

立法會
Legislative Council

LC Paper No. CB(2)2803/02-03
(These minutes have been seen
by the Administration)

Ref : CB2/BC/9/02

Bills Committee on Betting Duty (Amendment) Bill 2003

**Minutes of meeting
held on Friday, 20 June 2003 at 8:30 am
in Conference Room A of the Legislative Council Building**

- Members Present** : Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP (Chairman)
Hon Cyd HO Sau-lan
Hon Eric LI Ka-cheung, JP
Hon SIN Chung-kai
Dr Hon Philip WONG Yu-hong
Hon Howard YOUNG, JP
Hon Ambrose LAU Hon-chuen, GBS, JP
Hon Andrew CHENG Kar-foo
Hon Timothy FOK Tsun-ting, SBS, JP
Hon Abraham SHEK Lai-him, JP
Hon Tommy CHEUNG Yu-yan, JP
Hon Michael MAK Kwok-fung
Hon WONG Sing-chi
Hon IP Kwok-him, JP
Hon Audrey EU Yuet-mee, SC, JP
- Member Absent** : Hon James TO Kun-sun
- Public Officers Attending** : Mr Stephen FISHER
Deputy Secretary for Home Affairs (2)
- Ms Esther LEUNG
Principal Assistant Secretary for Home Affairs (5)

Mrs Teresa CHU
Assistant Commissioner for Inland Revenue (3)

Mr Thomas LI
Senior Assessor (Research) (1)
Inland Revenue Department

Mr W L CHEUNG
Senior Government Counsel (Law Drafting Division)
Department of Justice

Mr Ryan CHIU
Assistant Secretary for Home Affairs (5)1

Clerk in Attendance : Miss Flora TAI
Chief Assistant Secretary (2)2

Staff in Attendance : Mr Stephen LAM
Assistant Legal Adviser 4

Miss Lolita SHEK
Senior Assistant Secretary (2)7

Action

I. Confirmation of minutes
[LC Paper No. CB(2)2506/02-03]

The minutes of the meeting held on 28 May 2003 were confirmed.

II. Meeting with the Administration

Clause-by-clause examination of the Bill
[The Bill and LC Paper No. CB(2)2000/02-03(02)]

2. The Bills Committee deliberated and completed clause-by-clause examination of the Bill (Index of proceedings attached at **Annex**).

3. The Administration was requested to provide a written response to the following requests from some of the members -

Adm

Action

Clause 13

Proposed new section 6L

- (a) to provide a flow chart with relevant provisions to illustrate the schedule for calculation and payment of betting duty on authorized football betting;

Proposed new section 6Q

- (b) to provide information on how the placing of hedging bets by a football betting conductor would be monitored;
- (c) to give an undertaking in the speech to be delivered by the Secretary for Home Affairs (SHA) during the resumption of the Second Reading debate on the Bill that the placing of hedging bets by a football betting conductor would be closely monitored;

Proposed new sections 6R and 6U

- (d) to consider raising the penalty for contravention of the proposed new sections 6R(1) and 6U(1) on the restrictions relating to football betting and lottery tickets respectively;
- (e) to increase the deterrence against the selling of football betting and lottery tickets to persons under 18 years of age;

Proposed new section 6X

- (f) to consider introducing an appeal mechanism against the provisions of the codes of practice on compliance with licence conditions issued by SHA;
- (g) to provide the provisions to be included in the codes of practice for members' consideration;
- (h) to provide room for participation of the general public in the issuance of the codes of practice;

Proposed new section 6Z

- (i) to consider whether it was necessary to revise the drafting of subsection 5 so that the Appeal Board would not be precluded from varying the financial penalty imposed on a holder of a licence by SHA after it had ruled that the penalty was not proportionate and reasonable in relation to the failure that gave

Action

rise to the penalty;

Proposed new section 6ZF

- (j) to consider raising the penalty for contravention of section 6ZF(1) on the keeping of records of authorized football betting or lotteries;

Adm

4. Members noted that the Administration would propose the following Committee Stage amendments (CSAs) and would provide the draft CSAs for members' reference shortly -

