

Bills Committee on Stamp Duty (Amendment) Bill 2012

**List of follow-up actions arising from the discussion
at the meeting on 16 September 2013**

The Administration was requested to:

- (a) explain the reasons and justifications for accepting declarations made by individual Hong Kong Permanent Resident ("HKPR") buyers under the Buyer's Stamp Duty (BSD) regime or the "Hong Kong Property for Hong Kong People" measure on one hand but rejecting declaration mechanism proposed by members for the purpose of exempting companies whose shareholders are all HKPRs from the BSD or refunding the BSD on specific conditions, including how and why the risks of the abuse of the declaration mechanism for HKPR shareholders of Hong Kong companies are higher than that for individual HKPR buyers;
- (b) provide information/breakdown on the types of charitable organizations and the classification of charitable purposes that are exempted from tax under section 88 of the Inland Revenue Ordinance (Cap. 112), and to elaborate the reasons and justifications for not exempting such charitable organizations from the BSD, including explaining the extent of the potential risks, possible loopholes, etc of the exemption;
- (c) provide a copy of Department of Justice's written advice on whether the Special Stamp Duty and the BSD are constitutional and legitimate taxation measures in conformity with the Basic Law, in particular Articles 25 and 105;
- (d) provide the speaking notes (in both English and Chinese) of the Secretary for Transport and Housing at the meeting; and
- (e) provide a written reply to Hon Abraham SHEK's letter of 12 September 2013.