

## **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.

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*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**

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

### 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	<b>8,770</b>	10,538	<b>10,540</b>	12,310	<b>12,310</b>	14,082	<b>14,080</b>				
6 to 9	4,350	4 to 5	9,330	<b>9,330</b>	11,290	<b>11,290</b>	13,250	<b>13,250</b>	15,210	<b>15,210</b>				
10 to 20	7,930	6 to 9	12,321	<b>12,320</b>	14,688	<b>14,690</b>	17,055	<b>17,060</b>	19,422	<b>19,420</b>				
21 to 30	12,915	10 to 20	16,812	<b>16,810</b>	19,244	<b>19,240</b>	21,676	<b>21,680</b>	24,108	<b>24,110</b>				
31 to 40	17,140	21 to 30	22,538	<b>22,540</b>	25,100	<b>25,100</b>	27,662	<b>27,660</b>	30,224	<b>30,220</b>				
41 to 50	22,255	31 to 40	27,700	<b>27,700</b>	30,363	<b>30,360</b>	33,026	<b>33,030</b>	35,689	<b>35,690</b>				
51 to 100	26,475	41 to 50	33,807	<b>33,810</b>	36,545	<b>36,550</b>	39,283	<b>39,280</b>	42,021	<b>42,020</b>				
101 to 200	31,460	51 to 100	38,939	<b>38,940</b>	41,770	<b>41,770</b>	44,601	<b>44,600</b>	47,432	<b>47,430</b>				
201 to 300	31,460	101 to 200	67,663	<b>67,660</b>	70,634	<b>70,630</b>	73,605	<b>73,610</b>	76,576	<b>76,580</b>				
301 to 400	31,460	201 to 300	75,649	<b>75,650</b>	78,826	<b>78,830</b>	82,003	<b>82,000</b>	85,180	<b>85,180</b>				
401 to 500	31,460	301 to 400	83,806	<b>83,810</b>	87,246	<b>87,250</b>	90,686	<b>90,690</b>	94,126	<b>94,130</b>				
over 500	31,460	401 to 500	91,927	<b>91,930</b>	95,618	<b>95,620</b>	99,309	<b>99,310</b>	103,000	<b>103,000</b>				
		over 500	105,033	<b>105,030</b>	109,113	<b>109,110</b>	113,193	<b>113,190</b>	117,273	<b>117,270</b>				

## Hotel and Guesthouse Accommodation Ordinance

(based on costing conducted in August 2000)

### Existing Fee Scale

(A) 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 Renewed Licence (with validity less than or equal to 3 years) - First year

*(under a 3-year phasing-in programme)*

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

### Existing Fee Scale

(A) 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 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) 4 Years	(C) FB's approved fees	(B) 5 Years	(C) FB's approved fees	(B) 6 Years	(C) FB's approved fees	(B) 7 Years	(C) FB's approved fees				
									DHA's proposed fees	DHA's proposed fees	DHA's proposed fees	DHA's proposed fees
									\$	\$	\$	\$
1 to 3	8,101	<b>8,100</b>	9,873	<b>9,870</b>	11,645	<b>11,650</b>	13,417	<b>13,420</b>				
4 to 5	9,180	<b>9,180</b>	11,140	<b>11,140</b>	13,100	<b>13,100</b>	15,060	<b>15,060</b>				
6 to 9	12,104	<b>12,100</b>	14,471	<b>14,470</b>	16,838	<b>16,840</b>	19,205	<b>19,210</b>				
10 to 20	16,019	<b>16,020</b>	18,451	<b>18,450</b>	20,883	<b>20,880</b>	23,315	<b>23,320</b>				
21 to 30	21,893	<b>21,890</b>	24,455	<b>24,460</b>	27,017	<b>27,020</b>	29,579	<b>29,580</b>				
31 to 40	26,246	<b>26,250</b>	28,909	<b>28,910</b>	31,572	<b>31,570</b>	34,235	<b>34,240</b>				
41 to 50	28,205	<b>28,210</b>	30,943	<b>30,940</b>	33,681	<b>33,680</b>	36,419	<b>36,420</b>				
51 to 100	30,719	<b>30,720</b>	33,550	<b>33,550</b>	36,381	<b>36,380</b>	39,212	<b>39,210</b>				
101 to 200	33,952	<b>33,950</b>	36,923	<b>36,920</b>	39,894	<b>39,890</b>	42,865	<b>42,870</b>				
201 to 300	36,789	<b>36,790</b>	39,966	<b>39,970</b>	43,143	<b>43,140</b>	46,320	<b>46,320</b>				
301 to 400	39,720	<b>39,720</b>	43,160	<b>43,160</b>	46,600	<b>46,600</b>	50,040	<b>50,040</b>				
401 to 500	42,818	<b>42,820</b>	46,509	<b>46,510</b>	50,200	<b>50,200</b>	53,891	<b>53,890</b>				
over 500	48,597	<b>48,600</b>	52,677	<b>52,680</b>	56,757	<b>56,760</b>	60,837	<b>60,840</b>				