Clause 13

proposed new section 6N

- (a) to empower the Collector of Stamp Revenue to make an additional assessment of the net stake receipts derived from the conduct of authorized football betting in respect of a charging period;

proposed new section 6O

- (b) to add a further surcharge not exceeding 10% of the unpaid part of the total amount due to a football betting conductor in accordance with a notice of assessment or additional assessment if that amount was not fully paid at the end of 6 months after the required date of payment;

proposed new section 6P

- (c) to provide for the holding over of the payment of betting duty at the request of a football betting conductor pending the determination of the latter's appeal against an assessment of net stake receipts;

proposed new section 6Q

- (d) to authorize the Collector of Stamp Revenue to disregard a hedging bet placed by a football betting conductor if the bet was not placed in accordance with the licensing conditions;

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proposed new section 6S

- (e) to add the "fit and proper person" requirement which would be included as one of the licensing conditions for authorized football betting;

proposed new section 6Z

- (f) to provide for the holding over of the payment of the financial penalty imposed on a licence holder before the expiry of the period during which it might appeal against the penalty;

proposed new section 6ZA

- (g) to empower SHA to revoke the licence for authorized football betting or lotteries if the licensed operator or any of its related persons failed to comply with the "fit and proper person" requirement;

proposed new section 6ZB

- (h) to preclude the effect of a decision to revoke a licence for authorized football betting or lotteries from being suspended by the making of an appeal against the decision;

proposed new section 6ZD

- (i) to stipulate that the meetings of the Appeal Board would be open to the public under normal circumstances;

Clause 15

- (j) to reinstate section 8 of the Betting Duty Ordinance which was proposed to be repealed in the Bill;

Issues arising from the meeting on 12 June 2003

[LC Paper No. CB(2)2463/02-03(07)]

5. The Bills Committee deliberated the Administration's response to the issues and concerns raised by members at the meeting on 12 June 2003 (Index of proceedings attached at **Annex**).

Adm

6. The Administration was requested to provide a written response to the following requests from some of the members -

Action

- (a) to provide a list of the education measures implemented by the Education and Manpower Bureau (EMB) to prevent gambling-related problems and the relevant reference materials for members' reference;
- (b) to provide a list of the off-course betting branches the opening hours of which might be extended to receive bets for football betting together with information on the extended opening hours;
- (c) to consult the District Councils concerned on the variation of the opening hours mentioned in paragraph 6(b) above; and
- (d) to provide the report of the study on Hong Kong people's participation in gambling activities conducted by the Hong Kong Polytechnic University and commissioned by the Home Affairs Bureau in 2001.

7. Members agreed that representatives of EMB should be invited to brief members on the measures mentioned in paragraph 6(a) above at the meeting of the Bills Committee on Tuesday, 24 June 2003. Members also agreed that members of the research team of the Hong Kong Polytechnic University which conducted the study mentioned in paragraph 6(d) above should be invited to brief members on the study at the same meeting.

III. Any other business

Date of next meeting

8. Members agreed to discuss the CSAs to be proposed by the Administration as well as the Administration's response to the issues and concerns raised by members at the meetings on 16, 18 and 20 June 2003 at the next meeting on Monday, 23 June 2003 from 8:30 am to 12:45 pm. Mr Andrew CHENG said that he would provide the CSAs to be proposed by him for members' consideration.

9. There being no other business, the meeting ended at 12:30 pm.

Council Business Division 2
Legislative Council Secretariat
9 July 2003

Annex

Proceedings of the meeting of the Bills Committee on Betting Duty (Amendment) Bill 2003 on Friday, 20 June 2003 at 8:30 am in Conference Room A of the Legislative Council Building

