

**For discussion on  
6 November 2017**

**Legislative Council Panel on Financial Affairs**

**Construction of Inland Revenue Tower  
in Kai Tak Development Area**

**PURPOSE**

This paper seeks Members' support to upgrade the project of **3122KA** entitled "Inland Revenue Tower in Kai Tak Development" to Category A at an estimated cost of \$3,586.2 million in money-of-the-day (MOD) prices.

**PROJECT SCOPE**

2. It is government policy to accommodate its offices in government-owned premises as far as circumstances permit and re-provision those with no location requirements out of high value areas, including the central business districts. The Government had announced that as and when appropriate the departments in the Wan Chai Government Offices Compound (WCGOC), comprising the Revenue Tower, the Immigration Tower and the Wanchai Tower, would be relocated to other areas.

3. In this year's Policy Address, the Chief Executive announced that the WCGOC site would be developed into convention and exhibition facilities, hotel facilities and Grade A office space. In this connection, the Inland Revenue Department (IRD) currently accommodated in the Revenue Tower<sup>1</sup> will be relocated to a new building to be constructed in a site in Kai Tak Development (KTD) earmarked for this purpose. The project site occupies an area of approximately 9 700 square metres (m<sup>2</sup>), and is located in the northern fringe of KTD, adjacent to the Trade and Industry Tower (TI

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<sup>1</sup> Other departments currently accommodated in the Revenue Tower will be relocated to other new or existing government offices.

Tower). The location and site plan is at Annex.

4. The new IR Tower will provide a net operational floor area (NOFA)<sup>2</sup> of about 45 000 m<sup>2</sup> to accommodate all IRD offices under one roof, thereby enhancing its operational efficiency. The new building will have the following facilities –

- (a) offices and other support facilities including conference rooms, interview rooms, training rooms, a lecture hall, a departmental library and storage areas;
- (b) public service counters (e.g. enquiry counters and shroff counters) and waiting areas for the public;
- (c) a telephone enquiry centre;
- (d) operational equipment, including system printing rooms, and a room for mail-inserting system and folding machines;
- (e) a document processing centre for handling incoming mails, business returns and individuals returns, and for scanning documents;
- (f) a computer data centre (comprising data control rooms, server farm, media library, printer and console areas), data preparation rooms and network distribution rooms;
- (g) other miscellaneous facilities including staff lactation rooms, baby care rooms, pantries, toilet facilities, facilities for the disabled, a security control room, plant rooms, maintenance offices and workshops; and
- (h) a car park with a total of 40 parking spaces for departmental and staff vehicles.

5. Apart from the design and construction of the new IR Tower, the

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<sup>2</sup> NOFA is the floor area actually allocated to the users of a building for carrying out the intended activities. Unlike the construction floor area which takes into account all areas within the building structure envelope, NOFA does not include areas for such facilities (if any) as toilets, bathrooms and shower rooms, lift lobbies, stair halls, public or shared corridors, stairwells, escalators and lift shafts, pipes or services ducts, barrier-free access facilities, gender mainstreaming facilities, refuse chutes and refuse rooms, balconies, verandas, open decks and flat roofs, parking spaces, loading and unloading areas, mechanical plant rooms, etc.

project also provides a footbridge connection to the adjacent TI Tower. The new IR Tower will be easily accessible via various means of public transport along Prince Edward Road East and will be close to the future Kai Tak Station of the Shatin-to-Central Link of MTR.

## **PROVISION OF PUBLIC SERVICES**

6. The new IR Tower will be the departmental building for IRD to perform its key functions and responsibilities, including –

- (a) collecting tax, duties and fees under the relevant ordinances;
- (b) processing objections and appeals in relation to tax assessments;
- (c) taking recovery action in relation to tax in default;
- (d) combating tax evasion and countering tax avoidance through field audit and investigation; and
- (e) maintaining a register of entities carrying on business in Hong Kong.

7. Three existing frontline services of IRD will be provided to the public at the new IR Tower –

- (a) **Central Enquiry Counter** – answering enquiries from visitors, receiving letters and distributing forms;
- (b) **Stamp Office** – conducting immediate adjudication of stamp duty (including the need for stamp duty and amount payable) and preliminary audits of complicated cases, handling stamp duty payments, stamping documents and answering enquiries; and
- (c) **Business Registration Office** – processing applications for business registration, renewal of business registration and change of business registration particulars, handling requests for business registration documents, collecting business registration fees, levies and other document fees, and answering enquiries.

## **FINANCIAL IMPLICATIONS**

8. The estimated cost of the project is about \$3,586.2 million in MOD prices, which includes the costs for site works, geotechnical works, foundation works, building works, drainage works, furniture and equipment, etc. Furniture and related equipment will be provided in accordance with prevailing government regulations.

## **PROJECT DELIVERY**

9. The project will adopt the “Design and Build” approach. A contractor will be selected through competitive bidding to design and build the new IR Tower in accordance with government requirements. The tender invitation and assessment of the main works contract of the project have been completed in September 2017.

