

(English translation prepared by
the Legislative Council Secretariat
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(Letterhead of Hon CHOY So-yuk)

25 May 2006

To: Clerk to the Bills Committee on Betting Duty (Amendment) Bill 2006

Betting Duty (Amendment) Bill 2006

I would like to raise the following questions and points on the captioned Bill and should be grateful if they can be relayed to the Administration for early clarification and response:

First horse race betting conductor

1. Clause 3(6) of the Bill defines “first horse race betting conductor” and “first horse race betting licence” respectively. Please clarify whether the use of the word “first” means that it is the government policy to issue a second or further horse race betting licences to other horse race betting conductors in the future. If so, please explain the relevant policy; if not, what is the intention of using the word “first”?

Related person

2. Clause 3(7) of the Bill defines “related person”, where paragraph (a) in Chinese provides that “某人如藉……管有另一人或任何其他人的投票權，或藉……管有關於另一人或任何其他人的投票權”。 Since “投票權”(voting power) is not something material, would the Administration clarify how a person “管有投票權”([is in] “possession of voting power”)? Is it possible to replace “管有”(possession) with “控制”(manipulation) ?

3. In addition, please clarify whether “shadow director”¹ under the Companies Ordinance is a “related person” referred to in the Bill.

¹ Section 2 of the Companies Ordinance provides that “shadow director”, in relation to a company, means a person in accordance with whose directions or instructions the directors or a majority of the directors of the company are accustomed to act.

Non-qualified bets

4. Clause 15 of the Bill proposes to add section 6GA, and according to section 6GA(1), “non-qualified bets” means bets that are not qualified bets. The proposed section 6GC(1) provides that “the Secretary may designate, as qualified bets for the purpose of this Division, bets accepted by a horse race betting conductor, or an authorized person of the conductor, at a place outside Hong Kong in relation to the conduct of authorized betting on horse races by the conductor”.

Please clarify whether, in respect of section 6GC(1), horse race bets accepted “at a place within Hong Kong” are “non-qualified bets”. If so, what is the difference between “non-qualified bets” and “authorized betting on horse races” as provided in section 6GB?

Warning of the seriousness of the problems caused by excessive gambling

5. Clause 15 of the Bill proposes to add section 6GB, where section 6GB(4)(g) provides that issuance of a licence to a company is subject to the condition that the company shall display, in premises where it accepts bets and on web site through which it accepts bets, notices containing a warning of the seriousness of the problems caused by excessive gambling, as well as providing information on the services and facilities available to problem gamblers. To step up its efforts to curb gambling, would the Administration consider adding a condition that if the company allows a television station to broadcast horse races, the warning and information concerned have to be displayed on television with a reasonable allocation of time and visual space?

Agreement between the Collector and the conductor

6. Clause 15 of the Bill proposes to add section 6GH, where section 6GH(3) provides that the Collector may agree with the conductor to change the respective dates on which the charging period is to begin and to come to an end. Please clarify whether there is a need to limit the scope of their agreement.

Provisional payments

7. Clause 15 of the Bill proposes to add section 6GI which requires a horse race betting conductor to make a provisional payment within 15 days after each reporting day in a charging period. Meanwhile, under section 6GM, if a horse race betting conductor fails to pay an amount specified in a notice of assessment, notice of additional assessment or notice of payment given under section 6GO(4) before the deadline, the Collector may demand the horse race betting conductor to pay a surcharge and a further surcharge.

Please clarify whether the Collector may demand a horse race betting conductor to pay a surcharge and a further surcharge if the horse race betting conductor fails to make a provisional payment under section 6GI.

If the Collector cannot demand the horse race betting conductor to pay a surcharge and a further surcharge under section 6GM, but may only recover the unpaid amount as a civil debt under section 6GJ(3), whether the interest incurred will be calculated from the date on which payment falls into arrears, or from any other date?

Surcharges

8. Clause 15 of the Bill proposes to add section 6GM, where sections 6GM(2) and (3) provide that the surcharge and the further surcharge shall not exceed 5% and 10% of the amount in question respectively. As “shall not exceed” means that the Collector has discretionary power, please spell out the criteria for the Collector to exercise his discretionary power.

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Legislative Council Member