

立法會
Legislative Council

LC Paper No. LS105/02-03

**Paper for the House Committee Meeting
on 30 May 2003**

**Legal Service Division Report on
Subsidiary Legislation Gazetted on 23 May 2003**

Date of Tabling in LegCo : 28 May 2003

Amendment to be made by : 25 June 2003 (or the 1st meeting of LegCo in the next session if extended by resolution)

PART I SARS - RELIEF AND ECONOMIC REVIVAL MEASURES

Background

L.N. 130 to L.N. 133 are part of the measures which the Administration introduces to assist Hong Kong to tide over the current economic difficulties and to revive the economy once the Severe Acute Respiratory Syndrome ("SARS") becomes under control. Members may refer to the LegCo Brief issued by the Financial Services and the Treasury Bureau dated 21 May 2003 (ref: FIN CR 5/2321/85 Pt. 31) for the background information about the subsidiary legislation.

2. The Administration briefed the Financial Affairs Panel on the relevant proposals at the special meeting held on 23 April 2003. Panel members supported the measures in general. Some members held the view that the Administration should provide more concessions to help the community, in particular those business sectors hard hit by the epidemic. Others pointed out that there should be relief measures to help Comprehensive Social Security Assistance recipients and nursery home operators. The Administration was urged to encourage private developers and statutory bodies to waive or lower their rents to assist businesses which were affected by SARS. Some members also suggested that the tax rebate be provided in the form of cash coupons to encourage local consumption.

3. According to the information in the LegCo Brief, the second part of the relief measures which requires the making of subsidiary legislation (including waiver of certain licensing fees for one year) will be submitted to the Executive Council the

following week (para. 15 of LegCo Brief). Apart from the relief measures that require implementation by subsidiary legislation, the Administration will waive certain fees or charges through the exercise of existing statutory powers. In response to the enquiries made by the Legal Service Division, the Administration has provided a list of relief measures to be implemented by means of existing statutory powers (Appendix 1).

4. L.N. 130 to L.N. 133 have taken effect from the date of their publication in the Gazette, that is, 23 May 2003. According to the Administration, the relief measures should be implemented as soon as possible (para. 25 of LegCo Brief).

Waterworks Ordinance (Cap. 102)

Waterworks (Reduction of Water Charge) Regulation 2003 (L.N. 130)

5. This Regulation provides for the reduction of charges for fresh water bills scheduled to be issued within the period 1 August 2003 to 20 November 2003. These charges will be reduced by the amount of the relevant charges or the following, whichever is less:

- (a) for domestic purposes, an amount not exceeding \$267 for an account billed on a 4-monthly basis or \$66.75 for an account billed on a monthly basis;
- (b) for non-domestic purposes, an amount not exceeding \$2,133 for an account billed on a 4-monthly basis or \$533.25 for an account billed on a monthly basis;
- (c) for use of fresh water for flushing purposes, an amount not exceeding \$267 for an account billed on a 4-monthly basis or \$66.75 for an account billed on a monthly basis.

Sewage Services Ordinance (Cap. 463)

Sewage Services (Reduction of Sewage Charge and Trade Effluent Surcharge) Regulation 2003 (L.N. 131)

6. Part 1 of this Regulation provides for the reduction of sewage charges for bills scheduled to be issued within the period 1 August 2003 to 20 November 2003. These charges will be reduced by the amount of the relevant charges or the following, whichever is less:

- (a) for domestic purposes, an amount not exceeding \$67 for an account billed on a 4-monthly basis;
- (b) for non-domestic purposes, an amount not exceeding \$533 for an

account billed on a 4-monthly basis or \$133.25 for an account billed on a monthly basis.

7. Part 2 of the Regulation provides for a 60% reduction of the trade effluent surcharge for bills scheduled to be issued within the period 1 August 2003 to 20 November 2003 and bills that relate back to that period.

Rating Ordinance (Cap. 116)

Rating (Exemption) Order 2003 (L.N. 132)

8. This Order declares that domestic and non-domestic tenements are exempted from the payment of rates for the period 1 July 2003 to 30 September 2003 up to \$1,250 in the case of domestic tenements and \$5,000 in the case of non-domestic tenements.