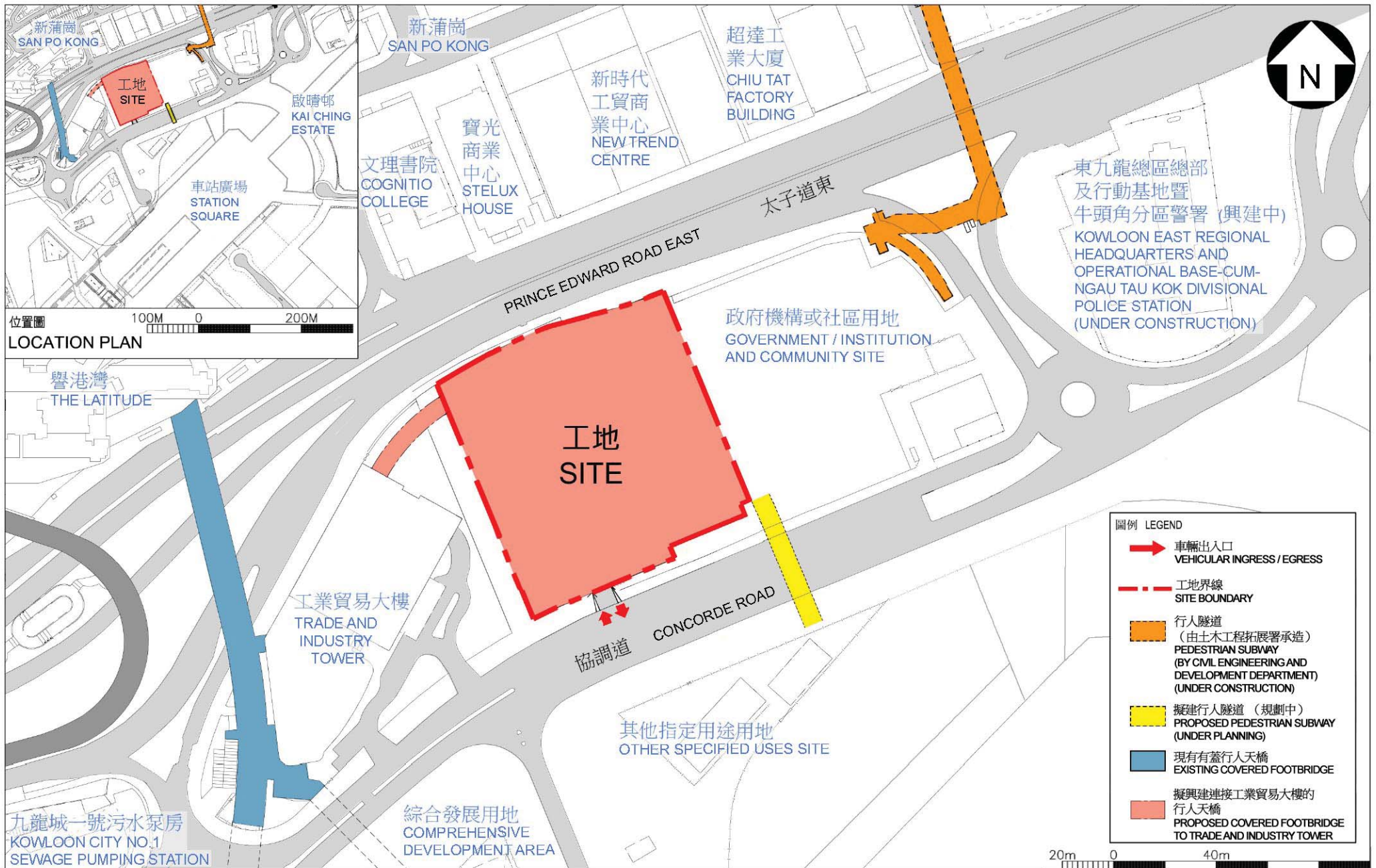
## **PUBLIC CONSULTATION**

10. The Government consulted the Housing and Infrastructure Committee of the Kowloon City District Council on 3 March 2016 and Wong Tai Sin District Council on 22 March 2016. Members of both district councils expressed support for the project and considered that the new IR Tower would enable IRD to continue to provide public services at a convenient location. We also submitted an information paper on the project to this Panel in November 2016.

## **WAY FORWARD**

11. Subject to Members’ views, we plan to submit the funding application to the Public Works Subcommittee and the Finance Committee (FC) in December 2017 and January 2018 respectively. Subject to FC’s approval, we target to commence the construction works in the first quarter of 2018 for completion in the first quarter of 2022.

**Financial Services and the Treasury Bureau  
Inland Revenue Department  
October 2017**



工地平面圖  
SITE PLAN

122KA  
在啟德發展區興建稅務大樓  
CONSTRUCTION OF INLAND REVENUE TOWER IN KAI TAK DEVELOPMENT AREA