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

**Existing Fee Scale**

(A)	
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)

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

**Existing Fee Scale**

(A)	
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)

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

**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)	
	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	<b>2,790</b>	3,658	<b>3,660</b>	4,531	<b>4,530</b>		
4 to 5	3,585	<b>3,590</b>	4,646	<b>4,650</b>	5,707	<b>5,710</b>		
6 to 9	5,753	<b>5,750</b>	7,220	<b>7,220</b>	8,687	<b>8,690</b>		
10 to 20	9,595	<b>9,600</b>	11,127	<b>11,130</b>	12,659	<b>12,660</b>		
21 to 30	14,937	<b>14,940</b>	16,600	<b>16,600</b>	18,263	<b>18,260</b>		
31 to 40	18,257	<b>18,260</b>	20,020	<b>20,020</b>	21,783	<b>21,780</b>		
41 to 50	19,991	<b>19,990</b>	21,829	<b>21,830</b>	23,667	<b>23,670</b>		
51 to 100	22,226	<b>22,230</b>	24,157	<b>24,160</b>	26,088	<b>26,090</b>		
101 to 200	25,039	<b>25,040</b>	27,111	<b>27,110</b>	29,183	<b>29,180</b>		
201 to 300	27,258	<b>27,260</b>	29,535	<b>29,540</b>	31,812	<b>31,810</b>		
301 to 400	29,400	<b>29,400</b>	31,941	<b>31,940</b>	34,482	<b>34,480</b>		
401 to 500	31,745	<b>31,750</b>	34,537	<b>34,540</b>	37,329	<b>37,330</b>		
over 500	36,357	<b>36,360</b>	39,537	<b>39,540</b>	42,717	<b>42,720</b>		

**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)	
	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	8,101	<b>8,100</b>	9,873	<b>9,870</b>	11,645	<b>11,650</b>	13,417	<b>13,420</b>				
4 to 5	9,465	<b>9,470</b>	11,425	<b>11,430</b>	13,385	<b>13,390</b>	15,345	<b>15,350</b>				
6 to 9	12,854	<b>12,850</b>	15,221	<b>15,220</b>	17,588	<b>17,590</b>	19,955	<b>19,960</b>				
10 to 20	16,891	<b>16,890</b>	19,323	<b>19,320</b>	21,755	<b>21,760</b>	24,187	<b>24,190</b>				
21 to 30	22,623	<b>22,620</b>	25,185	<b>25,190</b>	27,747	<b>27,750</b>	30,309	<b>30,310</b>				
31 to 40	26,246	<b>26,250</b>	28,909	<b>28,910</b>	31,572	<b>31,570</b>	34,235	<b>34,240</b>				
41 to 50	28,205	<b>28,210</b>	30,943	<b>30,940</b>	33,681	<b>33,680</b>	36,419	<b>36,420</b>				
51 to 100	30,719	<b>30,720</b>	33,550	<b>33,550</b>	36,381	<b>36,380</b>	39,212	<b>39,210</b>				
101 to 200	33,952	<b>33,950</b>	36,923	<b>36,920</b>	39,894	<b>39,890</b>	42,865	<b>42,870</b>				
201 to 300	36,789	<b>36,790</b>	39,966	<b>39,970</b>	43,143	<b>43,140</b>	46,320	<b>46,320</b>				
301 to 400	39,720	<b>39,720</b>	43,160	<b>43,160</b>	46,600	<b>46,600</b>	50,040	<b>50,040</b>				
401 to 500	42,818	<b>42,820</b>	46,509	<b>46,510</b>	50,200	<b>50,200</b>	53,891	<b>53,890</b>				
over 500	48,597	<b>48,600</b>	52,677	<b>52,680</b>	56,757	<b>56,760</b>	60,837	<b>60,840</b>				

