Paper for Bills Committee on the Revenue (Personalized Vehicle Registration Marks) Bill 2005

Purpose

This paper provides the Administration's response to the questions raised by Members at the meeting of the Bills Committee on the Revenue (Personalized Vehicle Registration Marks) Bill 2005 (the Bill) held on 28 September.

<u>Vehicle registration marks to be reserved for the Legislative Council</u> <u>Commission</u>

2. During deliberations at the Bills Committee meeting on 28 September 2005, a Member suggested that the combinations beginning with or consisting of the letters "LC" that are reserved in the Bill for the vehicles of the LegCo Commission should be released for public auction while similar combinations beginning with or consisting of the letters "LEGCO" could be reserved for assignment to vehicles of the LegCo Commission instead. As the proposal directly affects the LegCo Commission, the Bills Committee has asked the Administration to consult the Commission first before reverting to the Bills Committee.

3. The Administration issued a letter to the LegCo Commission on 26 October seeking the Commission's views on the matter. We stated that the Member's suggestion may have a slight positive effect on revenue as it would make a larger set of registration marks available for auction, and that our view was the suggestion should be feasible and acceptable from the Administration's point of view. The LegCo Commission however advised us on 7 November that it was 'of the unanimous view that the existing policy should be maintained'. As a result, the Administration does not intend to propose any change to the Bill in this respect.

Re-issue of Recalled Personalized Vehicle Registration Marks (PVRMs)

4. The Administration's original thinking was that, if the circumstances under which the Commissioner for Transport (C for T) had originally recalled a certain PVRM subsequently changed, the concerned PVRM could be 'revived' for sale by auction again but the previous

holder of the PVRM should not be accorded any priority allocation of the PVRM. If he still retained an interest in the mark, he could participate in the public auction and bid for it again.

5. Some Bills Committee Members considered that priority should be given to the previous holder of a recalled PVRM if it is to be re-allocated, and requested us to provide relevant information on overseas practices. The Transport Department has looked at the practices elsewhere and found that while some places do not accord priority to the previous owners when PVRMs are recalled, some places do accord priority to them.

6. We have reviewed the matter, taking into account Members' views. We have no objection to the proposal of granting the right of first refusal to the previous holder of a recalled PVRM before it is put up for public auction. The detailed mechanism we propose is set out at **Annex A**.

Committee Stage Amendments (CSAs)

7. Taking into account Members' suggestions in the past Bills Committee meetings, draft CSAs which seek to implement the following suggestions endorsed by Members are prepared at **Annex B** -

- (a) Reserving 'ZG' for Garrison vehicles in the Road Traffic (Regulation and Licensing of Vehicles) Regulations;
- (b) Expanding the scope of PVRMs specified in Schedule 5A of the Road Traffic (Registration and Licensing of Vehicles) Regulations to include PVRMs of three or four identical letters for allocation upon sale by auction in the C for T's discretion; and
- (c) Providing the 'right of first refusal' to the previous owner of a recalled PVRM which has subsequently been 'revived'.

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<u>Proposed mechanism for granting the right of first refusal to the</u> <u>previous holder of a recalled PVRM</u>

- (a) If C for T determines that an application for PVRM should be approved under the proposed regulation 12F, he will check if it is of the same arrangement of letters and/or numerals as any recalled PVRM (disregarding the blank spaces, if any). If it is, TD will send a notice, by registered mail, to the previous PVRM holder at his address as it appears in the register of vehicles or the record of driving licences and international driving permits kept by the C for T in accordance with regulations made under the Road Traffic Ordinance. If such address is not available because the previous PVRM holder is not a registered vehicle owner or holder of a driving licence or an international driving permit, the notice will be published in local newspapers.
- (b) The previous PVRM holder will be informed that the recalled PVRM (in the same arrangement of letters, numerals and/or blank spaces before the recall) is now available for allocation again and he will be given a period of four weeks to purchase the mark at a special fee equal to the original auction price without going through public auction. The PVRM will be the same as the recalled PVRM and required to be displayed in the same way as the latter.
- (c) If the previous PVRM holder pays the full amount of the original auction price within the four-week period, the PVRM will be allocated to him. A refund of the deposit will then be made to the applicant.
- (d) If the PVRM is not allocated to the previous PVRM holder within the four-week period for whatever reason (e.g. he is no longer interested in the mark), the applicant will be notified that his application is approved and the mark will be put up for public auction. The previous PVRM holder is free to participate in the bidding for the mark as other bidders.

