

立法會

Legislative Council

LC Paper No. LS40/05-06

Paper for the House Committee Meeting on 24 February 2006

Legal Service Division Report on Proposed Resolution under section 5(4) of the Motor Vehicles (First Registration Tax) Ordinance (Cap. 330)

The Secretary for Financial Services and the Treasury has given notice to move a motion at the meeting of the Legislative Council on 8 March 2006. The Secretary is seeking the permission of the President of the Legislative Council to dispense with the notice requirement for the motion under Rule 29(1) of the Rules of Procedure.*

2. Section 5(3) of the Motor Vehicles (First Registration Tax) Ordinance (Cap. 330) ("the Ordinance") provides exemption from first registration tax for motor vehicles propelled solely by electric power and do not emit any exhaust gas. Section 5(4) of the Ordinance further provides that such exemption shall expire at midnight on 31 March 1997 or such later date as the Legislative Council may by resolution determine. The expiry date has been extended first to 31 March 2000 by a resolution of the Legislative Council (L.N. 237 of 1997), then to 31 March 2003 by the Revenue (No. 2) Ordinance 2000 (27 of 2000), and further to 31 March 2006 by another resolution of the Council (L.N. 77 of 2003). The current exemption from first registration tax for such vehicles will, if not extended, expire automatically at midnight on 31 March 2006.

3. The purpose of the motion is to seek the approval of the Legislative Council to amend L.N. 237 of 1997 as amended by section 3 of the Revenue (No. 2) Ordinance 2000 (27 of 2000) and L.N. 77 of 2003 by repealing the reference to "2006" and substituting "2009". The effect is to further extend the exemption to 31 March 2009. The amendment is necessary to provide the statutory basis to implement the proposal in paragraph 69 of the 2006-07 Budget Speech, namely, to exempt electric vehicles from first registration tax for a further 3 years up to 31 March 2009.

* According to the Administration's letter to the President, the basis for seeking waiver of notice is that the Council meeting on 8 March 2006 is the last regular meeting at which the motion may be moved before the expiry of the exemption. Moving the motion at the Council meeting on 29 March 2006 would leave very little time for the Transport Department to prepare for the implementation of the proposed extension, if approved, and lead to public uncertainty.

4. No difficulties in the legal and drafting aspects of the proposed Resolution have been identified.

Prepared by

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