

**立法會**  
***Legislative Council***

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Tel : 3919 3300

Date : 21 October 2011

From : Clerk to the Legislative Council

To : All Members of the Legislative Council

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**Council meeting of 2 November 2011**

**Motion on  
“Alleviating the financial burden of middle-class people”**

Hon LAU Kong-wah has given notice to move the attached motion on “Alleviating the financial burden of middle-class people” at the Council meeting of 2 November 2011. The President has directed that “it be printed in the terms in which it was handed in” on the Agenda of the Council.

( Mrs Justina LAM )  
for Clerk to the Legislative Council

Encl.

(Translation)

**Motion on  
“Alleviating the financial burden of middle-class people”  
to be moved by Hon LAU Kong-wah  
at the Council meeting of 2 November 2011**

**Wording of the Motion**

That, given that uncertainties persist in external markets, Hong Kong faces the risk of economic downturn at any time and, coupled with worsening inflation, middle-class families are under heavy financial pressure; in this connection, this Council urges the Administration to put forward effective measures in the Budget for the new financial year, so as to relieve their financial burden, including:

Salaries tax -

- (a) increasing the personal allowance, child allowance, dependant brother or dependant sister allowance, dependant parent or dependant grandparent allowance and disabled dependant allowance under salaries tax according to inflation rates;
- (b) permitting children to share the dependant parent or dependant grandparent allowance;
- (c) reducing salaries tax and personal assessment by 50%;
- (d) introducing tax deduction for voluntary Mandatory Provident Fund contributions with a ceiling of \$12,000;
- (e) raising the tax allowance for new-born infants to \$100,000;

Housing -

- (f) introducing a residential rates deduction of \$8,000 for each household modelled on the operation mode of the electricity charge subsidy;
- (g) extending the entitlement period for deduction for home loan interest from 10 years to 15 years;

- (h) providing each residential electricity account with an electricity charge subsidy of \$3,600;

Education -

- (i) introducing tax deduction for children education with a ceiling of \$10,000;
- (j) lowering the annual interest rate for loans under the Non-means Tested Loan Scheme for tertiary students to 2.5% and replacing the means-tested loans with interest-free loans;
- (k) fully subsidizing pre-primary education, raising the subsidy amount under the Pre-primary Education Voucher Scheme and directly subsidizing the remuneration of kindergarten teachers;
- (l) increasing the salaries tax deduction for expenses of self-education from \$60,000 to \$100,000 and raising the subsidy under the Continuing Education Fund by 100% to \$20,000 per person;

Healthcare -

- (m) introducing tax deduction for private medical insurance contributions with a ceiling of \$12,000;
- (n) increasing the categories of drugs supported by the Samaritan Fund, relaxing the eligibility requirements and lowering the proportion of drugs costs to be shared by patients;

Transportation -

- (o) using the dividends received by the Government from the MTR Corporation Limited ('MTRCL') to lower MTR fares as a form of passenger reward;
- (p) urging MTRCL to introduce monthly ticket schemes for all the lines of its system; and
- (q) reducing the unleaded petrol duty by 50%, ensuring that oil companies fully reflect the tax concession in pump prices, and closely monitor pump price changes to avoid the occurrence of oil companies being 'swift in increasing but slow in decreasing prices' and 'making big price increases but small price cuts'.