## 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	DHA's proposed fees	FB's approved fees
	\$	\$	\$	\$	\$	\$	\$	\$	\$	
1 to 3	4,563	<b>4,560</b>	5,436	<b>5,440</b>	6,309	<b>6,310</b>				
4 to 5	4,563	<b>4,560</b>	5,624	<b>5,620</b>	6,685	<b>6,690</b>				
6 to 9	7,517	<b>7,520</b>	8,984	<b>8,980</b>	10,451	<b>10,450</b>				
10 to 20	13,703	<b>13,700</b>	15,235	<b>15,240</b>	16,767	<b>16,770</b>				
21 to 30	19,642	<b>19,640</b>	21,305	<b>21,310</b>	22,968	<b>22,970</b>				
31 to 40	26,068	<b>26,070</b>	27,831	<b>27,830</b>	29,594	<b>29,590</b>				
41 to 50	33,847	<b>33,850</b>	35,685	<b>35,690</b>	37,523	<b>37,520</b>				
51 to 100	40,265	<b>40,270</b>	42,196	<b>42,200</b>	44,127	<b>44,130</b>				
101 to 200	58,750	<b>58,750</b>	60,822	<b>60,820</b>	62,894	<b>62,890</b>				
201 to 300	66,118	<b>66,120</b>	68,395	<b>68,400</b>	70,672	<b>70,670</b>				
301 to 400	73,486	<b>73,490</b>	76,027	<b>76,030</b>	78,568	<b>78,570</b>				
401 to 500	80,854	<b>80,850</b>	83,646	<b>83,650</b>	86,438	<b>86,440</b>				
over 500	92,793	<b>92,790</b>	95,973	<b>95,970</b>	99,153	<b>99,150</b>				

### 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	DHA's proposed fees	FB's approved fees	DHA's proposed fees	FB's approved fees
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
1 to 3	9,879	<b>9,880</b>	11,651	<b>11,650</b>	13,423	<b>13,420</b>	15,195	<b>15,200</b>						
4 to 5	10,443	<b>10,440</b>	12,403	<b>12,400</b>	14,363	<b>14,360</b>	16,323	<b>16,320</b>						
6 to 9	14,618	<b>14,620</b>	16,985	<b>16,990</b>	19,352	<b>19,350</b>	21,719	<b>21,720</b>						
10 to 20	20,999	<b>21,000</b>	23,431	<b>23,430</b>	25,863	<b>25,860</b>	28,295	<b>28,300</b>						
21 to 30	27,328	<b>27,330</b>	29,890	<b>29,890</b>	32,452	<b>32,450</b>	35,014	<b>35,010</b>						
31 to 40	34,057	<b>34,060</b>	36,720	<b>36,720</b>	39,383	<b>39,380</b>	42,046	<b>42,050</b>						
41 to 50	42,061	<b>42,060</b>	44,799	<b>44,800</b>	47,537	<b>47,540</b>	50,275	<b>50,280</b>						
51 to 100	48,758	<b>48,760</b>	51,589	<b>51,590</b>	54,420	<b>54,420</b>	57,251	<b>57,250</b>						
101 to 200	67,663	<b>67,660</b>	70,634	<b>70,630</b>	73,605	<b>73,610</b>	76,576	<b>76,580</b>						
201 to 300	75,649	<b>75,650</b>	78,826	<b>78,830</b>	82,003	<b>82,000</b>	85,180	<b>85,180</b>						
301 to 400	83,806	<b>83,810</b>	87,246	<b>87,250</b>	90,686	<b>90,690</b>	94,126	<b>94,130</b>						
401 to 500	91,927	<b>91,930</b>	95,618	<b>95,620</b>	99,309	<b>99,310</b>	103,000	<b>103,000</b>						
over 500	105,033	<b>105,030</b>	109,113	<b>109,110</b>	113,193	<b>113,190</b>	117,273	<b>117,270</b>						

