

立法會
Legislative Council

Ref : CB2/BC/10/04

LC Paper No. CB(2)2322/04-05
(These minutes have been seen by
the Administration)

**Bills Committee on
Revenue (Abolition of Estate Duty) Bill 2005**

**Minutes of the meeting
held on Thursday, 9 June 2005 at 2:30 pm
in Conference Room A of the Legislative Council Building**

Members present : Hon Miriam LAU Kin-ye, GBS, JP (Chairman)
Hon Albert HO Chun-yan
Hon LEE Cheuk-yan
Hon Margaret NG
Hon CHAN Yuen-han, JP
Hon CHAN Kam-lam, JP
Dr Hon Philip WONG Yu-hong, GBS
Hon Abraham SHEK Lai-him, JP
Hon Audrey EU Yuet-mee, SC, JP
Hon Vincent FANG Kang, JP
Hon Jeffrey LAM Kin-fung, SBS, JP
Hon Andrew LEUNG Kwan-yuen, SBS, JP
Hon Ronny TONG Ka-wah, SC
Hon Patrick LAU Sau-shing, SBS, JP
Hon TAM Heung-man

Members absent : Hon James TIEN Pei-chun, GBS, JP
Dr Hon David LI Kwok-po, GBS, JP
Dr Hon LUI Ming-wah, JP
Hon Bernard CHAN, JP
Hon SIN Chung-kai, JP
Hon Timothy FOK Tsun-ting, GBS, JP
Hon LI Kwok-ying, MH
Hon WONG Ting-kwong, BBS
Hon CHIM Pui-chung

Public Officers : Mr Martin GLASS
attending Deputy Secretary for Financial Services and the Treasury
(Treasury)

Miss Erica NG
Principal Assistant Secretary for Financial Services and the
Treasury (Treasury)

Mr Arthur YUEN
Hong Kong Monetary Authority
Executive Director, Banking Supervision

Mrs Millie NG KIANG Mei-nei
Principal Assistant Secretary for Financial Services and the
Treasury (Financial Services)

Mrs Teresa CHU WONG Lai-fun
Assistant Commissioner of Inland Revenue

Mr Allen NG
Deputy Commissioner of Estate Duty of Inland Revenue

Mrs Nancy HUI
Principal Assistant Secretary for Home Affairs

Mr Gilbert MO
Deputy Law Draftsman
Department of Justice

Ms Vicki LEE
Senior Government Counsel
Department of Justice

Mrs Emme WALLER
Senior Assistant Law Officer (Civil Law)
Department of Justice

Mr M Y CHEUNG
Senior Government Counsel
Department of Justice

Clerk in : Mrs Sharon TONG
attendance Chief Council Secretary (2)1

Staff in attendance : Ms Bernice WONG
Assistant Legal Adviser 1

Mrs Eleanor CHOW
Senior Council Secretary (2)4

I. Meeting with the Administration

(LC Paper Nos. CB(2)1872/04-05(01), CB(2)1875(01), CB(2)1875(02) and CB(2)1715/04-05(01))

The Bills Committee deliberated (index of proceedings attached at **Annex**).

2. The Bills Committee requested the Administration –

- (a) to consider the proposal of amending the proposed section 60G to the effect that the subsidiary legislation on cessation of the new powers of Secretary for Home Affairs would be subject to positive vetting by the Legislative Council;
- (b) to provide a comparison of the protection afforded to estate beneficiaries against the estate of the deceased from being intermeddled with before and after passing of the Bill;
- (c) to explain the procedures/guidelines for removal of documents and articles from the deceased's safe deposit box before and after passing of the Bill;
- (d) to consider the suggestion that the scope of items to be removed from the deceased's safe deposit box should be narrowed;
- (e) to consult the Judiciary on the latest proposal of the requirement of a schedule of property to be annexed to an application for grant of representation;
- (f) to advise on the publicity programme to inform the public of the change in application procedures for grant of representation; and
- (g) to consider the proposals of introducing penalty provision similar to section 24 of the Estate Duty Ordinance and amending section 57 of the Probate and Administration Ordinance to guard against intermeddling of estate.

(Post-meeting note : The Administration's response was issued to members vide LC Paper No. CB(2)1909/04-05(01) on 13 June 2005.)

Action

II. Date of next meeting

3. The Bills Committee noted that the next meeting would be held on 13 June 2005 at 10:45 am.
4. The meeting ended at 4:35 pm.

