

立法會
Legislative Council

LC Paper No. LS15/18-19

**Paper for the House Committee Meeting
on 16 November 2018**

**Legal Service Division Report on
Subsidiary Legislation Gazetted on 2 November 2018**

Tabling in LegCo : Council meeting of 7 November 2018

Amendment to be made by : Council meeting of 5 December 2018 (or that of 9 January 2019 if extended by resolution)

**Tax Reserve Certificates (Rate of Interest)
(Consolidation) (Amendment) (No. 2) Notice 2018** (L.N. 211)

Under rule 7(2)(h) of the Tax Reserve Certificates (Fourth Series) Rules (Cap. 289A), in relation to tax reserve certificates issued on or after 11 April 1980, the rate of interest is such as may be fixed by the Financial Secretary¹ from time to time and is in force at the date of issue thereof. Under rule 7(2A) of Cap. 289A, notice of the rate of interest so fixed shall be published in the Gazette.

2. L.N. 211 is made by the Secretary for Financial Services and the Treasury under rule 7(2)(h) of Cap. 289A to amend the Schedule to the Tax Reserve Certificates (Rate of Interest) (Consolidation) Notice (Cap. 289B) to provide that the rate of interest payable on tax reserve certificates issued on or after 5 November 2018 shall be 0.25% per annum. The rate of interest was last fixed at 0.0767% per annum pursuant to the Tax Reserve Certificates (Rate of Interest) (Consolidation) (Amendment) Notice 2018 (L.N. 147 of 2018) published in the Gazette on 3 August 2018.²

¹ Financial Secretary is defined under section 3 of the Interpretation and General Clauses Ordinance (Cap. 1) to mean the Financial Secretary of the Hong Kong Special Administrative Region and the Secretary for Financial Services and the Treasury.

² Members may refer to LC Paper No. LS86/17-18 for information on L.N. 147 of 2018. A subcommittee was formed to study L.N. 147 of 2018. The information on L.N. 147 of 2018 set out in LC Paper No. CB(1)57/18-19 issued by the Financial Services and the Treasury Bureau in October 2018 to the Subcommittee is also relevant to L.N. 211.

3. No Legislative Council Brief has been issued by the Administration on L.N. 211. According to our enquiry with the Administration, L.N. 211 is made with reference to the average prevailing interest rate for the six-month time deposit below \$100,000 offered by the three note-issuing banks as at 29 October 2018. Further, given that the adjustment is a routine exercise, the Administration does not consider it necessary to conduct public consultation.
4. As advised by the Clerk to the Panel on Financial Affairs, the Panel has not been consulted on L.N. 211.
5. No difficulties have been identified in relation to the legal and drafting aspects of L.N. 211.

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