

**Detailed response to issues raised by Members during the
clause-by-clause examination of the Bill**

Proposed section 6GF(1B) under clause 9(3): arrangement of definitions

According to our drafting practice, English definitions are arranged in alphabetical order, and Chinese definitions are arranged according to the number of strokes of the first Chinese characters. This is a standard drafting practice adopted in every piece of legislation. When a user comes across an English or Chinese phrase in our legislation, he or she will find it easier to locate the relevant definition if it is arranged according to this drafting practice. In this case, we do not see the need to depart from this standard practice and use other methods to arrange definitions.

Proposed section 6GF(1B) under clause 9(3): definition of *specified payee*

The phrase “specified payee” appears in paragraphs (a) and (b) of the definition of *specified amount* in the proposed section 6GF(1B). These paragraphs stipulate amounts that are payable in relation to a bet type in a non-local horse race, and the aggregate of the stipulated amounts is the “specified amount”. Paragraph (a) stipulates the amount payable to the “specified payee” for the right to use in Hong Kong sounds or visual images, or other information, relating to the non-local horse race (right to use information). Paragraph (b) stipulates the amount payable to the “specified payee” for the right to conduct in Hong Kong betting of the bet type on the non-local horse race (right to conduct betting). In other words, “specified amount” is limited to amounts payable to the “specified payee” only. The level of “specified amount” affects the level of “extra amount”, which in turn affects the level of N in the mathematical formula for calculating the net stake receipts under the proposed section 6GF(1A).

The phrase “specified payee” is defined as the person who owns or manages the relevant right under the law that governs the right. In other words, if an amount is payable for the right to use information or conduct betting in Hong Kong, the amount does not fall under “specified amount”, unless the amount is also payable to the person who owns or manages the right under the law that governs the right.