Inland Revenue Ordinance (Cap. 112)

Tax Exemption (2001 Tax Year) Order (L.N. 133)

9. This Order exempts payment of a portion of the salaries tax or the tax chargeable by way of personal assessment under the Inland Revenue Ordinance (Cap. 112) for the year of assessment 2001/02. The amount to be exempted is 50% of the amount of the tax chargeable or \$3,000, whichever is the less.

PART II TELECOMMUNICATIONS (CARRIER LICENCES)

Telecommunications Ordinance (Cap. 106)

Telecommunications (Carrier Licences) (Amendment) Regulation 2003 (L.N. 134)

10. This Regulation amends Part 1 of Schedule 3 to the Telecommunications (Carrier Licences) Regulation (Cap. 106 sub. leg. V) to reduce the annual fixed fees for fixed carrier licences which permit provision of only external services from \$1,000,000 to \$500,000.

11. For more background information about the Regulation, Members may refer to the LegCo Brief issued by the Information Technology and Broadcasting Branch of the Commerce, Industry and Technology Bureau in May 2003 (ref: ITBB(CR) 7/5/1 (02) Pt. 3). The LegCo Panel on Information Technology and Broadcasting has not been consulted on the Regulation.

12. The Legal Service Division has sought clarification from the Administration on the results of consultation on the proposed fee reduction and the Administration has provided a detailed reply (Appendix 2).

13. The Regulation shall come into operation on a date to be appointed by the Telecommunications Authority by notice published in the Gazette.

Encl

Prepared by

Kitty Cheng
Assistant Legal Adviser
Legislative Council Secretariat
27 May 2003

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TREASURY BUREAU
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本函檔號 Our Ref. : FIN CR 5/2321/85 Pt. 32

來函檔號 Your Ref. : LS/S/33/02-03

28 May 2003

Miss Kitty Cheng
Assistant Legal Adviser
Legislative Council Secretariat
Legal Service Division
Legislative Council Building
8 Jackson Road
Central
Hong Kong

Dear Miss Cheng,

**L.N. 130, 131, 132 and 133 of 2003 -
SARS - Relief and Economic Revival Measures**

Thank you for your letter of 24 May 2003 on the SARS - relief and economic revival measures.

Apart from the measures which will be implemented through the making of subsidiary legislation, there are a number of measures in the relief package which will be implemented through the exercise of power on waiver/refund already provided to the Administration in the existing Ordinances/Regulations or which may be effected administratively by the Government.

As requested, a list of such measures is given below -

Revenue Measure	Power under the Existing Ordinance/Regulation
(a) <i>Rates surcharge waiver</i>	
– Where the payment of the rates for the April to June 2003 quarter is late for no more than 3 months, the Commissioner of Rating and Valuation shall consider not to impose any	Section 22 of the Rating Ordinance (Cap. 116)

Revenue Measure	Power under the Existing Ordinance/Regulation
surcharge on such ratepayer	
– Refund of the April to June 2003 quarter rates payment upon application (the payment is deferred and will have to be made on or before 31 July 2003)	Section 35 of the Rating Ordinance (Cap. 116)
(b) <i>Waiver of licensing fees</i>	
– Waiver of licence fees in respect of restaurant licences, restricted food permits and hawker licences	Section 124M of the Public Health and Municipal Services Ordinance (Cap. 132)
– Waiver and refund of hotel and guesthouse licence fees	Regulation 5 of the Hotel and Guesthouse Accommodation (Fees) Regulations (Cap. 349 sub. leg. B)
– Refund of licence fees for those karaoke establishment licences and permits and passenger service licences which are valid for more than one year and would only be due for renewal after the concessionary period	Section 39A(b) of the Public Finance Ordinance (Cap. 2)
(c) <i>Rental concession for Government managed properties</i>	
– A concession in the form of rent reduction of 50% for 3 months for catering establishments, and rent reduction of 30% for 3 months for non-catering retail establishments (except supermarkets and superstores) which are managed by Government departments and include Short Term Tenancies and Short Term Waivers managed by the Lands Department is implemented administratively	

Please let me know if I can be of further assistance.

