

**立法會**  
**Legislative Council**

LC Paper No. LS15/06-07

**Paper for the House Committee Meeting  
on 1 December 2006**

**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 13 December 2006.

2. Paragraph 1A of Part III of 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 2006 (both dates inclusive), at \$1.11 per litre;
  - (b) from 1 January 2007, at 2.89 per litre.

The current duty concession on ULSD will expire at the end of this year.

3. The proposed motion seeks Council's approval on amendments to paragraph 1A of Part III of Schedule 1 to the Ordinance. The effect of the proposed amendments is to extend the existing concessionary rate of duty on ULSD at \$1.11 per litre to 31 December 2008. Unless further amended 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 2009.

4. Members may refer to paragraphs 4 and 5 of the Secretary's speech annexed to the draft Resolution for the reasons for extending the existing concessionary rate of duty for ULSD and the fiscal effect of the concession.

5. The draft Resolution is legally in order.

Prepared by

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