

傳真號碼 Fax No. : 2147 3873
電話號碼 Tel. No. : 2810 2178
本函檔號 Our Ref. : FIN CR 7/2201/05
來函檔號 Your Ref. :

22 February 2006

The Honourable Miriam Lau, GBS, JP
Chairman of the House Committee
Legislative Council Building
8 Jackson Road
Central
Hong Kong

Dear Ms Lau,

**Notice of Motion by the Administration
Concerning the Extension of First Registration Tax Exemption for
Electric Vehicles**

In his Budget Speech today, the Financial Secretary announced the proposal to extend the exemption for the First Registration Tax (FRT) for electric vehicles, which will expire on 31 March 2006, for three years, i.e. up to 31 March 2009. The implementation of this proposal requires subsidiary legislation. I am writing to advise you of the Administration's plan to submit the subsidiary legislation.

The current FRT exemption for electric vehicles was approved by the Legislative Council in March 2003. Unless a resolution is passed by the Legislative Council to extend the exemption period under section 5(4) of the Motor Vehicles (First Registration Tax) Ordinance (Cap. 330), the exemption will automatically expire on 31 March 2006.

Against the above background, I intend to move a resolution at the Council sitting on 8 March 2006, which, apart from 29 March, is the last regular meeting at which the resolution may be moved before expiry of the exemption. We have considered moving the resolution on 29 March, in which case we would be able to fulfil Rule 29(1) of the Legislative Council Rules of Procedure, but this would leave very little time for the Transport Department to

prepare for the implementation of the proposed extension, if approved by this Council, and lead to public uncertainty. I am seeking the President's agreement to waiving the 12-day notice requirement for the resolution under Rule 29(1).

I look forward to your support for the resolution.

Yours sincerely,

(Frederick S. Ma)
Secretary for Financial Services and the Treasury

c.c. Mr. Ricky Fung, Clerk to the Legislative Council