fees in 2001

7. The existing hotel and guesthouse licence fees were last revised in December 1997. In 2000, the Administration conducted a detailed costing review and came up with a proposal for a new fee structure. The review exercise revealed that the existing fees only recover 34% to 56% of the full cost of issuing new licences, and 66% to 100% of that of renewal of licences at 2000-01 prices.

8. It is Government policy that fees should in general be set at levels sufficient to recover the full cost of providing the services. The Administration therefore proposes that except for establishments with more than 100 rooms, the fees for issue and renewal of licences should aim to recover the full cost within one to five years and one to three years respectively. For establishments with more than 100 rooms, it is proposed that the fees be set at full cost recovery level at 2000-01 prices. (Please see paragraph 11.) The proposed fees are set out at Annex C. An illustration of cost computation for issue of one year licences and renewal of two year licences are at Annex D.

9. At the second meeting of the LegCo's Subcommittee on the Hotel and Guesthouse Accommodation (Fees)(Amendment) Regulation 1996 held on 24 June 1996, it was recommended that the fees for issue and renewal of licences should not be the same as there were differences in the costs incurred. The Administration accepted this and accordingly, different scales of fees for issue and renewal of licences have been set in the Amendment Regulation based on the results of the costing review.

10. There was feedback from operators of small guesthouses (three rooms or less) that they could not afford the current licence fees for establishments with one to five rooms. The Administration has considered their case sympathetically. There are about 70 such licensed guesthouses. We have decided that the current "1-5 rooms" band should be split into the two bands: "1-3 rooms" and "4-5 rooms" respectively in the Amendment Regulation to address the difficulty faced by such operators. For example, for a guesthouse with three rooms renewing a licence, under the existing fee structure, the total licence fees over a period of two years would be \$6,000 ($\$3,000 \times 2$). Under the proposed fee structure, the fee for renewal of a two-year licence would only be \$3,660, resulting in significant savings of \$2,340 (a saving of 39% of the licence fees).

11. Operators of hotels and guesthouses will in general benefit considerably from the proposed scales of licence fees with validity periods of two years or more. For example, for a hotel with 101-200 rooms applying for a new licence, under the existing fee structure, the total licence fees over a period of seven years would be \$220,220 ($\$31,460 \times 7$). Under the proposed fee structure, the fee for a seven-year licence would be \$76,580, resulting in a saving of \$143,640 (a saving of 65% of the licence fees). Similarly, for a hotel with 101-200

rooms which renews a seven year licence, the proposed fee to be payable would be \$42,870 and the saving would amount to \$177,350 (a saving of 80% of the licence fees) as compared to the fees payable of \$220,220 under the existing fee structure. For a guesthouse with six to nine rooms applying for a new licence, under the existing fee structure, the total licence fees over a period of three years would be \$13,050 (\$4,350 x 3). Under the proposed fee structure, the fee for a three year licence for the guesthouse would be \$8,150, resulting in a saving of \$4,900 (i.e. 38%).

THE AMENDMENT REGULATION

12. The main provisions of the Amendment Regulation are –
- (a) **Clause 2** repeals the existing regulations 3 and 4 and substitute the following new regulations:
 - (i) **Regulation 3** provides for the fee payable upon issue or renewal of a licence.
 - (ii) **Regulation 4** provides for adjustment of certificate of exemption or licence fee where a certificate of exemption or a licence is issued or renewed for a period less than 12 months.
 - (b) **Clause 3** adds **Schedule 1** and **Schedule 2** to specify the fees payable upon issue and renewal of licences respectively.

LEGISLATIVE TIMETABLE

13. The legislative timetable will be-

Publication in the Gazette	19 October 2001
Tabling in the Legislative Council for negative vetting	31 October 2001
Commencement of operation	on the date to be notified by the Secretary

BASIC LAW IMPLICATIONS

14. The Department of Justice advises that the Amendment Regulation is consistent with the Basic Law.

HUMAN RIGHTS IMPLICATIONS

15. The Department of Justice advises that the Amendment Regulation has no human rights implications.

BINDING EFFECT OF THE LEGISLATION

16. The Amendment Regulation will not affect the current binding effect of the Ordinance.

FINANCIAL AND STAFFING IMPLICATIONS

17. We expect that there will be some savings to the staffing and other recurrent costs to Home Affairs Department with more applications for multiple year licences. Given that the choice taken by operators on the multiple year licences will be based on commercial considerations and the approval of such applications depends on the operators' having a good track record of compliance with the fire and building safety standards, the amount of savings could not be quantified at this stage. In the long run, the savings will be used to enhance the licensing and related services provided to the industry.

18. It is difficult to assess the number of applications for multiple year licences to be submitted and approved. If we assume that all operators are issued with one year licences, the estimated annual revenue is about \$8.93 million.

EFFICIENCY INITIATIVES

19. In 2000-01, two clerical assistant posts in the Licensing Authority of Home Affairs Department engaging in typing duties were deleted and substituted by the more economic hiring of service from the

private sector. The efficiency and data storage of licensing will be further enhanced by linking the licensing database to the computers of all typing staff in 2001-02. Other improvement measures taken include delegation of authority where appropriate, better design and wider use of standard letters in processing of licences.

ECONOMIC IMPLICATIONS

20. As many operators of hotels and guesthouses will qualify for multiple year licences, they will benefit significantly from the savings resulted in the proposed fees structure. Most of the operators renewing licences, even for a period of one year only, will be able to benefit from the savings.

PUBLIC CONSULTATION

21. We have consulted the hotel and guesthouse industries: the Federation of Hong Kong Hotel Owners Limited, the Hong Kong Guesthouses Association Limited, and the Tourist Guest Houses Federation of Hong Kong Limited on the proposed fees. They both support the proposal. We consulted the LegCo Panel on Home Affairs on 8 May 2001. The Panel in general had no objection to the proposal.

PUBLICITY

22. A press release will be issued to tie in with the publication of the Amendment Regulation in the Gazette on 19 October 2001. A spokesman will be available to handle media and public enquiries.

ENQUIRY

23. For enquiry on this brief, please contact Mr. Francis LO, Principal Assistant Secretary for Home Affairs, on telephone number 2835 1484.

