

**立法會**  
***Legislative Council***

LC Paper No. LS108/99-00

**Paper for the House Committee Meeting  
of the Legislative Council  
on 17 March 2000**

**Legal Service Division Report on  
Revenue Bill 2000**

**Object of the Bill**

To reduce the rate of stamp duty on stock transactions.

**LegCo Brief Reference**

2. FIN CR 7/2201/99 dated 14 March 2000, issued by the Finance Bureau.

**Date of First Reading**

3. 15 March 2000.

**Comments**

4. The Bill implements the proposal to reduce the rate of stamp duty on stock transactions by 10% as announced by the Financial Secretary in his Budget Speech on 8 March 2000 (paragraphs 163-166).

5. Stamp duty is now charged on every contract note for the sale or purchase of any Hong Kong stock, not being jobbing business, at the rate of \$1.25 for every \$1,000 or part thereof of the amount of the consideration or of its value at the date on which the contract note is executed. As for a transfer operating as a voluntary disposition inter vivos or made for the purpose of

effectuating a transaction whereby the beneficial interest in Hong Kong stock passes otherwise than on sale and purchase, stamp duty is chargeable at the rate of \$2.50 for every \$1,000 or part thereof of the value of the stock plus a fixed sum of \$5.

6. The Bill proposes to amend the above two rates in the Stamp Duty Ordinance (Cap. 117) by reducing the former from \$1.25 to \$1.125 and the latter from \$2.50 to \$2.25.

7. As no commencement date is specified in the Bill, the reduction will take effect upon gazettal after being passed by LegCo.

### **Public Consultation**

8. As explained in the LegCo Brief, no formal consultation has been conducted for budget sensitivity reasons.

### **Consultation with LegCo Panel**

9. The Bill has not been referred to any Panel for discussion.

### **Recommendation**

10. The legal and drafting aspects of the Bill are in order. Subject to Members' views on the policy aspect, the Bill is ready for resumption of Second Reading debate.

Prepared by

CHEUNG Ping-Kam, Arthur  
Assistant Legal Adviser  
Legislative Council Secretariat  
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