

# A BILL

## To

Amend the Dutiable Commodities Ordinance to suspend the application of certain provisions in the Ordinance to two types of liquors, and to provide for related amendments.

Enacted by the Legislative Council.

### 1. Short title

This Ordinance may be cited as the Dutiable Commodities (Amendment) (No. 2) Ordinance 2008.

### 2. Interpretation

Section 2(1) of the Dutiable Commodities Ordinance (Cap. 109) is amended by adding—

““specified goods” (指明貨品) means—

- (a) liquor, other than wine, with an alcoholic strength of not more than 30% by volume measured at a temperature of 20°C; or
- (b) wine;”.

### 3. Application

Section 3(1)(a) is repealed and the following substituted—

“(a) subject to section 3AA, alcoholic liquors;”.

### 4. Section added

The following is added immediately after section 3—

**“3AA. Zero-rated specified goods**

(1) Subsection (2) applies to specified goods the rate of duty on which as set out in Part I of Schedule 1 is 0% of the value of the goods (referred to in this section as “zero rate”).

(2) During the period in which the rate of duty is zero rate—

- (a) the provisions of this Ordinance that are set out in Schedule 4 do not apply to the specified goods;
- (b) references to dutiable goods in this Ordinance shall be construed as not including the specified goods;
- (c) the specified goods shall be regarded as duty-paid goods; and
- (d) references to dutiable commodities (however described) in any other Ordinance shall, in the absence of a contrary intention expressed in that Ordinance, be construed as not including the specified goods.

(3) For the avoidance of doubt, nothing in this section prevents the rate of duty on any specified goods as set out in Part I of Schedule 1 from being amended during the period in which the rate of duty is zero rate.”.

**5. Schedule 1 amended**

Schedule 1 is amended by repealing “4(1), (2) & 53(2)]” and substituting “3AA & 4]”.

**6. Schedule 4 added**

The following is added—

“SCHEDULE 4

[s. 3AA]

PROVISIONS THAT DO NOT APPLY TO  
ZERO-RATED SPECIFIED GOODS

1. Section 17(1), (3), (3A), (3AA), (3AB) and (4).
2. Section 19.
3. Section 20.
4. Section 22.
5. Section 23.
6. Section 24.
7. Section 36(2)(c).
8. Section 40(b).

9. Section 58.
10. Section 60.”.

### **Related Amendments**

#### **Legislative Council Ordinance**

##### **7. Composition of the import and export functional constituency**

Section 20W of the Legislative Council Ordinance (Cap. 542) is amended by adding—

“(aa) companies licensed under the Dutiable Commodities Ordinance (Cap. 109) immediately before the commencement of the Dutiable Commodities (Amendment) (No. 2) Ordinance 2008 ( of 2008) for the import, or import and export, of alcoholic liquors; and”.

#### **Explanatory Memorandum**

The main purpose of this Bill is to amend the Dutiable Commodities Ordinance (Cap. 109) (“the Ordinance”) to suspend the application of certain provisions in the Ordinance to two types of liquors.

2. Clause 1 sets out the short title to the Bill.
3. Clause 2 amends section 2(1) of the Ordinance to add a definition of “specified goods”, meaning two types of liquors.
4. Clause 3 amends section 3(1)(a) of the Ordinance, clause 4 introduces the proposed section 3AA of the Ordinance and clause 6 introduces the proposed Schedule 4 to the Ordinance, mainly to set out the provisions of the Ordinance that do not apply to specified goods during the period in which the rate of duty on the specified goods is 0% of the value of the goods.