Home Affairs Bureau
18 October 2001

**HOTEL AND GUESTHOUSE ACCOMMODATION
(FEES)(AMENDMENT) REGULATION 2001: ANNEXES**

- Annex A - Hotel and Guesthouse Accommodation (Fees)(Amendment) Regulation 2001
- Annex B - Hotel Accommodation (Miscellaneous Provisions) Ordinance 1998
- Annex C - Proposed fees for new licences and renewed licences under the Hotel and Guesthouse Accommodation (Fees) Regulations
- Annex D - Cost computation for issue of one year licences and renewal of two year licences

**Revision of fees payable under the
Hotel and Guesthouse Accommodation (Fees) Regulations**

Proposed fees for renewed licences

No. of rooms in which accommodation is available	Existing fee	Proposed fee for renewed licence (with validity of 1 year to 7 years)						
	1 year <i>(at 1997-98 prices)</i> \$	1 year \$	2 years \$	3 years \$	4 years \$	5 years \$	6 years \$	7 years \$
1 - 3	3,000	2,790	3,660	4,530	8,100	9,870	11,650	13,420
4 - 5	3,000	3,300	4,360	5,420	9,180	11,140	13,100	15,060
6 - 9	4,350	5,000	6,470	7,940	12,100	14,470	16,840	19,210
10 - 20	7,930	8,720	10,260	11,790	16,020	18,450	20,880	23,320
21 - 30	12,915	14,210	15,870	17,530	21,890	24,460	27,020	29,580
31 - 40	17,140	18,260	20,020	21,780	26,250	28,910	31,570	34,240
41 - 50	22,255	19,990	21,830	23,670	28,210	30,940	33,680	36,420
51 - 100	26,475	22,230	24,160	26,090	30,720	33,550	36,380	39,210
101 - 200	31,460	25,040	27,110	29,180	33,950	36,920	39,890	42,870
201 - 300	31,460	27,260	29,540	31,810	36,790	39,970	43,140	46,320
301 - 400	31,460	29,400	31,940	34,480	39,720	43,160	46,600	50,040
401 - 500	31,460	31,750	34,540	37,330	42,820	46,510	50,200	53,890
over 500	31,460	36,360	39,540	42,720	48,600	52,680	56,760	60,840

**Revision of fees payable under the
Hotel and Guesthouse Accommodation (Fees) Regulations**

Proposed fees for new licences

No. of rooms in which accommodation is available	Existing fee	Proposed fee for new licence (with validity of 1 year to 7 years)						
	1 year <i>(at 1997-98 prices)</i> \$	1 year \$	2 years \$	3 years \$	4 years \$	5 years \$	6 years \$	7 years \$
1 - 3	3,000	3,450	4,320	5,200	8,770	10,540	12,310	14,080
4 - 5	3,000	3,450	4,510	5,570	9,330	11,290	13,250	15,210
6 - 9	4,350	5,220	6,690	8,150	12,320	14,690	17,060	19,420
10 - 20	7,930	9,520	11,050	12,580	16,810	19,240	21,680	24,110
21 - 30	12,915	14,850	16,520	18,180	22,540	25,100	27,660	30,220
31 - 40	17,140	19,710	21,470	23,240	27,700	30,360	33,030	35,690
41 - 50	22,255	25,590	27,430	29,270	33,810	36,550	39,280	42,020
51 - 100	26,475	30,450	32,380	34,310	38,940	41,770	44,600	47,430
101 - 200	31,460	58,750	60,820	62,890	67,660	70,630	73,610	76,580
201 - 300	31,460	66,120	68,400	70,670	75,650	78,830	82,000	85,180
301 - 400	31,460	73,490	76,030	78,570	83,810	87,250	90,690	94,130
401 - 500	31,460	80,850	83,650	86,440	91,930	95,620	99,310	103,000
over 500	31,460	92,790	95,970	99,150	105,030	109,110	113,190	117,270

Hotel and Guesthouse Accommodation Ordinance

(based on costing conducted in August 2000)

Existing Fee Scale

No. of Rooms	(A)
	Fee Level (at 1997-98 prices)
	\$
1 to 5	3,000
6 to 9	4,350
10 to 20	7,930
21 to 30	12,915
31 to 40	17,140
41 to 50	22,255
51 to 100	26,475
101 to 200	31,460
201 to 300	31,460
301 to 400	31,460
401 to 500	31,460
over 500	31,460

Proposed Fee Level for New Licence (with validity less than or equal to 3 years) - First year

(under a 5-year phasing-in programme)

No. of Rooms	(A) Fee Level (at 1997-98 prices)	No. of Rooms	(B)		(C)		(B)		(C)	
			1 Year		2 Years		3 Years			
			DHA's proposed fees	FB's approved fees	DHA's proposed fees	FB's approved fees	DHA's proposed fees	FB's approved fees		
	\$		\$	\$	\$	\$	\$	\$	\$	
1 to 5	3,000	1 to 3	3,450	3,450	4,323	4,320	5,196	5,200		
6 to 9	4,350	4 to 5	3,450	3,450	4,511	4,510	5,572	5,570		
10 to 20	7,930	6 to 9	5,220	5,220	6,687	6,690	8,154	8,150		
21 to 30	12,915	10 to 20	9,516	9,520	11,048	11,050	12,580	12,580		
31 to 40	17,140	21 to 30	14,852	14,850	16,515	16,520	18,178	18,180		
41 to 50	22,255	31 to 40	19,711	19,710	21,474	21,470	23,237	23,240		
51 to 100	26,475	41 to 50	25,593	25,590	27,431	27,430	29,269	29,270		
101 to 200	31,460	51 to 100	30,446	30,450	32,377	32,380	34,308	34,310		
201 to 300	31,460	101 to 200	58,750	58,750	60,822	60,820	62,894	62,890		
301 to 400	31,460	201 to 300	66,118	66,120	68,395	68,400	70,672	70,670		
401 to 500	31,460	301 to 400	73,486	73,490	76,027	76,030	78,568	78,570		
over 500	31,460	401 to 500	80,854	80,850	83,646	83,650	86,438	86,440		
		over 500	92,793	92,790	95,973	95,970	99,153	99,150		

Existing Fee Scale

No. of Rooms	(A)
	Fee Level (at 1997-98 prices)
	\$
1 to 5	3,000
6 to 9	4,350
10 to 20	7,930
21 to 30	12,915
31 to 40	17,140
41 to 50	22,255
51 to 100	26,475
101 to 200	31,460
201 to 300	31,460
301 to 400	31,460
401 to 500	31,460
over 500	31,460

Proposed Fee Level for New Licence (with validity more than 3 years but less than or equal to 7 years) - First year

(under a 5-year phasing-in programme)

No. of Rooms	(A) Fee Level (at 1997-98 prices)	No. of Rooms	(B)		(C)		(B)		(C)		(B)		(C)	
			4 Years		5 Years		6 Years		7 Years					
			DHA's proposed fees	FB's approved fees	DHA's proposed fees	FB's approved fees	DHA's proposed fees	FB's approved fees	DHA's proposed fees	FB's approved fees	DHA's proposed fees	FB's approved fees		
	\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
1 to 5	3,000	1 to 3	8,766	8,770	10,538	10,540	12,310	12,310	14,082	14,080				
6 to 9	4,350	4 to 5	9,330	9,330	11,290	11,290	13,250	13,250	15,210	15,210				
10 to 20	7,930	6 to 9	12,321	12,320	14,688	14,690	17,055	17,060	19,422	19,420				
21 to 30	12,915	10 to 20	16,812	16,810	19,244	19,240	21,676	21,680	24,108	24,110				
31 to 40	17,140	21 to 30	22,538	22,540	25,100	25,100	27,662	27,660	30,224	30,220				
41 to 50	22,255	31 to 40	27,700	27,700	30,363	30,360	33,026	33,030	35,689	35,690				
51 to 100	26,475	41 to 50	33,807	33,810	36,545	36,550	39,283	39,280	42,021	42,020				
101 to 200	31,460	51 to 100	38,939	38,940	41,770	41,770	44,601	44,600	47,432	47,430				
201 to 300	31,460	101 to 200	67,663	67,660	70,634	70,630	73,605	73,610	76,576	76,580				
301 to 400	31,460	201 to 300	75,649	75,650	78,826	78,830	82,003	82,000	85,180	85,180				
401 to 500	31,460	301 to 400	83,806	83,810	87,246	87,250	90,686	90,690	94,126	94,130				
over 500	31,460	401 to 500	91,927	91,930	95,618	95,620	99,309	99,310	103,000	103,000				
		over 500	105,033	105,030	109,113	109,110	113,193	113,190	117,273	117,270				

