

Stamp Duty (Amendment) Bill 2017**Debate and voting arrangements**

Object of the Bill : To introduce a new flat rate (15%) for the ad valorem stamp duty (“AVD”) payable on certain instruments dealing with residential property (“New AVD”) under the Stamp Duty Ordinance (Cap. 117) (“the Ordinance”); and to provide for related matters.

First debate : **Clauses with no amendment – Clauses 1 to 4 and 9**

Voting : To vote on the above clauses standing part of the Bill

Second debate : **Clauses relating to the 1st, 2nd and 3rd groups of amendments proposed by Hon James TO; clauses relating to the 1st and 2nd groups of amendments proposed by the Secretary for Transport and Housing (“STH”); and new clause relating to the 1st and 2nd amendments proposed by Hon Holden CHOW – Clauses 5 to 8 and 10 and new clause 8A**

Joint debate on the original clauses and the amendments thereto.

Debate theme: Relevant arrangements for implementing the New AVD

Hon James TO’s 1st and 2nd groups of amendments (Clauses 5 and 7)

- To amend the proposed sections 29AI and 29BA in clauses 5 and 7 of the Bill to provide that if there is an application for extending **the statutory time limit** stipulated in section 29DF of the Ordinance for disposal of the original property under the existing refund mechanism, the Collector of Stamp Revenue (“the Collector”) shall extend such time limit from six months to **nine months** as provided in his **1st group of amendments** and **12 months** as provided in his **2nd group of amendments** respectively.

STH’s 1st group of amendments (Clauses 5 and 7)

- To amend the proposed sections 29AI and 29BA in clauses 5 and 7 of the Bill to clearly **set out the AVD rates applicable to residential property transactions and non-residential property transactions**, and delete the reference to “in any other cases”.

STH's 2nd group of amendments (Clauses 6 and 8)

- To amend the proposed sections 29AIA and 29BAB in clauses 6 and 8 of the Bill to **prescribe the applicable AVD rates under different scenarios of exchange between residential property and non-residential property.**

Hon James TO's 3rd group of amendments (Clause 10)

- To amend clause 10 of the Bill to amend the proposed paragraph (C) under head 1(1) and head 1(1A) of the First Schedule to **exempt estate agents from being liable for payment of the New AVD.**

Hon Holden CHOW's 1st and 2nd amendments (New clause)

- To add new clause 8A to extend **the statutory time limit** in section 29DF(5) of the Ordinance from six months to **12 months as provided in his 1st amendment** and **nine months as provided in his 2nd amendment** respectively after the date of execution of the applicable instrument.

Mover	Voting	Remarks	Amendment(s)
Hon James TO	Mr TO's 1 st group of amendments (clauses 5 and 7)	If Mr TO's 1 st group of amendments is passed , he may not move his 2 nd group of amendments; STH may not move his 1 st group of amendments; and Hon Holden CHOW may not move his 1 st and 2 nd amendments.	LC Paper No. <u>CB(3) 825/16-17</u>
Hon James TO	Mr TO's 2 nd group of amendments (clauses 5 and 7)	If Mr TO's 2 nd group of amendments is passed , STH may not move his 1 st group of amendments, and Mr CHOW may not move his 1 st and 2 nd amendments.	LC Paper No. <u>CB(3) 825/16-17</u>
STH	STH's 1 st group of amendments (clauses 5 and 7)	Irrespective of whether STH's 1 st group of amendments is passed or not, STH may move his 2 nd group of amendments, Mr TO may move his 3 rd group of amendments, and Mr CHOW may move his 1 st amendment.	LC Paper No. <u>CB(3) 757/16-17</u>

Hon Holden CHOW	Mr CHOW's 1 st amendment to add new clause 8A (interdependent with Mr TO's amendments to clauses 5 and 7)	If Mr CHOW's 1 st amendment is <u>passed</u> , he <u>may not</u> move his 2 nd amendment.	LC Paper No. <u>CB(3) 825/16-17</u>
Hon Holden CHOW	Mr CHOW's 2 nd amendment to add new clause 8A (interdependent with Mr TO's amendments to clauses 5 and 7)	Irrespective of whether Mr CHOW's 2 nd amendment is passed or not, STH <u>may</u> move his 2 nd group of amendments.	LC Paper No. <u>CB(3) 825/16-17</u>
STH	STH's 2 nd group of amendments (clauses 6 and 8)	Irrespective of whether STH's 2 nd group of amendments is passed or not, Mr TO <u>may</u> move his 3 rd group of amendments.	LC Paper No. <u>CB(3) 757/16-17</u>
Hon James TO	Mr TO's 3 rd group of amendments (clause 10)		LC Paper No. <u>CB(3) 825/16-17</u>

STH's amendments

(set out in LC Paper No. CB(3) 757/16-17 issued on 27 June 2017)

Hon James TO's amendments

(set out in LC Paper No. CB(3) 825/16-17 issued on 10 July 2017)

Hon Holden CHOW's amendments

(set out in LC Paper No. CB(3) 825/16-17 issued on 10 July 2017)

Council Business Division 3
Legislative Council Secretariat
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