## 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	<b>2,790</b>	3,658	<b>3,660</b>	4,531	<b>4,530</b>				
4 to 5	3,585	<b>3,590</b>	4,646	<b>4,650</b>	5,707	<b>5,710</b>				
6 to 9	6,612	<b>6,610</b>	8,079	<b>8,080</b>	9,546	<b>9,550</b>				
10 to 20	10,338	<b>10,340</b>	11,870	<b>11,870</b>	13,402	<b>13,400</b>				
21 to 30	14,937	<b>14,940</b>	16,600	<b>16,600</b>	18,263	<b>18,260</b>				
31 to 40	18,257	<b>18,260</b>	20,020	<b>20,020</b>	21,783	<b>21,780</b>				
41 to 50	19,991	<b>19,990</b>	21,829	<b>21,830</b>	23,667	<b>23,670</b>				
51 to 100	22,226	<b>22,230</b>	24,157	<b>24,160</b>	26,088	<b>26,090</b>				
101 to 200	25,039	<b>25,040</b>	27,111	<b>27,110</b>	29,183	<b>29,180</b>				
201 to 300	27,258	<b>27,260</b>	29,535	<b>29,540</b>	31,812	<b>31,810</b>				
301 to 400	29,400	<b>29,400</b>	31,941	<b>31,940</b>	34,482	<b>34,480</b>				
401 to 500	31,745	<b>31,750</b>	34,537	<b>34,540</b>	37,329	<b>37,330</b>				
over 500	36,357	<b>36,360</b>	39,537	<b>39,540</b>	42,717	<b>42,720</b>				

### 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	<b>8,100</b>	9,873	<b>9,870</b>	11,645	<b>11,650</b>	13,417	<b>13,420</b>		
4 to 5	9,465	<b>9,470</b>	11,425	<b>11,430</b>	13,385	<b>13,390</b>	15,345	<b>15,350</b>		
6 to 9	13,713	<b>13,710</b>	16,080	<b>16,080</b>	18,447	<b>18,450</b>	20,814	<b>20,810</b>		
10 to 20	17,634	<b>17,630</b>	20,066	<b>20,070</b>	22,498	<b>22,500</b>	24,930	<b>24,930</b>		
21 to 30	22,623	<b>22,620</b>	25,185	<b>25,190</b>	27,747	<b>27,750</b>	30,309	<b>30,310</b>		
31 to 40	26,246	<b>26,250</b>	28,909	<b>28,910</b>	31,572	<b>31,570</b>	34,235	<b>34,240</b>		
41 to 50	28,205	<b>28,210</b>	30,943	<b>30,940</b>	33,681	<b>33,680</b>	36,419	<b>36,420</b>		
51 to 100	30,719	<b>30,720</b>	33,550	<b>33,550</b>	36,381	<b>36,380</b>	39,212	<b>39,210</b>		
101 to 200	33,952	<b>33,950</b>	36,923	<b>36,920</b>	39,894	<b>39,890</b>	42,865	<b>42,870</b>		
201 to 300	36,789	<b>36,790</b>	39,966	<b>39,970</b>	43,143	<b>43,140</b>	46,320	<b>46,320</b>		
301 to 400	39,720	<b>39,720</b>	43,160	<b>43,160</b>	46,600	<b>46,600</b>	50,040	<b>50,040</b>		
401 to 500	42,818	<b>42,820</b>	46,509	<b>46,510</b>	50,200	<b>50,200</b>	53,891	<b>53,890</b>		
over 500	48,597	<b>48,600</b>	52,677	<b>52,680</b>	56,757	<b>56,760</b>	60,837	<b>60,840</b>		

### 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	<b>5,250</b>	6,120	<b>6,120</b>	6,993	<b>6,990</b>
6 to 9	4,350	4 to 5	5,247	<b>5,250</b>	6,308	<b>6,310</b>	7,369	<b>7,370</b>
10 to 20	7,930	6 to 9	9,020	<b>9,020</b>	10,487	<b>10,490</b>	11,954	<b>11,950</b>
21 to 30	12,915	10 to 20	16,444	<b>16,440</b>	17,976	<b>17,980</b>	19,508	<b>19,510</b>
31 to 40	17,140	21 to 30	22,588	<b>22,590</b>	24,251	<b>24,250</b>	25,914	<b>25,910</b>
41 to 50	22,255	31 to 40	29,978	<b>29,980</b>	31,741	<b>31,740</b>	33,504	<b>33,500</b>
51 to 100	26,475	41 to 50	38,924	<b>38,920</b>	40,762	<b>40,760</b>	42,600	<b>42,600</b>
101 to 200	31,460	51 to 100	46,305	<b>46,310</b>	48,236	<b>48,240</b>	50,167	<b>50,170</b>
201 to 300	31,460	101 to 200	58,750	<b>58,750</b>	60,822	<b>60,820</b>	62,894	<b>62,890</b>
301 to 400	31,460	201 to 300	66,118	<b>66,120</b>	68,395	<b>68,400</b>	70,672	<b>70,670</b>
401 to 500	31,460	301 to 400	73,486	<b>73,490</b>	76,027	<b>76,030</b>	78,568	<b>78,570</b>
over 500	31,460	401 to 500	80,854	<b>80,850</b>	83,646	<b>83,650</b>	86,438	<b>86,440</b>
		over 500	92,793	<b>92,790</b>	95,973	<b>95,970</b>	99,153	<b>99,150</b>