Hotel and Guesthouse Accommodation Ordinance

(based on costing conducted in August 2000)

Existing Fee Scale

No. of Rooms	(A)
	Fee Level (at 1997-98 prices)
	\$
1 to 5	3,000
6 to 9	4,350
10 to 20	7,930
21 to 30	12,915
31 to 40	17,140
41 to 50	22,255
51 to 100	26,475
101 to 200	31,460
201 to 300	31,460
301 to 400	31,460
401 to 500	31,460
over 500	31,460

Proposed Fee Level for Renewed Licence (with validity less than or equal to 3 years) - First year

(under a 3-year phasing-in programme)

No. of Rooms	(B)	(C)	(B)	(C)	(B)	(C)						
							1 Year		2 Years		3 Years	
							DHA's proposed fees	FB's approved fees	DHA's proposed fees	FB's approved fees	DHA's proposed fees	FB's approved fees
	\$	\$	\$	\$	\$	\$						
1 to 3	2,785	2,790	3,658	3,660	4,531	4,530						
4 to 5	3,300	3,300	4,361	4,360	5,422	5,420						
6 to 9	5,003	5,000	6,470	6,470	7,937	7,940						
10 to 20	8,723	8,720	10,255	10,260	11,787	11,790						
21 to 30	14,207	14,210	15,870	15,870	17,533	17,530						
31 to 40	18,257	18,260	20,020	20,020	21,783	21,780						
41 to 50	19,991	19,990	21,829	21,830	23,667	23,670						
51 to 100	22,226	22,230	24,157	24,160	26,088	26,090						
101 to 200	25,039	25,040	27,111	27,110	29,183	29,180						
201 to 300	27,258	27,260	29,535	29,540	31,812	31,810						
301 to 400	29,400	29,400	31,941	31,940	34,482	34,480						
401 to 500	31,745	31,750	34,537	34,540	37,329	37,330						
over 500	36,357	36,360	39,537	39,540	42,717	42,720						

Existing Fee Scale

No. of Rooms	(A)
	Fee Level (at 1997-98 prices)
	\$
1 to 5	3,000
6 to 9	4,350
10 to 20	7,930
21 to 30	12,915
31 to 40	17,140
41 to 50	22,255
51 to 100	26,475
101 to 200	31,460
201 to 300	31,460
301 to 400	31,460
401 to 500	31,460
over 500	31,460

Proposed Fee Level for Renewed Licence (with validity more than 3 years but less than or equal to 7 years) - First year

(under a 3-year phasing-in programme)

No. of Rooms	(B)	(C)	(B)	(C)	(B)	(C)	(B)	(C)								
									4 Years		5 Years		6 Years		7 Years	
									DHA's proposed fees	FB's approved fees	DHA's proposed fees	FB's approved fees	DHA's proposed fees	FB's approved fees	DHA's proposed fees	FB's approved fees
	\$	\$	\$	\$	\$	\$	\$	\$								
1 to 3	8,101	8,100	9,873	9,870	11,645	11,650	13,417	13,420								
4 to 5	9,180	9,180	11,140	11,140	13,100	13,100	15,060	15,060								
6 to 9	12,104	12,100	14,471	14,470	16,838	16,840	19,205	19,210								
10 to 20	16,019	16,020	18,451	18,450	20,883	20,880	23,315	23,320								
21 to 30	21,893	21,890	24,455	24,460	27,017	27,020	29,579	29,580								
31 to 40	26,246	26,250	28,909	28,910	31,572	31,570	34,235	34,240								
41 to 50	28,205	28,210	30,943	30,940	33,681	33,680	36,419	36,420								
51 to 100	30,719	30,720	33,550	33,550	36,381	36,380	39,212	39,210								
101 to 200	33,952	33,950	36,923	36,920	39,894	39,890	42,865	42,870								
201 to 300	36,789	36,790	39,966	39,970	43,143	43,140	46,320	46,320								
301 to 400	39,720	39,720	43,160	43,160	46,600	46,600	50,040	50,040								
401 to 500	42,818	42,820	46,509	46,510	50,200	50,200	53,891	53,890								
over 500	48,597	48,600	52,677	52,680	56,757	56,760	60,837	60,840								

Hotel and Guesthouse Accommodation Ordinance

(based on costing conducted in August 2000)

Existing Fee Scale

(A)	(B)
No. of Rooms	Fee Level
	(at 1997-98 prices)
	\$
1 to 5	3,000
6 to 9	4,350
10 to 20	7,930
21 to 30	12,915
31 to 40	17,140
41 to 50	22,255
51 to 100	26,475
101 to 200	31,460
201 to 300	31,460
301 to 400	31,460
401 to 500	31,460
over 500	31,460

Proposed Fee Level for New Licence (with validity less than or equal to 3 years) - Second year

(under a 5-year phasing-in programme)

(A)	(B)	(C)	(B)	(C)	(B)	(C)						
							1 Year		2 Years		3 Years	
							DHA's proposed fees	FB's approved fees	DHA's proposed fees	FB's approved fees	DHA's proposed fees	FB's approved fees
	\$	\$	\$	\$	\$	\$						
1 to 3	3,968	3,970	4,841	4,840	5,714	5,710						
4 to 5	3,968	3,970	5,029	5,030	6,090	6,090						
6 to 9	6,264	6,260	7,731	7,730	9,198	9,200						
10 to 20	11,419	11,420	12,951	12,950	14,483	14,480						
21 to 30	17,080	17,080	18,743	18,740	20,406	20,410						
31 to 40	22,668	22,670	24,431	24,430	26,194	26,190						
41 to 50	29,432	29,430	31,270	31,270	33,108	33,110						
51 to 100	35,013	35,010	36,944	36,940	38,875	38,880						
101 to 200	58,750	58,750	60,822	60,820	62,894	62,890						
201 to 300	66,118	66,120	68,395	68,400	70,672	70,670						
301 to 400	73,486	73,490	76,027	76,030	78,568	78,570						
401 to 500	80,854	80,850	83,646	83,650	86,438	86,440						
over 500	92,793	92,790	95,973	95,970	99,153	99,150						