Annex B

REVENUE (PERSONALIZED VEHICLE REGISTRATION MARKS) BILL 2005

COMMITTEE STAGE

Amendments to be moved by the Secretary for Financial Services and the Treasury

Clause		Amendment Proposed
3(a)(iii)	(a)	By deleting "";".
	(b)	By adding -
		"(hh) the consideration by the Commissioner
		as to whether a cancelled personalized
		registration mark is suitable for
		reallocation;";".
4(b)	(a)	By deleting "in subregulation (1), by adding -"
		and substituting -
		"in subregulation (1) -
		(i) in the definition of "裝載貨物許可證", by
		repealing "。" and substituting a
		semicolon;
		(ii) by adding -".
	(b)	In the proposed definition of "certificate of

allocation", by adding ", <u>12PA(7)</u>" after "120(3)".

- (c) In the proposed definition of "personalized registration mark" -
 - (i) in paragraph (a), by deleting "or" at the end;
 - (ii) in paragraph (b), by adding "or" at the end;
 - (iii) by adding -
 - "(c) regulation 12PA;".

(d) By adding -

""cancelled personalized registration mark"

(已被取消的自訂登記號碼) means a

personalized registration mark the allocation of which has been cancelled

under regulation 12L;

"proposed personalized registration mark"

(擬使用的自訂登記號碼) means a proposed

personalized registration mark within the meaning of regulation 12B(1);".

4(c) In the proposed regulation 2(2), by deleting "or proposed personalized registration mark" wherever it appears and substituting ", proposed personalized registration mark or cancelled personalized registration mark".

9(b) By adding -

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"(4A) The following registration marks are reserved for assignment to vehicles of the Hong Kong Garrison -

- (a) the registration mark consisting only of the letters "ZG";
- (b) all registration marks consisting of the letters "ZG", at the beginning, followed by a numeral or numerals only; and
- (c) all registration marks consisting of the letters "ZG", as the suffix, preceded by a numeral or numerals only.".

(a) In the proposed regulation 12C(2), by adding -"(ca) is a cancelled personalized registration mark and that cancelled personalized registration mark is being offered for allocation at a special fee under <u>regulation 12PA(2)</u>;".

(b) In the proposed regulation 12E(4)(a), by deleting"12C(2)(b) or (c)" and substituting "12C(2)(b),

(c) or (ca)".

(d) In the proposed regulation 12F, by adding -

"(5) Subregulation (4) shall not apply if the proposed personalized registration mark is a cancelled personalized registration mark (taking into account only the sequence of arrangement of the letters and numerals) and that cancelled personalized registration mark has been allocated under <u>regulation 12PA(7)</u>, in which case the Commissioner shall -

- (a) subject to subregulation (6),
 notify the applicant
 concerned in writing of the
 allocation; and
- (b) subject to <u>regulation</u> <u>12PA(6)</u>, refund to the applicant the deposit paid by him under regulation 12D(1).

(6) The Commissioner is not required to notify the applicant concerned under subregulation (5)(a) if he is the person to whom the cancelled personalized registration mark is allocated under regulation 12PA(7).".

- (e) In the proposed regulation 12I(1), by adding "and regulation 12PA" after "subregulation (3)".
- (f) In the proposed regulation 12P, by deleting "personalized registration mark the allocation of which is cancelled" and substituting "cancelled personalized registration mark".
- (g) By adding -

"12PA. Cancelled personalized registration marks may be reallocated if Commissioner considers suitable

(1) A cancelled personalized registration mark may, subject to subregulation (2), be offered for sale by auction under regulation 12I again if the Commissioner determines under regulation 12F that an application for the allocation of a proposed personalized registration mark, being the cancelled personalized registration mark (taking into account only the sequence of arrangement of the letters and numerals), shall be accepted having regard to the matters referred to in regulation 12L(1) and any change of circumstances since the cancellation.