Council Business Division 2
Legislative Council Secretariat
18 July 2005

**Proceedings of the meeting of the
Bills Committee on
Revenue (Abolition of Estate Duty) Bill 2005
on Thursday, 9 June 2005 at 2:30 pm
in Conference Room A of the Legislative Council Building**

Time marker	Speaker	Subject(s)	Action Required
000000 - 000217	Chairman	Response of the Administration to the issues raised by members at the meeting on 6 and 7 June 2005	
000218 - 000535	Admin Chairman	Samples of “no-objection” letters issued by the Estate Duty Office to the bank concerned for release of money from the deceased’s account or for inspection of the safe deposit box of the deceased UK’s inheritance tax, capital transfer tax and estate duty Comparison between Singapore and Hong Kong in respect of the volume of asset management business and investment professionals in the asset management industry	
000536 - 000657	Hon Margaret NG Admin	A summary of views of the consultation on estate duty conducted in 2004 and the parties consulted	
000658 - 001146	Chairman Admin Hon Margaret NG	The feasibility of adopting a zero-rating estate duty as an alternative legislative approach	
001147 - 001601	Chairman Admin	Response of the Administration to the questions raised by ALA1	

Time marker	Speaker	Subject(s)	Action Required
001602 - 001854	Chairman Hon Margaret NG Admin	Means to uncover tax evasion cases after abolition of estate duty Reasons for changing the period for raising tax assessment on an executor from one year to three years	
001855 - 002119	Hon TONG Ka-wah Chairman	The need for a schedule of property to prevent intermeddling of estate	
002120 - 003012	Admin ALA1 Hon Margaret NG Chairman	Legal basis for transferring the powers of the Commissioner of Inland Revenue to the Secretary for Home Affairs (SHA) Whether the subsidiary legislation on cessation of the new powers of SHA should be subject to negative or positive vetting by the Legislative Council	Admin to provide the requested information
003013 - 004024	Hon Audrey EU Admin Chairman	Protection to estate beneficiaries and offences for intermeddling of estate after passing of the Bill	
004025 - 004424	Hon Margaret NG Admin	Comparison of the protection provided to estate beneficiaries before and after passing of the Bill Proposal to deal with intermeddling of estate after abolition of estate duty	Admin to provide the requested information
004425 - 005226	Chairman Hon Margaret NG Hon TONG Ka-wah Hon Albert HO	Protection to estate beneficiaries and offences for intermeddling of estate after passing of the Bill	

Time marker	Speaker	Subject(s)	Action Required
005227 - 005729	Chairman ALA1 Hon Margaret NG Admin	Time at which estate duty would cease to apply to a person Justification for imposing the three-year period for raising tax assessment on an executor and the Administration's follow-up action if no application for grant of representation was made within the three-year period	
005730 - 005950	Chairman Admin Hon Margaret NG	Information to be provided by the Probate Registrar to the Commissioner of Inland Revenue under sections 24A and 49AA of the Probate and Administration Ordinance	
005951 - 010907	Admin Chairman Hon Albert HO Hon Margaret NG Hon TONG Ka-wah	Release of money from the deceased's sole account, joint account, trust account or company account in banks and insurance account	
010908 - 011048	Chairman Admin	Criteria for determining the amount of money to be released from the deceased's account	
011049 - 012147	Chairman Admin ALA1 Hon Albert HO Hon TONG Ka-wah Hon Margaret NG	Procedures/guidelines for removal of documents and articles from the deceased's safe deposit box before and after passing of the Bill Reasons for allowing articles to be removed from the deceased's safe deposit box Whether the scope of items to be removed from the deceased's safe deposit box should be narrowed	Admin to provide the requested information Admin to provide the requested information

Time marker	Speaker	Subject(s)	Action Required
012148 - 012429	Chairman Admin ALA1	Whether the requirement for banks to make a copy of the will under proposed section 60C(4) contravened the Personal Data (Privacy) Ordinance	
012430 – 012543	Chairman Admin	Manner of application to be specified by SHA in respect of a certificate for release of money or a certificate for inspection under proposed section 60B(1)(a) and 60C(1)(a) Conditions to be attached to a certificate for release of money or a certificate for inspection under proposed section 60E(1)	
012544 - 013200	Hon Margaret NG Admin Chairman	Justification for imposing the three-year period for raising tax assessment on an executor	
013201 - 013617	Chairman Hon Albert HO Admin	Conditions to be attached to a certificate for release of money or a certificate for inspection under proposed section 60E(1) Validity period of provisions of Part VA under proposed section 60G Whether the notice to be published by SHA in the Gazette under proposed section 60G was subsidiary legislation	

Time marker	Speaker	Subject(s)	Action Required
013618 - 015113	Chairman Hon Albert HO	<p>Justification for repealing the fees for grants of representation</p> <p>Discussion between the Law Society of Hong Kong and the Administration on the new application procedures for grant of representation in particular the requirement for a schedule of property</p> <p>Consultation with the Judiciary on the latest proposal of the requirement of a schedule of property to be annexed to an application for grant of representation</p> <p>Publicity on the change in application procedures for grant of representation</p>	<p>Admin to consult the Judiciary</p> <p>Admin to provide the requested information</p>
015114 - 020125	Hon Andrew LEUNG Chairman Hon Margaret NG Admin ALA1 Hon Albert HO	<p>Protection to estate beneficiaries and offences for intermeddling of estate after passing of the Bill</p> <p>Proposals to introduce penalty provision similar to section 24 of the Estate Duty Ordinance and to amend section 57 of the Probate and Administration Ordinance to the Bill to guard against intermeddling of estate</p>	<p>Admin to consider the proposal</p>
020126 – 020353	Chairman Hon Margaret NG	Date of next meeting and issues to be discussed	