Existing Fee Scale

(A)	(B)
No. of Rooms	Fee Level
	(at 1997-98 prices)
	\$
1 to 5	3,000
6 to 9	4,350
10 to 20	7,930
21 to 30	12,915
31 to 40	17,140
41 to 50	22,255
51 to 100	26,475
101 to 200	31,460
201 to 300	31,460
301 to 400	31,460
401 to 500	31,460
over 500	31,460

Proposed Fee Level for New Licence (with validity more than 3 years but less than or equal to 7 years) - Second year

(under a 5-year phasing-in programme)

(A)	(B)	(C)	(B)	(C)	(B)	(C)	(B)	(C)								
									4 Years		5 Years		6 Years		7 Years	
									DHA's proposed fees	FB's approved fees	DHA's proposed fees	FB's approved fees	DHA's proposed fees	FB's approved fees	DHA's proposed fees	FB's approved fees
	\$	\$	\$	\$	\$	\$	\$	\$								
1 to 3	9,284	9,280	11,056	11,060	12,828	12,830	14,600	14,600								
4 to 5	9,848	9,850	11,808	11,810	13,768	13,770	15,728	15,730								
6 to 9	13,365	13,370	15,732	15,730	18,099	18,100	20,466	20,470								
10 to 20	18,715	18,720	21,147	21,150	23,579	23,580	26,011	26,010								
21 to 30	24,766	24,770	27,328	27,330	29,890	29,890	32,452	32,450								
31 to 40	30,657	30,660	33,320	33,320	35,983	35,980	38,646	38,650								
41 to 50	37,646	37,650	40,384	40,380	43,122	43,120	45,860	45,860								
51 to 100	43,506	43,510	46,337	46,340	49,168	49,170	51,999	52,000								
101 to 200	67,663	67,660	70,634	70,630	73,605	73,610	76,576	76,580								
201 to 300	75,649	75,650	78,826	78,830	82,003	82,000	85,180	85,180								
301 to 400	83,806	83,810	87,246	87,250	90,686	90,690	94,126	94,130								
401 to 500	91,927	91,930	95,618	95,620	99,309	99,310	103,000	103,000								
over 500	105,033	105,030	109,113	109,110	113,193	113,190	117,273	117,270								

Hotel and Guesthouse Accommodation Ordinance

(based on costing conducted in August 2000)

Existing Fee Scale

No. of Rooms	(A)
	Fee Level (at 1997-98 prices)
	\$
1 to 5	3,000
6 to 9	4,350
10 to 20	7,930
21 to 30	12,915
31 to 40	17,140
41 to 50	22,255
51 to 100	26,475
101 to 200	31,460
201 to 300	31,460
301 to 400	31,460
401 to 500	31,460
over 500	31,460

Proposed Fee Level for Renewed Licence (with validity less than or equal to 3 years) - Second year

(under a 3-year phasing-in programme)

No. of Rooms	(B)	(C)	(B)	(C)	(B)	(C)
	DHA's	FB's	DHA's	FB's	DHA's	FB's
	proposed fees	approved fees	proposed fees	approved fees	proposed fees	approved fees
	\$	\$	\$	\$	\$	\$
1 to 3	2,785	2,790	3,658	3,660	4,531	4,530
4 to 5	3,585	3,590	4,646	4,650	5,707	5,710
6 to 9	5,753	5,750	7,220	7,220	8,687	8,690
10 to 20	9,595	9,600	11,127	11,130	12,659	12,660
21 to 30	14,937	14,940	16,600	16,600	18,263	18,260
31 to 40	18,257	18,260	20,020	20,020	21,783	21,780
41 to 50	19,991	19,990	21,829	21,830	23,667	23,670
51 to 100	22,226	22,230	24,157	24,160	26,088	26,090
101 to 200	25,039	25,040	27,111	27,110	29,183	29,180
201 to 300	27,258	27,260	29,535	29,540	31,812	31,810
301 to 400	29,400	29,400	31,941	31,940	34,482	34,480
401 to 500	31,745	31,750	34,537	34,540	37,329	37,330
over 500	36,357	36,360	39,537	39,540	42,717	42,720

Existing Fee Scale

No. of Rooms	(A)
	Fee Level (at 1997-98 prices)
	\$
1 to 5	3,000
6 to 9	4,350
10 to 20	7,930
21 to 30	12,915
31 to 40	17,140
41 to 50	22,255
51 to 100	26,475
101 to 200	31,460
201 to 300	31,460
301 to 400	31,460
401 to 500	31,460
over 500	31,460

Proposed Fee Level for Renewed Licence (with validity more than 3 years but less than or equal to 7 years) - Second year

(under a 3-year phasing-in programme)

No. of Rooms	(B)	(C)	(B)	(C)	(B)	(C)	(B)	(C)
	DHA's	FB's	DHA's	FB's	DHA's	FB's	DHA's	FB's
	proposed fees	approved fees	proposed fees	approved fees	proposed fees	approved fees	proposed fees	approved fees
	\$	\$	\$	\$	\$	\$	\$	\$
1 to 3	8,101	8,100	9,873	9,870	11,645	11,650	13,417	13,420
4 to 5	9,465	9,470	11,425	11,430	13,385	13,390	15,345	15,350
6 to 9	12,854	12,850	15,221	15,220	17,588	17,590	19,955	19,960
10 to 20	16,891	16,890	19,323	19,320	21,755	21,760	24,187	24,190
21 to 30	22,623	22,620	25,185	25,190	27,747	27,750	30,309	30,310
31 to 40	26,246	26,250	28,909	28,910	31,572	31,570	34,235	34,240
41 to 50	28,205	28,210	30,943	30,940	33,681	33,680	36,419	36,420
51 to 100	30,719	30,720	33,550	33,550	36,381	36,380	39,212	39,210
101 to 200	33,952	33,950	36,923	36,920	39,894	39,890	42,865	42,870
201 to 300	36,789	36,790	39,966	39,970	43,143	43,140	46,320	46,320
301 to 400	39,720	39,720	43,160	43,160	46,600	46,600	50,040	50,040
401 to 500	42,818	42,820	46,509	46,510	50,200	50,200	53,891	53,890
over 500	48,597	48,600	52,677	52,680	56,757	56,760	60,837	60,840

Hotel and Guesthouse Accommodation Ordinance
(based on costing conducted in August 2000)

Existing Fee Scale

No. of Rooms	(A)
	Fee Level (at 1997-98 prices)
	\$
1 to 5	3,000
6 to 9	4,350
10 to 20	7,930
21 to 30	12,915
31 to 40	17,140
41 to 50	22,255
51 to 100	26,475
101 to 200	31,460
201 to 300	31,460
301 to 400	31,460
401 to 500	31,460
over 500	31,460

Proposed Fee Level for New Licence (with validity less than or equal to 3 years) - Third year

(under a 5-year phasing-in programme)

