

LC Paper No. LS38/13-14

## Paper for the House Committee Meeting on 28 March 2014

## Legal Service Division Report on Subsidiary Legislation Gazetted on 21 March 2014

Tabling in LegCo	:	Council meeting of 26 March 2014
Amendment to be made by	:	Council meeting of 16 April 2014 (or that of 14 May 2014 if extended by resolution)

## Dutiable Commodities (Amendment) Regulation 2014 (L.N. 31)

L.N. 31 is made by the Chief Executive in Council under section 6 of the Dutiable Commodities Ordinance (Cap. 109).

2. Under section 17 of Cap. 109, a licence is required for the import, export, manufacture or storage of alcoholic liquors, tobacco, hydrocarbon oil and methyl alcohol. Pursuant to regulation 22(2) of the Dutiable Commodities Regulations (Cap. 109A), an application for a licence, and any information submitted in connection with the application, must be in paper form and be submitted in such number of copies as the Commissioner of Customs and Excise (the Commissioner) may determine.

3. L.N. 31 is made to introduce an electronic system for processing applications for licences (the e-licensing system). It amends regulation 22 of Cap. 109A to require all applications for licences to be in the form of an electronic record that is submitted to the Commissioner using an information system specified by the Commissioner under regulation 22AAA. In order to ensure a smooth migration to the e-licensing system, L.N. 31 adds a new regulation 107 to Cap. 109A to provide for a transitional period of six months during which applications for licences may also be made in paper form.

4. L.N. 31 comes into operation on a day to be appointed by the Secretary for Financial Services and the Treasury by notice published in the Gazette.

5. Members may refer to the LegCo Brief (File Ref: TsyB R 183/700-6/6/0 (C)) issued by the Financial Services and the Treasury Bureau on 19 March 2014 for further information.

6. In July and September 2013, the Administration consulted the trade about the proposal of e-licensing. According to paragraph 19 of the LegCo Brief, major stakeholders, including the Dutiable Commodities Customer Liaison Group, generally supported the proposal and no objection has been received.

7. As advised by the Clerk to the Panel on Financial Affairs, the Panel was consulted on the proposal to introduce the e-licensing system at the meeting on 6 January 2014. The Panel supported the proposal. Members noted that the Administration had consulted the trade which welcomed the proposal.

8. No difficulties have been identified in the legal and drafting aspects of L.N. 31.

Prepared by

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