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Tel No. : 2810 2868

Fax No. : 2524 3026

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The Honourable Mrs Selina CHOW LIANG Shuk-ye, GBS, JP
Chairman of the House Committee
Legislative Council
8 Jackson Road
Central
Hong Kong

Proposed Priority in the Scrutiny of Bills by Members

I am writing to request that priority be accorded by Members to the scrutiny of three bills, in the following order –

- (a) Legislative Council (Amendment) Bill 2003;
- (b) Revenue (No. 2) Bill 2003; and
- (c) Betting Duty (Amendment) Bill 2003.

Legislative Council (Amendment) Bill 2003

The Legislative Council (Amendment) Bill 2003 was introduced into the Legislative Council on 26 February 2003. It is the first one on the waiting list pending scrutiny by the Bills Committee. The Bill aims to give effect to the key proposals relating to the Legislative Council elections in 2004, including the composition of the Legislative Council in accordance with the Basic Law. It also proposes to establish a scheme to provide financial assistance in respect of election expenses incurred by candidates.

Members would appreciate that public elections require a very long planning lead time. To enable the next LegCo elections to be held in September 2004, the Bill has to be enacted within the current

legislative session so that the pre-election preparatory work may commence as soon as possible afterwards. In light of the tight timeframe, we suggest that first priority be allocated to the Bill, so that the Bills Committee may commence scrutiny of the Bill as soon as possible.

Revenue (No. 2) Bill 2003

The Revenue (No. 2) Bill 2003 was introduced into the Legislative Council on 9 April 2003 to implement the revenue proposals in the Budget 2003-04 relating to the salaries tax, profits tax and property tax.

As part of the Administration's package of measures to help restore balance in public finances over the medium term, it is essential for the Bill to be passed into law as soon as possible so that the proposed changes to the salaries tax, profits tax and property tax could be implemented in accordance with the timeframe as in the Budget. Hence the proposed priority for Members' scrutiny of the Bill.

Betting Duty (Amendment) Bill 2003

The Betting Duty (Amendment) Bill 2003 was also introduced into the Legislative Council on 9 April 2003 to provide for the authorization and regulation of football betting in Hong Kong.

There is a need for the Bill to be enacted within the current legislative session so that the Administration may issue the football betting licence to the Hong Kong Jockey Club (HKJC) in August, if possible. This would enable the HKJC, as the licensed operator of football betting, to capture the expected surge in demand for football betting with the start of the 2003-04 football season in August this year. Deferring the authorization would otherwise allow time for unauthorized football bookmakers to re-establish their footholds, making it more difficult for authorized football betting to divert the demand from punters to the regulated channel.

As the Financial Secretary has committed in the 2003-04 Budget, authorized football betting would bring about an annual estimated amount of \$1.5 billion in Betting Duty from 2003-04 onwards, if the relevant legislation comes into effect within the current financial year, thereby helping to alleviate the fiscal deficit.

Therefore, we suggest that priority be allocated to the Bill to enable the Bills Committee to commence scrutiny of the Bill in the earliest opportunity.

I should be grateful if you would put forward our proposals for Members' consideration at the coming House Committee meeting on 25 April 2003.

(Ms CHANG King-yiu)
Acting Director of Administration