

Bills Committee on Revenue Bill 2003

**List of follow-up actions arising from the discussion
at the meeting on 16 May 2003**

- (1) To re-consider the practicability of requiring a person who fits an taxable accessory to a motor vehicle within six months after the first registration of the vehicle to make and deliver to the Commissioner for Transport a declaration setting out details, including the value, of the accessory. Such a requirement is not only hard to enforce but also creates an undue burden on the person concerned.
- (2) To advise how double taxation can be avoided if reinstallation of the three vehicle accessories, namely air-conditioners, audio equipment and anti-theft devices, is required due to breakdown or the need to ensure compatibility as in the case of anti-theft device within the prescribed six-month period.
- (3) To provide details of revenue generated from first registration tax (FRT) of motor vehicles, including both private cars and motorcycles, for the periods before and after the Budget 2003-04 announcement as opposed to the same period last year. To also advise the models of these vehicles.
- (4) To compare, in terms of tax income, the existing FRT regime, the proposal in the Bill (i.e. a marginal tax system with marginal rates of 35%, 75%, 105% and 150%) and the one put forward by the trade (i.e. with marginal rates of 35%, 55%, 75% and 95%).