No. of Rooms	(B)	(C)	(B)	(C)	(B)	(C)						
							1 Year		2 Years		3 Years	
							DHA's proposed fees \$	FB's approved fees \$	DHA's proposed fees \$	FB's approved fees \$	DHA's proposed fees \$	FB's approved fees \$
1 to 3	4,563	4,560	5,436	5,440	6,309	6,310						
4 to 5	4,563	4,560	5,624	5,620	6,685	6,690						
6 to 9	7,517	7,520	8,984	8,980	10,451	10,450						
10 to 20	13,703	13,700	15,235	15,240	16,767	16,770						
21 to 30	19,642	19,640	21,305	21,310	22,968	22,970						
31 to 40	26,068	26,070	27,831	27,830	29,594	29,590						
41 to 50	33,847	33,850	35,685	35,690	37,523	37,520						
51 to 100	40,265	40,270	42,196	42,200	44,127	44,130						
101 to 200	58,750	58,750	60,822	60,820	62,894	62,890						
201 to 300	66,118	66,120	68,395	68,400	70,672	70,670						
301 to 400	73,486	73,490	76,027	76,030	78,568	78,570						
401 to 500	80,854	80,850	83,646	83,650	86,438	86,440						
over 500	92,793	92,790	95,973	95,970	99,153	99,150						

Existing Fee Scale

No. of Rooms	(A)
	Fee Level (at 1997-98 prices)
	\$
1 to 5	3,000
6 to 9	4,350
10 to 20	7,930
21 to 30	12,915
31 to 40	17,140
41 to 50	22,255
51 to 100	26,475
101 to 200	31,460
201 to 300	31,460
301 to 400	31,460
401 to 500	31,460
over 500	31,460

Proposed Fee Level for New Licence (with validity more than 3 years but less than or equal to 7 years) - Third year

(under a 5-year phasing-in programme)

No. of Rooms	(B)	(C)	(B)	(C)	(B)	(C)	(B)	(C)								
									4 Years		5 Years		6 Years		7 Years	
									DHA's proposed fees \$	FB's approved fees \$	DHA's proposed fees \$	FB's approved fees \$	DHA's proposed fees \$	FB's approved fees \$	DHA's proposed fees \$	FB's approved fees \$
1 to 3	9,879	9,880	11,651	11,650	13,423	13,420	15,195	15,200								
4 to 5	10,443	10,440	12,403	12,400	14,363	14,360	16,323	16,320								
6 to 9	14,618	14,620	16,985	16,990	19,352	19,350	21,719	21,720								
10 to 20	20,999	21,000	23,431	23,430	25,863	25,860	28,295	28,300								
21 to 30	27,328	27,330	29,890	29,890	32,452	32,450	35,014	35,010								
31 to 40	34,057	34,060	36,720	36,720	39,383	39,380	42,046	42,050								
41 to 50	42,061	42,060	44,799	44,800	47,537	47,540	50,275	50,280								
51 to 100	48,758	48,760	51,589	51,590	54,420	54,420	57,251	57,250								
101 to 200	67,663	67,660	70,634	70,630	73,605	73,610	76,576	76,580								
201 to 300	75,649	75,650	78,826	78,830	82,003	82,000	85,180	85,180								
301 to 400	83,806	83,810	87,246	87,250	90,686	90,690	94,126	94,130								
401 to 500	91,927	91,930	95,618	95,620	99,309	99,310	103,000	103,000								
over 500	105,033	105,030	109,113	109,110	113,193	113,190	117,273	117,270								

Hotel and Guesthouse Accommodation Ordinance

(based on costing conducted in August 2000)

Existing Fee Scale

No. of Rooms	(A)
	Fee Level (at 1997-98 prices)
	\$
1 to 5	3,000
6 to 9	4,350
10 to 20	7,930
21 to 30	12,915
31 to 40	17,140
41 to 50	22,255
51 to 100	26,475
101 to 200	31,460
201 to 300	31,460
301 to 400	31,460
401 to 500	31,460
over 500	31,460

Proposed Fee Level for Renewed Licence (with validity less than or equal to 3 years) - Third year

(under a 3-year phasing-in programme)

No. of Rooms	(B)	(C)	(B)		(C)		(B)		(C)	
			1 Year		2 Years		3 Years			
			DHA's proposed fees \$	FB's approved fees \$	DHA's proposed fees \$	FB's approved fees \$	DHA's proposed fees \$	FB's approved fees \$		
1 to 3	2,785	2,790	3,658	3,660	4,531	4,530				
4 to 5	3,585	3,590	4,646	4,650	5,707	5,710				
6 to 9	6,612	6,610	8,079	8,080	9,546	9,550				
10 to 20	10,338	10,340	11,870	11,870	13,402	13,400				
21 to 30	14,937	14,940	16,600	16,600	18,263	18,260				
31 to 40	18,257	18,260	20,020	20,020	21,783	21,780				
41 to 50	19,991	19,990	21,829	21,830	23,667	23,670				
51 to 100	22,226	22,230	24,157	24,160	26,088	26,090				
101 to 200	25,039	25,040	27,111	27,110	29,183	29,180				
201 to 300	27,258	27,260	29,535	29,540	31,812	31,810				
301 to 400	29,400	29,400	31,941	31,940	34,482	34,480				
401 to 500	31,745	31,750	34,537	34,540	37,329	37,330				
over 500	36,357	36,360	39,537	39,540	42,717	42,720				

Existing Fee Scale

No. of Rooms	(A)
	Fee Level (at 1997-98 prices)
	\$
1 to 5	3,000
6 to 9	4,350
10 to 20	7,930
21 to 30	12,915
31 to 40	17,140
41 to 50	22,255
51 to 100	26,475
101 to 200	31,460
201 to 300	31,460
301 to 400	31,460
401 to 500	31,460
over 500	31,460

Proposed Fee Level for Renewed Licence (with validity more than 3 years but less than or equal to 7 years) - Third year

(under a 3-year phasing-in programme)

No. of Rooms	(B)	(C)	(B)		(C)		(B)		(C)	
			4 Years		5 Years		6 Years		7 Years	
			DHA's proposed fees \$	FB's approved fees \$	DHA's proposed fees \$	FB's approved fees \$	DHA's proposed fees \$	FB's approved fees \$	DHA's proposed fees \$	FB's approved fees \$
1 to 3	8,101	8,100	9,873	9,870	11,645	11,650	13,417	13,420		
4 to 5	9,465	9,470	11,425	11,430	13,385	13,390	15,345	15,350		
6 to 9	13,713	13,710	16,080	16,080	18,447	18,450	20,814	20,810		
10 to 20	17,634	17,630	20,066	20,070	22,498	22,500	24,930	24,930		
21 to 30	22,623	22,620	25,185	25,190	27,747	27,750	30,309	30,310		
31 to 40	26,246	26,250	28,909	28,910	31,572	31,570	34,235	34,240		
41 to 50	28,205	28,210	30,943	30,940	33,681	33,680	36,419	36,420		
51 to 100	30,719	30,720	33,550	33,550	36,381	36,380	39,212	39,210		
101 to 200	33,952	33,950	36,923	36,920	39,894	39,890	42,865	42,870		
201 to 300	36,789	36,790	39,966	39,970	43,143	43,140	46,320	46,320		
301 to 400	39,720	39,720	43,160	43,160	46,600	46,600	50,040	50,040		
401 to 500	42,818	42,820	46,509	46,510	50,200	50,200	53,891	53,890		
over 500	48,597	48,600	52,677	52,680	56,757	56,760	60,837	60,840		

