

LS/B/6/02-03

Secretary for Financial Services
and the Treasury
Financial Services and the Treasury Bureau
(Attn: Mr Ivanhoe CHANG
AS (Tsy)(R)2)
5/F, East Wing
CGO, Lower Albert Road
Central, Hong Kong

By Fax (2868 5279) and By Post

10 March 2003

Dear Mr CHANG

Stamp Duty (Amendment) Bill 2002

I refer to your letter of 27 February 2003 and would like to clarify the scenario mentioned in the penultimate paragraph of your letter. Do you mean that notwithstanding that the Collector is of the view that stamp duty paid in respect of an instrument is not sufficient, if the information supplied in the application form corresponds with those contained in the instrument to be stamped,

- (a) there will be no "error" as provided in section 18J(1)(c) and 18J (5);
- (b) the stamp certificate will not be cancelled as the Collector's power to cancel stamp certificate under section 18J is not provided for such circumstances; and
- (c) the Collector will only issue an assessment under section 13 of the Stamp Duty Ordinance and take recovery action to recover the undercharged stamp duty under section 4(5) of the Ordinance within 6 years from the expiration of the time for stamping the instrument.

It is appreciated that your reply in both languages could reach us by noon, 17 March 2003.

Yours sincerely

(Monna LAI)
Assistant Legal Adviser

c.c. LA
S for J (Attn: Ms Lonnie NG)
CIR (Attn: Miss Mary WONG)