Time marker	Speaker	Subject(s)	Action required
0000 - 0316	Chairman Admin	Clause-by-clause examination of the Bill Clause 13 Proposed new section 6I	
0317 - 0756	Mr Howard YOUNG Admin Chairman Mr SIN Chung-kai	Calculation of net stake receipts in respect of a charging period	
0757 - 1520	Ms Audrey EU Admin Chairman	Adjustments to net stake receipts	
1521 - 1716	Mr SIN Chung-kai Admin	Betting duty to be charged on the net stake receipts derived from football betting	
1717 - 2001	Chairman Admin	Proposed new section 6K Definition of "charging period"	
2002 - 2451	Ms Cyd HO Admin Chairman Ms Audrey EU Mr WONG Sing-chi	Payment of betting duty	Admin (see para. 3(a) of minutes of meeting)
2452 - 2834	Mr Tommy CHEUNG Admin Mr Abraham SHEK Mr SIN Chung-kai Chairman	Refund of betting duty over-charged to the Hong Kong Jockey Club (HKJC)	
2835 - 3658	Ms Cyd HO Admin Chairman	Proposed new section 6Q Hedging bets allowed for a football betting conductor	Admin (see para. 4(d) of minutes of meeting)
3659 - 3929	Mr SIN Chung-kai Admin	Proposed new section 6O Surcharge on betting duty not paid	Admin (see para. 4(b) of minutes of meeting)

3930 - 4848	Mr WONG Sing-chi Chairman Admin Ms Cyd HO Mr Tommy CHEUNG Mr SIN Chung-kai	Proposed new section 6Q Monitoring of the placing of hedging bets by a football betting conductor	Admin (see para. 3(b) and (c) of minutes of meeting)
4849 - 5354	Chairman Admin Mr WONG Sing-chi	Proposed new sections 6M and 6N The period within which assessments of net stake receipt were made after the end of a charging period	
5355 - 5912	Mr SIN Chung-kai Admin Chairman Mr Tommy CHEUNG	The use of the terms “a football betting conductor” and “a conductor” in the Bill Additional assessment of net stake receipts derived from the conduct of authorized football betting in respect of a charging period	Admin (see para. 4(a) of minutes of meeting)
5913 - 010010	Chairman Ms Cyd HO Admin	Proposed new sections 6N and 6O Surcharge on betting duty not paid	
010011 - 010601	Chairman Admin Ms Audrey EU Mr Tommy CHEUNG Ms Cyd HO	Proposed new section 6P Holding over of the payment of betting duty at the request of a football betting conductor pending the determination of the latter’s appeal against an assessment of net stake receipts	Admin (see para. 4(c) of minutes of meeting)
010602 - 011151	Chairman Admin Mr SIN Chung-kai	Proposed new section 6Q Parties to be charged with the contravention of section 6Q on hedging	
011152 – 011227	Mr WONG Sing-chi Admin	Authorities that were empowered to investigate into the contravention of section 6Q	
011228 - 011347	Mr Abraham SHEK Admin Chairman	Liabilities of individual directors of HKJC for the contravention of section 6Q	
011348 - 011855	Chairman Admin Mr Tommy CHEUNG Mr WONG Sing-chi Mr Abraham SHEK	Proposed new section 6R Penalty for the contravention of section 6R on the restrictions relating to football betting tickets	Admin (see para. 3(d) of minutes of meeting)
011856 - 012606	Mr WONG Sing-chi Admin Chairman Mr SIN Chung-kai Ms Cyd HO	Selling or giving away football betting tickets to persons under 18 years of age	Admin (see para. 3(e) of minutes of meeting)

012607 - 013153	Chairman Admin	Proposed new sections 6S to 6W	Admin (see para. 4(e) of minutes of meeting)
013154 - 014044	Mr SIN Chung-kai Chairman Admin	Proposed new section 6X Public consultation on the codes of practice on compliance with licence conditions to be issued by the Secretary for Home Affairs (SHA)	Admin (see para. 3(g) and (h) of minutes of meeting)
014045 - 014712	Mr Eric LI Admin Chairman	Provision of an appeal mechanism against the provisions in the codes of practice	Admin (see para. 3(f) of minutes of meeting)
014713 - 015247	Mr SIN Chung-kai Admin Chairman Mr Abraham SHEK	Participation of the general public in the issuance of the codes of practice	
015248 - 015549	Ms Cyd HO Chairman Admin	Judicial review of the provisions in the codes of practice	
015550 - 015706	Mr Andrew CHENG Chairman	Provision of details of the codes of practice for the reference of the Bills Committee	
015707 - 015846	Mr SIN Chung-kai Chairman Admin	Mechanism for the renewal of licence for authorized football betting	
015847 - 020051	Chairman Admin Mr Andrew CHENG	Proposed new section 6Y Variation of licence conditions	
020052 - 021040	Chairman Admin Mr Andrew CHENG ALA4	Proposed new section 6Z Factors to be taken into consideration in determining whether a financial penalty imposed on a holder of a licence was proportionate and reasonable Variation of the financial penalty imposed by SHA by the Appeal Board	Admin (see para. 3(i) of minutes of meeting)
021041 - 021311	Chairman Admin	Proposed new section 6ZA Revocation of licences	Admin (see para. 4(g) of minutes of meeting)
021312 - 021330	Ms Cyd HO Chairman	Suggestion for a break	
021331 - 022321	Break		

