# 香港特別行政區政府 政務司司長辦公室轄下行政署



The Government of
The Hong Kong Special Administrative Region
Administration Wing,

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16 December 2015

The Hon Andrew LEUNG Kwan-yuen, GBS, JP Chairman House Committee Legislative Council Complex 1 Legislative Council Road, Central Hong Kong

Han Chauman,

### Proposed Order of Priority in the Scrutiny of Bills

We understand that the House Committee meeting scheduled for 18 December 2015 will consider, inter alia, whether Bills Committees should be set up for four bills introduced into the Legislative Council (LegCo) on 16 December 2015. I am writing to propose the order of priority in the scrutiny of bills should the number of bills for which Members decide to set up Bills Committees exceeds the number of vacant Bills Committee slots.

2. Having considered the objectives of the bills, their complexity and relative urgency, we propose that priority be accorded to the Eastern Harbour Crossing Legislation (Amendment) Bill 2015, the Inland Revenue (Amendment) (No. 4) Bill 2015 and the Electoral Legislation (Miscellaneous Amendments) (No. 2) Bill 2015. Our reasons are set out in the ensuing paragraphs.

### Eastern Harbour Crossing Legislation (Amendment) Bill 2015

The 30-year Build-Operate-Transfer ("BOT") franchise for the Eastern Harbour Crossing ("EHC") will expire on 7 August 2016, whereupon EHC will be vested in the Government. The Bill will provide the necessary legal backing for EHC to operate and be managed as a Government tunnel on the expiry of the BOT franchise. It seeks to subsume EHC in the legislative framework for Government tunnels and to repeal the governing legislation of EHC as a BOT franchise. We recommend according priority to this Bill to allow sufficient time for Members to scrutinise it.

#### Inland Revenue (Amendment) (No. 4) Bill 2015

4. The Bill seeks to implement the initiatives announced in the 2015/16 Budget to enhance the existing interest deduction rules for the intra-group financing business of corporations and introduce a concessionary profits tax rate for qualifying corporate treasury centres. The Bill also contains provisions to clarify the tax treatments in respect of regulatory capital securities issued by banks in compliance with Basel III capital adequacy requirements. We recommend according priority to this Bill as the market has been expecting its early passage given its value enhancing business in Hong Kong's and financial market competitiveness.

# Electoral Legislation (Miscellaneous Amendments) (No. 2) Bill 2015

5. The Bill seeks to make necessary technical amendments to the relevant electoral legislation concerning the 2016 LegCo election, 2016 Election Committee subsector elections and 2017 Chief Executive election. The enactment of the Bill within the 2015-16 legislative session can enable the relevant technical amendments to take effect for the aforementioned elections. We therefore recommend according priority to this Bill to allow Members an early opportunity to scrutinise it.

6. I should be grateful if you would help put forward our proposal for Members' consideration at the House Committee meeting scheduled for 18 December 2015.

yours sincerely,
(pmor

(Ms Kitty Choi)
Director of Administration

c.c. Clerk to House Committee