(2) Before a cancelled personalized registration mark is offered for sale by

auction, the Commissioner shall send a notice of offer to the person to whom a refund was made under regulation 12M(2) in respect of the cancelled personalized registration mark ("the previous holder") -

- (a) notifying the previous holder that the cancelled personalized registration mark is made available for reallocation;
- (b) offering to allocate the cancelled personalized registration mark to the previous holder at a special fee equal to the amount of the refund so made to him;
- (c) requiring the previous holder, if he accepts the offer, to -
 - (i) notify the Commissioner in writing; and
 - (ii) make full payment of the special fee,within 4 weeks after the date of the notice of offer; and

(d) stating that the cancelled personalized registration mark will be offered for sale by auction if notice of acceptance and full payment of the special fee are not received within the 4-week period.

(3) A notice of offer shall be sent tothe previous holder by registered post -

- (a) if the previous holder is the registered owner of a motor vehicle, at his address appearing on the register; or
- (b) if the previous holder is a holder of a driving licence or an international driving permit issued by the Commissioner, at his address appearing in the record maintained by the Commissioner under regulation 39 of the Road Traffic (Driving Licences) Regulations (Cap. 374 sub. leg. B).

(4) If the address of the previous holder cannot be found in the register or the record so maintained by the Commissioner, the Commissioner shall publish the notice of offer, containing the same information as required under subregulation (2), once in at least 2 Chinese language daily newspapers and one English language daily newspaper in circulation in Hong Kong.

(5) For the purposes of subregulation (4), the date of the notice of offer referred to in subregulation (2)(c) shall be construed as the date of publication of the notice of offer in the newspapers, and the reference in subregulation (7) to the period specified under subregulation (2)(c) shall be construed accordingly.

(6) If the previous holder is the person who makes the application referred to in subregulation (1), the deposit paid by him under regulation 12D(1) shall, if he accepts the offer, be taken as payment of the special fee or part of the special fee, as the case may be.

(7) The Commissioner shall, upon receiving the notice of acceptance and full

payment of the special fee within the period specified under subregulation (2)(c), allocate the cancelled personalized registration mark to the previous holder and issue a certificate of allocation to him.

(8) A certificate of allocation issuedunder subregulation (7) shall -

- (a) contain the particulars
 specified in regulation
 12J(2)(a), (d) and (e) and
 (3);
- (b) state the name and identity document number of the personalized registration mark holder (being the previous holder); and
- (c) state the date of allocation of the personalized registration mark which, in such case, shall be the date on which full payment of the special fee is received by the Commissioner.

(9) Regulation 9(2) and (3) shall apply in respect of personalized registration marks allocated under subregulation (7) in like manner as it applies in respect of special registration marks allocated under regulation 9(1).

(10) If, for whatever cause, a personalized registration mark allocated under subregulation (7) is not assigned to a motor vehicle within 12 months after the date of its allocation, the Commissioner may, without notice to the personalized registration mark holder, cancel that allocation and reallocate the personalized registration mark.".

15(d) In the proposed regulation 17(3B)(c), by deleting "or 120(4)(c)" and substituting ", 120(4)(c) or 12PA(8)(c)".

30 In the proposed Schedule 5A -

- (a) by deleting "".";
- (b) by adding -

"3. AAA, BBB, CCC, DDD, EEE, FFF, GGG, HHH, JJJ, KKK, LLL, MMM, NNN, PPP, RRR, SSS, TTT, UUU, VVV, WWW, XXX, YYY and ZZZ.

4. AAAA, BBBB, CCCC, DDDD, EEEE, FFFF,

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GGGG, HHHH, JJJJ, KKKK, LLLL, MMMM, NNNN, PPPP, RRRR, SSSS, TTTT, UUUU, VVVV, WWWW, XXXX, YYYY and ZZZZ.".".