022322 - 022603	Admin ALA4 Chairman	Proposed new sections 6ZB to 6ZD Holding over of the payment of the financial penalty imposed on a licence holder before the expiry of the period during which it might appeal against the penalty	Admin (see para. 4(f) and (h) of minutes of meeting)
022604 - 022922	Mr Michael MAK Admin Chairman ALA4	Judicial review of the determination of an appeal by the Appeal Board	
022923 - 023305	Mr Andrew CHENG Admin Chairman Mr IP Kwok-him	Conduct of meetings of the Appeal Board in public	Admin (see para. 4(i) of minutes of meeting)
023306 - 023702	Chairman Admin Ms Cyd HO	Proposed new section 6ZF Proposal to raise the penalty for contravention of section 6ZF(1) on the keeping of records of authorized football betting or lotteries	Admin (see para. 3(j) of minutes of meeting)
023703 - 024457	Mr Michael MAK Admin ALA4 Chairman	Length of the period during which records of authorized football betting and lotteries should be kept by a conductor of football betting and lotteries	
024458 - 024602	Mr IP Kwok-him Admin	Comparison of the provisions in Part 4 of the Bill with similar provisions in the Inland Revenue Ordinance	
024603 - 024755	Chairman Admin	Proposed new sections 6ZG to 6ZI Clause 14	
024756 - 024909	ALA4 Admin	Clause 15 Reinstatement of section 8 of the Betting Duty Ordinance which was proposed to be repealed in the Bill	Admin (see para. 4(j) of minutes of meeting)
024910 - 025030	Chairman Admin Mr Michael MAK	Clause 16 Proposed new section 9	
025031 - 030235	Chairman Admin Mr Andrew CHENG	Betting Duty Regulations Clauses 17 to 22 Clause 23 Transitional provisions	
030236 - 031420	Chairman Admin Mr Michael MAK Mr Abraham SHEK Mr IP Kwok-him	Admin's response to the issues raised at the meeting on 12 June 2003 [LC Paper No. 2463/02-03(07)] Education measures implemented by the Education and Manpower Bureau to prevent gambling-related problems	Admin (see para. 6(a) of minutes of meeting)

031421 - 032515	Chairman Admin Mr Andrew CHENG	Operating hours of off-course betting branches (OCBBs)	Admin (see para. 6(b) and (c) of minutes of meeting)
032516 - 033052	Ms Cyd HO Admin Mr Michael MAK	Factors to be taken into consideration in assessing applications for opening new OCBBs	
033053 - 034215	Mr Howard YOUNG Mr Tommy CHEUNG Mr IP Kwok-him Mr Andrew CHENG Chairman Mr SIN Chung-kai Admin	Operating hours of OCBBs and consultation of District Councils on extension of the operating hours	
034216 - 034315	Chairman Mr Andrew CHENG Admin	Committee Stage amendments to be submitted to the Bills Committee for consideration	
034316 - 034936	Chairman Mr Andrew CHENG Mr Timothy FOK	Hypothecation of part of the proceeds from authorized football betting to finance local football development	
034937 - 035324	Mr Andrew CHENG Chairman Admin	Invitation of members of the research team of the Hong Kong Polytechnic University to brief the Bills Committee on the study on Hong Kong people's participation in gambling activities at the next meeting Arrangements for the next meeting	Admin (see para. 6(d) of minutes of meeting)

Council Business Division 2
Legislative Council Secretariat
 9 July 2003