

CSO/ADM CR 14/3231/97

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The Honourable Ms Miriam Lau, GBS, JP
Chairman of the House Committee
Legislative Council
8 Jackson Road
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Proposed Priority in the Scrutiny of Bills by Members

Further to my letter of 5 May 2005, I am writing to propose that priority be accorded by Members to the scrutiny of Revenue (Abolition of Estate Duty) Bill 2005, should the House Committee decide to set up a Bills Committee to examine the Bill.

Revenue (Abolition of Estate Duty) Bill 2005

The Bill, which seeks to implement the proposal to abolish estate duty announced in the 2005-06 Budget, was introduced into LegCo on 11 May 2005. As mentioned in my letter of 5 May, the proposal will enhance Hong Kong's competitiveness in attracting and maintaining capital amidst the growing capital management market in the region. It will boost our status as a major global asset management centre and bring significant economic benefits to the community. Besides, the time taken for obtaining the grant of probate or letters of administration would be reduced as there would no longer be any need to assess estate duty. This would help ease the cash flow problems heirs to an estate may face due to the freezing of assets of the deceased persons, particularly operators of small and medium enterprises, during the assessment period. Hence, we consider that it is in the public interest to enact the Bill as soon as possible.

I should be most grateful if you would put forward our proposal for Members' consideration at the coming House Committee meeting on 13 May 2005.

(Ms CHANG King-yiu)
Director of Administration