

立法會

Legislative Council

LC Paper No. LS67/06-07

Paper for the House Committee Meeting on 4 May 2007

Legal Service Division Report on Revenue Bill 2007

I. SUMMARY

- 1. Object of the Bill** To amend the Dutiable Commodities Ordinance (Cap. 109) and Stamp Duty Ordinance (Cap. 117) to give effect to two proposals in the 2007-08 Budget.
- 2. Comments**
 - (a) To amend the Dutiable Commodities Ordinance (Cap. 109) to decrease the duty payable on wine and liquor with an alcoholic strength of not more than 30%.
 - (b) To amend the Stamp Duty Ordinance (Cap. 117) to decrease the stamp duty payable in respect of conveyance on sale and agreements for sale of immovable property.
 - (c) The content of the Bill was published in the Public Revenue Protection (Revenue) Order 2007 (L.N. 32 of 2007).
- 3. Public Consultation** The Financial Secretary conducted consultations with LegCo Members, various business and professional bodies, as well as the general public during the formulation of the 2007-08 Budget. Their views have been taken into account in formulating these proposals.
- 4. Consultation with LegCo Panel** The policy aspects of the Bill have not been referred to any LegCo Panel for discussion.
- 5. Commencement Date** The Revenue Ordinance 2007, upon its enactment, is deemed to come into operation at 11am on 28 February 2007.
- 6. Conclusion** No difficulties in relation to the legal and drafting aspects of the Bill have been identified. Subject to Members' views, the Bill is ready for resumption of Second Reading debate.

II. REPORT

Object of the Bill

To amend the Dutiable Commodities Ordinance (Cap. 109) and Stamp Duty Ordinance (Cap. 117) to give effect to two proposals in the 2007-08 Budget.

LegCo Brief Reference

2. FIN CR 7/2201/06 issued by the Financial Services and the Treasury Bureau in April 2007.

Date of First Reading

3. 2 May 2007.

Comments

The Dutiable Commodities Ordinance

4. The Bill proposes to reduce the duty on:—
- (a) liquor, other than wine, with an alcoholic strength of not more than 30% by volume measured at a temperature of 20°C from the existing ad valorem rate of 40% to 20%; and
 - (b) wine from the existing ad valorem rate of 80% to 40% (clause 2).

The Stamp Duty Ordinance

5. The Bill proposes to reduce the stamp duty rate on conveyances on sale and agreements for sale of properties valued between \$1m and \$2m from 0.75% to a fixed amount of \$100 (clause 3).

Public Revenue Protection (Revenue) Order 2007 (L.N. 32 of 2007) ("the 2007 Order")

6. Members may recall that the content of the Bill was published in the 2007 Order gazetted on 28 February 2007. The 2007 Order is a temporary measure taken under the Public Revenue Protection Ordinance (Cap. 120) to give effect to the two proposals in the 2007-08 Budget as reflected in the Bill.

7. The House Committee considered the 2007 Order at its meeting on 9 March 2007. Members did not raise any queries on the 2007 Order.

Public Consultation

8. According to LegCo Brief, the Financial Secretary conducted consultations with LegCo Members, various business and professional bodies, as well as the general public during the formulation of the 2007-08 Budget. Their views have been taken into account in formulating these proposals.

Consultation with LegCo Panel

9. The policy aspects of the Bill have not been referred to any LegCo Panel for discussion.

Commencement Date

10. The Revenue Ordinance 2007, upon its enactment, is deemed to come into operation at 11am on 28 February 2007 (clause 1).

Conclusion

11. No difficulties in relation to the legal and drafting aspects of the Bill have been identified. Subject to Members' views, the Bill is ready for resumption of Second Reading debate.

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2 May 2007