Yours sincerely,

(Allen Leung)
for Secretary for Financial Services and the Treasury

c.c. Director of Administration - Fax No: 2804 6870

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2877 5029

Mr Allen Leung
Prin AS(Tsy)(MA)
Financial Services and the Treasury Bureau
Rm 550, 5/F
East Wing
Central Government Offices

By Fax (2179 5848) and By Post

24 May 2003

Dear Mr Leung,

**L.N. 130, 131, 132 and 133 of 2003 -
SARS - Relief and Economic Revival Measures**

I refer to the LegCo Brief (Ref: FIN CR 5/2321/85 Pt. 31) issued with regard to the above subsidiary legislation relating to the relief and economic revival measures for SARS.

In paragraph 2 of the LegCo Brief, it is mentioned that some of the measures in the relief package may be implemented administratively (such as the rental relief and the waiver of 5% surcharge on overdue payments on rates). Would you please let me have a list of all the relief measures which the Administration intends to implement by administrative means and where no legislative exercise will be necessary?

I would be most grateful if you could let me have a reply in bilingual form on or before 27 May 2003.

Yours sincerely,

Kitty Cheng
Assistant Legal Adviser

cc. Legal Adviser

Appendix 2

ITBB (CR) 7/5/1 (02) Pt. 3
LS/S/33/02-03
2189 2245
2511 1458

By Fax & By Post
(Fax No. : 2877 5029)

28 May 2003

Miss Kitty Cheng
Assistant Legal Adviser
Legislative Council Secretariat
Legislative Council Building
8 Jackson Road
Central
Hong Kong

Dear Miss Cheng,

**L.N. 134 of 2003 -
Telecommunications (Carrier Licences) (Amendment) Regulation 2003**

As requested, supplementary information on submissions from the industry on the Administration's proposal, in bilingual form, is attached.

Yours faithfully,

(Tony K N WONG)
for Secretary for Commerce, Industry and Technology

**Telecommunications (Carrier Licences)
(Amendment) Regulation 2003**

**Supplementary Information on
Submissions from the Industry**

- All of the thirteen submissions have been uploaded at ITBB's website at <http://www.info.gov.hk/itbb/>.
- The 13 submissions received from the industry include 7 from those licensees permitted to operate external services only and 6 from other telecommunications operators.
- The 6 submissions from other telecommunications operators include China Motion Telecom (HK) Limited (潤迅電話(香港)有限公司), Hong Kong Broadband Network Limited (香港寬頻網絡有限公司), Hutchison Global Crossing Limited (和記環球電訊有限公司), New World Telecommunications Limited (新世界電訊有限公司), REACH (國際環球通訊網絡有限公司) and Wharf T & T Limited(九倉電訊有限公司). They requested similar reduction of licence fee of the carrier licences they hold (not limited to external services only). Some of them also expressed support for the proposed reduction of fixed carrier licences for external services only.

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Mr Tony Wong
Senior Executive Officer
Information Technology and Broadcasting Branch
Commerce, Industry and Technology Bureau
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Garden Road, Central
Hong Kong

By Fax (2511 1458) and By Post

24 May 2003

Dear Mr Wong,

**L.N. 134 of 2003 -
Telecommunications (Carrier Licences) (Amendment) Regulation 2003**

I refer to the LegCo Brief (Ref: ITBB(CR) 7/5/1 (02) Pt. 3) issued with regard to the above subsidiary legislation.

In paragraph 11 of the LegCo Brief, it is mentioned that the Administration has received a total of 13 submissions from the industry including 7 from external services operators. It is also said that all of the external services operators who will benefit from the Administration's proposal express support. Would you please provide us with the details of the other submissions that the Administration has received?

I would be most grateful if you could let me have a reply in bilingual form on or before 27 May 2003.

Yours sincerely,

Kitty Cheng
Assistant Legal Adviser

c.c. Legal Adviser