

立法會
Legislative Council

LC Paper No. LS13/05-06

**Paper for the House Committee Meeting
on 2 December 2005**

**Legal Service Division Report on
Proposed Resolution under section 4(2) of the
Dutiable Commodities Ordinance (Cap. 109)**

The Secretary for Financial Services and the Treasury (“the Secretary”) has given notice to move a motion under section 4(2) of the Dutiable Commodities Ordinance (Cap. 109) (“the Ordinance”) at the meeting of the Legislative Council on 14 December 2005.

2. Paragraph 1A of Part III under Schedule 1 to the Ordinance provides that duty shall be payable on ultra low sulphur diesel (ULSD) at the following rates—

- (a) from 7 July 2000 to 31 December 2005 (both dates inclusive), at \$1.11 per litre; and
- (b) from 1 January 2006, at \$2.89 per litre.

The current duty concession on ULSD is due to expire at the end of this year.

3. The purpose of the motion is to seek the Council's approval to amend paragraph 1A of Part III under Schedule 1 to the Ordinance. Its effect is to extend the existing concessionary rate of duty at \$1.11 per litre on ULSD to 31 December 2006. Subject to further amendments by the Council before the expiry of the extended period of concession, the duty on ULSD shall be at \$2.89 per litre as from 1 January 2007.

4. Members may refer to paragraph 4 of the Secretary's Speech as annexed to the draft Resolution for the Administration's reason to extend the existing concessionary rate for ULSD and paragraph 5 of the Speech for the Administration's reason not to make further concession or abolish the duty on ULSD.

5. The draft Resolution is legally in order.

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