

# 立法會 *Legislative Council*

LC Paper No. LS79/08-09

## **Paper for the House Committee Meeting on 5 June 2009**

### **Further Report by Legal Service Division on Inland Revenue (Amendment) Bill 2009**

Members may recall that the Legal Service Division has previously reported to the House Committee on the Inland Revenue (Amendment) Bill 2009 (the Bill) (LS64/08-09). The purpose of the Bill is to implement the one-off 50% reduction (capped at \$6,000) of salaries tax and tax under personal assessment for the year of assessment 2008-09 as proposed in the 2009-10 Budget speech. At the House Committee meeting on 15 May 2009, Members decided that a Bills Committee was not necessary and did not raise objection to the resumption of the Second Reading debate on the Bill.

2. On 26 May 2009, the Financial Secretary announced a number of additional relief measures to counter the financial crisis, including a proposal to increase the extent of the said tax reduction for the year of assessment 2008-09 to 100% (capped at \$8,000). Members may refer to the LegCo Brief issued by the Financial Services and the Treasury Bureau dated 26 May 2009 (CB(1)1740/08-09(01)) for further information. The proposed additional relief measures were discussed at the meeting of the Panel on Financial Affairs on 29 May 2009 when Members expressed various views.

3. In a letter dated 2 June 2009, the Secretary for Financial Services and the Treasury informed the Chairman of the House Committee that to reflect the enhanced tax reduction, the Administration intended to move Committee Stage amendments (CSAs) to the Bill. The proposed amendments will amend –

- (a) the long title by deleting reference to the Budget for the 2009-10 financial year; and
- (b) the proposed Schedule 19 by replacing "50%" with "100%" and "\$6,000" with "\$8,000" wherever they appear.

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

Prepared by

Kelvin Ka-yun LEE  
Assistant Legal Adviser  
Legislative Council Secretariat  
4 June 2009

LS/B/12/08-09