

Bills Committee on Revenue Bill 2003

**List of follow-up actions arising from the discussion
at the meeting on 20 May 2003**

- (1) To advise the charging effect, if any, of the draft Committee Stage amendments prepared by the Assistant Legal Adviser 4 with reference to past cases, such as the reduction of tariff for the Cross Harbour Tunnel and duty for fuel.
- (2) To consider including in the proposed amendments to new section 4E(2A) an exemption for additional first registration tax (FRT) if the value of the reinstalled vehicle accessories is less than those being replaced. To also advise whether FRT is payable if used accessories of which FRT had already been paid are used for reinstallation.
- (3) To seriously re-consider the counter-proposal put forward by the trade (i.e. a marginal tax system with marginal rates of 35%, 55%, 75% and 95% for the four tax bands). The Administration should illustrate with more examples where the adoption of the said marginal rates for individual tax bands will bring about a reduction of revenue compared to the situation before 5 March 2003.

Council Business Division 1
Legislative Council Secretariat
20 May 2003