Existing Fee Scale

Proposed Fee Level for New Licence (with validity less than or equal to 3 years) - Fourth year

Hotel and Guesthouse Accommodation Ordinance

(based on costing conducted in August 2000)

(under a 5-year phasing-in programme)

No. of Rooms	(A)	No. of Rooms	(B)	(C)	(B)	(C)	(B)	(C)
	Fee Level		1 Year		2 Years		3 Years	
	(at 1997-98 prices)		DHA's	FB's	DHA's	FB's	DHA's	FB's
	\$		proposed fees	approved fees	proposed fees	approved fees	proposed fees	approved fees
			\$	\$	\$	\$	\$	\$
1 to 5	3,000	1 to 3	5,247	5,250	6,120	6,120	6,993	6,990
6 to 9	4,350	4 to 5	5,247	5,250	6,308	6,310	7,369	7,370
10 to 20	7,930	6 to 9	9,020	9,020	10,487	10,490	11,954	11,950
21 to 30	12,915	10 to 20	16,444	16,440	17,976	17,980	19,508	19,510
31 to 40	17,140	21 to 30	22,588	22,590	24,251	24,250	25,914	25,910
41 to 50	22,255	31 to 40	29,978	29,980	31,741	31,740	33,504	33,500
51 to 100	26,475	41 to 50	38,924	38,920	40,762	40,760	42,600	42,600
101 to 200	31,460	51 to 100	46,305	46,310	48,236	48,240	50,167	50,170
201 to 300	31,460	101 to 200	58,750	58,750	60,822	60,820	62,894	62,890
301 to 400	31,460	201 to 300	66,118	66,120	68,395	68,400	70,672	70,670
401 to 500	31,460	301 to 400	73,486	73,490	76,027	76,030	78,568	78,570
over 500	31,460	401 to 500	80,854	80,850	83,646	83,650	86,438	86,440
		over 500	92,793	92,790	95,973	95,970	99,153	99,150

Existing Fee Scale

Proposed Fee Level for New Licence (with validity more than 3 years but less than or equal to 7 years) - Fourth year

(under a 5-year phasing-in programme)

No. of Rooms	(A)	No. of Rooms	(B)	(C)	(B)	(C)	(B)	(C)	(B)	(C)
	Fee Level		4 Years		5 Years		6 Years		7 Years	
	(at 1997-98 prices)		DHA's	FB's	DHA's	FB's	DHA's	FB's	DHA's	FB's
	\$		proposed fees	approved fees	proposed fees	approved fees	proposed fees	approved fees	proposed fees	approved fees
			\$	\$	\$	\$	\$	\$	\$	\$
1 to 5	3,000	1 to 3	10,563	10,560	12,335	12,340	14,107	14,110	15,879	15,880
6 to 9	4,350	4 to 5	11,127	11,130	13,087	13,090	15,047	15,050	17,007	17,010
10 to 20	7,930	6 to 9	16,121	16,120	18,488	18,490	20,855	20,860	23,222	23,220
21 to 30	12,915	10 to 20	23,740	23,740	26,172	26,170	28,604	28,600	31,036	31,040
31 to 40	17,140	21 to 30	30,274	30,270	32,836	32,840	35,398	35,400	37,960	37,960
41 to 50	22,255	31 to 40	37,967	37,970	40,630	40,630	43,293	43,290	45,956	45,960
51 to 100	26,475	41 to 50	47,138	47,140	49,876	49,880	52,614	52,610	55,352	55,350
101 to 200	31,460	51 to 100	54,798	54,800	57,629	57,630	60,460	60,460	63,291	63,290
201 to 300	31,460	101 to 200	67,663	67,660	70,634	70,630	73,605	73,610	76,576	76,580
301 to 400	31,460	201 to 300	75,649	75,650	78,826	78,830	82,003	82,000	85,180	85,180
401 to 500	31,460	301 to 400	83,806	83,810	87,246	87,250	90,686	90,690	94,126	94,130
over 500	31,460	401 to 500	91,927	91,930	95,618	95,620	99,309	99,310	103,000	103,000
		over 500	105,033	105,030	109,113	109,110	113,193	113,190	117,273	117,270

Existing Fee Scale

Proposed Fee Level for New Licence (with validity less than or equal to 3 years) - Fifth year

(under a 5-year phasing-in programme)

Hotel and Guesthouse Accommodation Ordinance
(based on costing conducted in August 2000)

No. of Rooms	(A)	No. of Rooms	(B)		(C)		(B)		(C)	
	Fee Level (at 1997-98 prices)		1 Year		2 Years		3 Years			
			\$	DHA's proposed fees \$	FB's approved fees \$	DHA's proposed fees \$	FB's approved fees \$	DHA's proposed fees \$	FB's approved fees \$	
		1 to 3		5,377	5,380	6,250	6,250	7,123	7,120	
1 to 5	3,000	4 to 5		6,447	6,450	7,508	7,510	8,569	8,570	
6 to 9	4,350	6 to 9		11,494	11,490	12,961	12,960	14,428	14,430	
10 to 20	7,930	10 to 20		20,064	20,060	21,596	21,600	23,128	23,130	
21 to 30	12,915	21 to 30		28,945	28,950	30,608	30,610	32,271	32,270	
31 to 40	17,140	31 to 40		37,110	37,110	38,873	38,870	40,636	40,640	
41 to 50	22,255	41 to 50		43,269	43,270	45,107	45,110	46,945	46,950	
51 to 100	26,475	51 to 100		51,199	51,200	53,130	53,130	55,061	55,060	
101 to 200	31,460	101 to 200		58,750	58,750	60,822	60,820	62,894	62,890	
201 to 300	31,460	201 to 300		66,118	66,120	68,395	68,400	70,672	70,670	
301 to 400	31,460	301 to 400		73,486	73,490	76,027	76,030	78,568	78,570	
401 to 500	31,460	401 to 500		80,854	80,850	83,646	83,650	86,438	86,440	
over 500	31,460	over 500		92,793	92,790	95,973	95,970	99,153	99,150	

Existing Fee Scale

Proposed Fee Level for New Licence (with validity more than 3 years but less than or equal to 7 years) - Fifth year
(under a 5-year phasing-in programme)