### 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	<b>10,560</b>	12,335	<b>12,340</b>	14,107	<b>14,110</b>	15,879	<b>15,880</b>
6 to 9	4,350	4 to 5	11,127	<b>11,130</b>	13,087	<b>13,090</b>	15,047	<b>15,050</b>	17,007	<b>17,010</b>
10 to 20	7,930	6 to 9	16,121	<b>16,120</b>	18,488	<b>18,490</b>	20,855	<b>20,860</b>	23,222	<b>23,220</b>
21 to 30	12,915	10 to 20	23,740	<b>23,740</b>	26,172	<b>26,170</b>	28,604	<b>28,600</b>	31,036	<b>31,040</b>
31 to 40	17,140	21 to 30	30,274	<b>30,270</b>	32,836	<b>32,840</b>	35,398	<b>35,400</b>	37,960	<b>37,960</b>
41 to 50	22,255	31 to 40	37,967	<b>37,970</b>	40,630	<b>40,630</b>	43,293	<b>43,290</b>	45,956	<b>45,960</b>
51 to 100	26,475	41 to 50	47,138	<b>47,140</b>	49,876	<b>49,880</b>	52,614	<b>52,610</b>	55,352	<b>55,350</b>
101 to 200	31,460	51 to 100	54,798	<b>54,800</b>	57,629	<b>57,630</b>	60,460	<b>60,460</b>	63,291	<b>63,290</b>
201 to 300	31,460	101 to 200	67,663	<b>67,660</b>	70,634	<b>70,630</b>	73,605	<b>73,610</b>	76,576	<b>76,580</b>
301 to 400	31,460	201 to 300	75,649	<b>75,650</b>	78,826	<b>78,830</b>	82,003	<b>82,000</b>	85,180	<b>85,180</b>
401 to 500	31,460	301 to 400	83,806	<b>83,810</b>	87,246	<b>87,250</b>	90,686	<b>90,690</b>	94,126	<b>94,130</b>
over 500	31,460	401 to 500	91,927	<b>91,930</b>	95,618	<b>95,620</b>	99,309	<b>99,310</b>	103,000	<b>103,000</b>
		over 500	105,033	<b>105,030</b>	109,113	<b>109,110</b>	113,193	<b>113,190</b>	117,273	<b>117,270</b>

### 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	<b>5,380</b>	6,250	<b>6,250</b>	7,123	<b>7,120</b>	
1 to 5	3,000	4 to 5		6,447	<b>6,450</b>	7,508	<b>7,510</b>	8,569	<b>8,570</b>	
6 to 9	4,350	6 to 9		11,494	<b>11,490</b>	12,961	<b>12,960</b>	14,428	<b>14,430</b>	
10 to 20	7,930	10 to 20		20,064	<b>20,060</b>	21,596	<b>21,600</b>	23,128	<b>23,130</b>	
21 to 30	12,915	21 to 30		28,945	<b>28,950</b>	30,608	<b>30,610</b>	32,271	<b>32,270</b>	
31 to 40	17,140	31 to 40		37,110	<b>37,110</b>	38,873	<b>38,870</b>	40,636	<b>40,640</b>	
41 to 50	22,255	41 to 50		43,269	<b>43,270</b>	45,107	<b>45,110</b>	46,945	<b>46,950</b>	
51 to 100	26,475	51 to 100		51,199	<b>51,200</b>	53,130	<b>53,130</b>	55,061	<b>55,060</b>	
101 to 200	31,460	101 to 200		58,750	<b>58,750</b>	60,822	<b>60,820</b>	62,894	<b>62,890</b>	
201 to 300	31,460	201 to 300		66,118	<b>66,120</b>	68,395	<b>68,400</b>	70,672	<b>70,670</b>	
301 to 400	31,460	301 to 400		73,486	<b>73,490</b>	76,027	<b>76,030</b>	78,568	<b>78,570</b>	
401 to 500	31,460	401 to 500		80,854	<b>80,850</b>	83,646	<b>83,650</b>	86,438	<b>86,440</b>	
over 500	31,460	over 500		92,793	<b>92,790</b>	95,973	<b>95,970</b>	99,153	<b>99,150</b>	