No. of Rooms	(A)	No. of Rooms	(B)		(C)		(B)		(C)		(B)		(C)	
	Fee Level (at 1997-98 prices)		4 Years		5 Years		6 Years		7 Years					
			\$	DHA's proposed fees \$	FB's approved fees \$	DHA's proposed fees \$	FB's approved fees \$	DHA's proposed fees \$	FB's approved fees \$	DHA's proposed fees \$	FB's approved fees \$	DHA's proposed fees \$	FB's approved fees \$	
		1 to 3		10,693	10,690	12,465	12,470	14,237	14,240	16,009	16,010			
1 to 5	3,000	4 to 5		12,327	12,330	14,287	14,290	16,247	16,250	18,207	18,210			
6 to 9	4,350	6 to 9		18,595	18,600	20,962	20,960	23,329	23,330	25,696	25,700			
10 to 20	7,930	10 to 20		27,360	27,360	29,792	29,790	32,224	32,220	34,656	34,660			
21 to 30	12,915	21 to 30		36,631	36,630	39,193	39,190	41,755	41,760	44,317	44,320			
31 to 40	17,140	31 to 40		45,099	45,100	47,762	47,760	50,425	50,430	53,088	53,090			
41 to 50	22,255	41 to 50		51,483	51,480	54,221	54,220	56,959	56,960	59,697	59,700			
51 to 100	26,475	51 to 100		59,692	59,690	62,523	62,520	65,354	65,350	68,185	68,190			
101 to 200	31,460	101 to 200		67,663	67,660	70,634	70,630	73,605	73,610	76,576	76,580			
201 to 300	31,460	201 to 300		75,649	75,650	78,826	78,830	82,003	82,000	85,180	85,180			
301 to 400	31,460	301 to 400		83,806	83,810	87,246	87,250	90,686	90,690	94,126	94,130			
401 to 500	31,460	401 to 500		91,927	91,930	95,618	95,620	99,309	99,310	103,000	103,000			
over 500	31,460	over 500		105,033	105,030	109,113	109,110	113,193	113,190	117,273	117,270			

**Hotel and Guesthouse Accommodation Ordinance
(Cost Recovery Phasing Plan)**

Proposed Fee for New Issue of 1-year Licence (under a 5-year phasing-in programme)

Existing Fee Scale													
No. of Rooms	Fee Level	No. of Rooms	Cost at	1st Year	Cost Recovery Rate	2nd Year	Cost Recovery Rate	3rd Year	Cost Recovery Rate	4th Year	Cost Recovery Rate	5th Year	Cost Recovery Rate
	(at 1997-98 prices)		2000-01 prices		(at least 45%)		(at least 54%)		(at least 65%)		(at least 78%)		(100%)
	\$		\$	\$		\$		\$		\$		\$	
		1 to 3	5,377	3,450	64%	3,968	74%	4,563	85%	5,247	98%	5,377	100%
1 to 5	3,000	4 to 5	6,447	3,450	54%	3,968	62%	4,563	71%	5,247	81%	6,447	100%
6 to 9	4,350	6 to 9	11,494	5,220	45%	6,264	54%	7,517	65%	9,020	78%	11,494	100%
10 to 20	7,930	10 to 20	20,064	9,516	47%	11,419	57%	13,703	68%	16,444	82%	20,064	100%
21 to 30	12,915	21 to 30	28,945	14,852	51%	17,080	59%	19,642	68%	22,588	78%	28,945	100%
31 to 40	17,140	31 to 40	37,110	19,711	53%	22,668	61%	26,068	70%	29,978	81%	37,110	100%
41 to 50	22,255	41 to 50	43,269	25,593	59%	29,432	68%	33,847	78%	38,924	90%	43,269	100%
51 to 100	26,475	51 to 100	51,199	30,446	59%	35,013	68%	40,265	79%	46,305	90%	51,199	100%
101 to 200	31,460	101 to 200	58,750	58,750	100%	58,750	100%	58,750	100%	58,750	100%	58,750	100%
201 to 300	31,460	201 to 300	66,118	66,118	100%	66,118	100%	66,118	100%	66,118	100%	66,118	100%
301 to 400	31,460	301 to 400	73,486	73,486	100%	73,486	100%	73,486	100%	73,486	100%	73,486	100%
401 to 500	31,460	401 to 500	80,854	80,854	100%	80,854	100%	80,854	100%	80,854	100%	80,854	100%
over 500	31,460	over 500	92,793	92,793	100%	92,793	100%	92,793	100%	92,793	100%	92,793	100%

Proposed Fee for Renewal of 1-year Licence (under a 3-year phasing-in programme)

Existing Fee Scale													
No. of Rooms	Fee Level	No. of Rooms	Cost at	1st Year	Cost Recovery Rate	2nd Year	Cost Recovery Rate	3rd Year	Cost Recovery Rate	4th Year	Cost Recovery Rate	5th Year	Cost Recovery Rate
	(at 1997-98 prices)		2000-01 prices		(at least 76%)		(at least 87%)		(100%)		(100%)		(100%)
	\$		\$	\$		\$		\$		\$		\$	
		1 to 3	2,785	2,785	100%	2,785	100%	2,785	100%	2,785	100%	2,785	100%
1 to 5	3,000	4 to 5	3,585	3,300	92%	3,585	100%	3,585	100%	3,585	100%	3,585	100%
6 to 9	4,350	6 to 9	6,612	5,003	76%	5,753	87%	6,612	100%	6,612	100%	6,612	100%
10 to 20	7,930	10 to 20	10,338	8,723	84%	9,595	93%	10,338	100%	10,338	100%	10,338	100%
21 to 30	12,915	21 to 30	14,937	14,207	95%	14,937	100%	14,937	100%	14,937	100%	14,937	100%
31 to 40	17,140	31 to 40	18,257	18,257	100%	18,257	100%	18,257	100%	18,257	100%	18,257	100%
41 to 50	22,255	41 to 50	19,991	19,991	100%	19,991	100%	19,991	100%	19,991	100%	19,991	100%
51 to 100	26,475	51 to 100	22,226	22,226	100%	22,226	100%	22,226	100%	22,226	100%	22,226	100%
101 to 200	31,460	101 to 200	25,039	25,039	100%	25,039	100%	25,039	100%	25,039	100%	25,039	100%
201 to 300	31,460	201 to 300	27,258	27,258	100%	27,258	100%	27,258	100%	27,258	100%	27,258	100%
301 to 400	31,460	301 to 400	29,400	29,400	100%	29,400	100%	29,400	100%	29,400	100%	29,400	100%
401 to 500	31,460	401 to 500	31,745	31,745	100%	31,745	100%	31,745	100%	31,745	100%	31,745	100%
over 500	31,460	over 500	36,357	36,357	100%	36,357	100%	36,357	100%	36,357	100%	36,357	100%

**Hotel and Guesthouse Accommodation Ordinance
(Rate of Increase/Decrease of Proposed Fees)**

Proposed Fee for New Issue of 1-year Licence (under a 5-year phasing-in programme)