**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 \$	DHA's proposed fees \$
		1 to 3		10,693	<b>10,690</b>	12,465	<b>12,470</b>	14,237	<b>14,240</b>	16,009	<b>16,010</b>			
1 to 5	3,000	4 to 5		12,327	<b>12,330</b>	14,287	<b>14,290</b>	16,247	<b>16,250</b>	18,207	<b>18,210</b>			
6 to 9	4,350	6 to 9		18,595	<b>18,600</b>	20,962	<b>20,960</b>	23,329	<b>23,330</b>	25,696	<b>25,700</b>			
10 to 20	7,930	10 to 20		27,360	<b>27,360</b>	29,792	<b>29,790</b>	32,224	<b>32,220</b>	34,656	<b>34,660</b>			
21 to 30	12,915	21 to 30		36,631	<b>36,630</b>	39,193	<b>39,190</b>	41,755	<b>41,760</b>	44,317	<b>44,320</b>			
31 to 40	17,140	31 to 40		45,099	<b>45,100</b>	47,762	<b>47,760</b>	50,425	<b>50,430</b>	53,088	<b>53,090</b>			
41 to 50	22,255	41 to 50		51,483	<b>51,480</b>	54,221	<b>54,220</b>	56,959	<b>56,960</b>	59,697	<b>59,700</b>			
51 to 100	26,475	51 to 100		59,692	<b>59,690</b>	62,523	<b>62,520</b>	65,354	<b>65,350</b>	68,185	<b>68,190</b>			
101 to 200	31,460	101 to 200		67,663	<b>67,660</b>	70,634	<b>70,630</b>	73,605	<b>73,610</b>	76,576	<b>76,580</b>			
201 to 300	31,460	201 to 300		75,649	<b>75,650</b>	78,826	<b>78,830</b>	82,003	<b>82,000</b>	85,180	<b>85,180</b>			
301 to 400	31,460	301 to 400		83,806	<b>83,810</b>	87,246	<b>87,250</b>	90,686	<b>90,690</b>	94,126	<b>94,130</b>			
401 to 500	31,460	401 to 500		91,927	<b>91,930</b>	95,618	<b>95,620</b>	99,309	<b>99,310</b>	103,000	<b>103,000</b>			
over 500	31,460	over 500		105,033	<b>105,030</b>	109,113	<b>109,110</b>	113,193	<b>113,190</b>	117,273	<b>117,270</b>			

**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)**

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

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

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

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

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

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
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Staff costs</b>	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
<b>Departmental expenses</b>	48	61	106	155	216	261	285	315	354	385	417	450	516
<b>Accommodation costs</b>	211	267	465	684	956	1,153	1,257	1,391	1,561	1,701	1,840	1,989	2,277
<b>Depreciation</b>	1	1	2	3	5	6	7	7	8	9	9	10	12
<b>Central administrative overhead</b>	139	176	306	450	629	759	827	915	1,027	1,119	1,210	1,309	1,498
<b>Unit cost at 2000-01 prices (\$)</b>	<b>3,659</b>	<b>4,646</b>	<b>8,079</b>	<b>11,871</b>	<b>16,600</b>	<b>20,021</b>	<b>21,829</b>	<b>24,157</b>	<b>27,110</b>	<b>29,535</b>	<b>31,941</b>	<b>34,536</b>	<b>39,538</b>
<b>Exisiting fee with effect from 12 December 1997 (\$)</b>	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
<b>Proposed fee</b>	<b>3,660</b>	<b>4,360<sup>^</sup></b>	<b>6,470<sup>^</sup></b>	<b>10,260<sup>^</sup></b>	<b>15,870<sup>^</sup></b>	<b>20,020</b>	<b>21,830</b>	<b>24,160</b>	<b>27,110</b>	<b>29,540</b>	<b>31,940</b>	<b>34,540</b>	<b>39,540</b>

Notes

<sup>^</sup> Under a phasing-in programme for a maximum of 3 years.