<u>Existing Fee Scale</u>		No. of Rooms	Cost at 2000-01 prices \$														
No. of Rooms	Fee Level (at 1997-98 prices) \$			1st Year	Rate of Increase (15%-195%)	2nd Year	Rate of Increase (0%-20%)	3rd Year	Rate of Increase (0%-20%)	4th Year	Rate of Increase (0%-20%)	5th Year	Rate of Increase (0%-24%)				
		1 to 3	5,377	3,450	15%	3,968	15%	4,563	15%	5,247	15%	5,377	2%				
1 to 5	3,000	4 to 5	6,447	3,450	15%	3,968	15%	4,563	15%	5,247	15%	6,447	23%				
6 to 9	4,350	6 to 9	11,494	5,220	20%	6,264	20%	7,517	20%	9,020	20%	11,494	27%				
10 to 20	7,930	10 to 20	20,064	9,516	20%	11,419	20%	13,703	20%	16,444	20%	20,064	22%				
21 to 30	12,915	21 to 30	28,945	14,852	15%	17,080	15%	19,642	15%	22,588	15%	28,945	28%				
31 to 40	17,140	31 to 40	37,110	19,711	15%	22,668	15%	26,068	15%	29,978	15%	37,110	24%				
41 to 50	22,255	41 to 50	43,269	25,593	15%	29,432	15%	33,847	15%	38,924	15%	43,269	11%				
51 to 100	26,475	51 to 100	51,199	30,446	15%	35,013	15%	40,265	15%	46,305	15%	51,199	11%				
101 to 200	31,460	101 to 200	58,750	58,750	87%	58,750	0%	58,750	0%	58,750	0%	58,750	0%				
201 to 300	31,460	201 to 300	66,118	66,118	110%	66,118	0%	66,118	0%	66,118	0%	66,118	0%				
301 to 400	31,460	301 to 400	73,486	73,486	134%	73,486	0%	73,486	0%	73,486	0%	73,486	0%				
401 to 500	31,460	401 to 500	80,854	80,854	157%	80,854	0%	80,854	0%	80,854	0%	80,854	0%				
over 500	31,460	over 500	92,793	92,793	195%	92,793	0%	92,793	0%	92,793	0%	92,793	0%				

Proposed Fee for Renewal of 1-year Licence (under a 3-year phasing-in programme)

<u>Existing Fee Scale</u>		No. of Rooms	Cost at 2000-01 prices \$										
No. of Rooms	Fee Level (at 1997-98 prices) \$			1st Year	Rate of Inc/Dec (-20%-16%)	2nd Year	Rate of Increase (0%-15%)	3rd Year	Rate of Increase (0%-15%)	4th Year	Rate of Increase (0%)	5th Year	Rate of Increase (0%)
		1 to 3	2,785	2,785	-7%	2,785	0%	2,785	0%	2,785	0%	2,785	0%
1 to 5	3,000	4 to 5	3,585	3,300	10%	3,585	9%	3,585	0%	3,585	0%	3,585	0%
6 to 9	4,350	6 to 9	6,612	5,003	15%	5,753	15%	6,612	15%	6,612	0%	6,612	0%
10 to 20	7,930	10 to 20	10,338	8,723	10%	9,595	10%	10,338	8%	10,338	0%	10,338	0%
21 to 30	12,915	21 to 30	14,937	14,207	10%	14,937	5%	14,937	0%	14,937	0%	14,937	0%
31 to 40	17,140	31 to 40	18,257	18,257	7%	18,257	0%	18,257	0%	18,257	0%	18,257	0%
41 to 50	22,255	41 to 50	19,991	19,991	-10%	19,991	0%	19,991	0%	19,991	0%	19,991	0%
51 to 100	26,475	51 to 100	22,226	22,226	-16%	22,226	0%	22,226	0%	22,226	0%	22,226	0%
101 to 200	31,460	101 to 200	25,039	25,039	-20%	25,039	0%	25,039	0%	25,039	0%	25,039	0%
201 to 300	31,460	201 to 300	27,258	27,258	-13%	27,258	0%	27,258	0%	27,258	0%	27,258	0%
301 to 400	31,460	301 to 400	29,400	29,400	-7%	29,400	0%	29,400	0%	29,400	0%	29,400	0%
401 to 500	31,460	401 to 500	31,745	31,745	1%	31,745	0%	31,745	0%	31,745	0%	31,745	0%
over 500	31,460	over 500	36,357	36,357	16%	36,357	0%	36,357	0%	36,357	0%	36,357	0%

COST COMPUTATION**Home Affairs Department
Fees for issue of one year licences under the****Hotel and Guesthouse Accommodation (Fees) Regulations****Cost at 2000-01 prices
(for processing one application)**

Number of rooms	1 - 3	4 - 5	6 - 9	10 - 20	21 - 30	31 - 40	41 - 50	51 -100	101 -200	201 - 300	301 - 400	401 - 500	over 500
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Staff costs	4,792	5,745	10,243	17,881	25,794	33,072	38,560	45,627	52,357	58,923	65,489	72,055	82,696
Departmental expenses	70	84	150	262	378	484	564	668	766	862	959	1,055	1,210
Accommodation costs	310	371	663	1,155	1,667	2,137	2,492	2,949	3,384	3,808	4,232	4,657	5,344
Depreciation	2	2	3	6	9	11	13	15	17	20	22	24	27
Central administrative overhead	204	245	435	760	1,097	1,406	1,640	1,940	2,226	2,505	2,784	3,063	3,516
Unit cost at 2000-01 prices (\$)	5,378	6,447	11,494	20,064	28,945	37,110	43,269	51,199	58,750	66,118	73,486	80,854	92,793
Existing fee with effect from 12 December 1997 (\$)	3,000	3,000	4,350	7,930	12,915	17,140	22,255	26,475	31,460	31,460	31,460	31,460	31,460
Proposed fee	3,450*	3,450*	5,220#	9,520#	14,850*	19,710*	25,590*	30,450*	58,750	66,120	73,490	80,850	92,790

Notes

* Derived by multiplying the existing fee by an increase of 15%. Under a phasing-in programme for a maximum of 5 years.

Derived by multiplying the existing fee by an increase of 20%. Under a phasing-in programme for a maximum of 5 years.

COST COMPUTATION

Home Affairs Department Fees for renewal of two years licences under the Hotel and Guesthouse Accommodation (Fees) Regulations

Cost at 2000-01 prices
(for processing one application)

Number of rooms	1 - 3	4 - 5	6 - 9	10 - 20	21 - 30	31 - 40	41 - 50	51 -100	101 -200	201 - 300	301 - 400	401 - 500	over 500
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Staff costs	3,260	4,141	7,200	10,579	14,794	17,842	19,453	21,529	24,160	26,321	28,465	30,778	35,235
Departmental expenses	48	61	106	155	216	261	285	315	354	385	417	450	516
Accommodation costs	211	267	465	684	956	1,153	1,257	1,391	1,561	1,701	1,840	1,989	2,277
Depreciation	1	1	2	3	5	6	7	7	8	9	9	10	12
Central administrative overhead	139	176	306	450	629	759	827	915	1,027	1,119	1,210	1,309	1,498
Unit cost at 2000-01 prices (\$)	3,659	4,646	8,079	11,871	16,600	20,021	21,829	24,157	27,110	29,535	31,941	34,536	39,538
Exisiting fee with effect from 12 December 1997 (\$)	6,000	6,000	8,700	15,860	25,830	34,280	44,510	52,950	62,920	62,920	62,920	62,920	62,920
Proposed fee	3,660	4,360[^]	6,470[^]	10,260[^]	15,870[^]	20,020	21,830	24,160	27,110	29,540	31,940	34,540	39,540

Notes

[^] Under a phasing-in programme for a maximum of 3 years.