



香港稅務學會
THE TAXATION INSTITUTE OF HONG KONG

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PRIVATE AND CONFIDENTIAL

Clerk to Bills Committee on Revenue (Stamp Duty) Bill 2021
Legislative Council Secretariat
Legislative Council Complex
1 Legislative Council Road
Central, Hong Kong

立法會 CB(1)788/20-21(04)號文件
(只備英文本)
LC Paper No. CB(1)788/20-21(04)
(English version only)

Email: bc_05_20@legco.gov.hk

12 April 2021

Dear Sir,

Bills Committee on Revenue (Stamp Duty) Bill 2021 (the Bill)

In response to the Bills Committee's invitation to the public to make submission on the Bill, we would like to provide below our views thereof.

We welcome the proposed amendment of the Stamp Duty Ordinance (Cap. 117) to give effect to the proposal in the Budget introduced by the Government for the 2021-2022 financial year to increase the rate of stamp duty payable on the sale or purchase or transfer of Hong Kong stock by 30%. The captioned proposal could provide a favourable revenue impact to the Government based on existing stamp duty mechanism under current pandemic situation, without significant additional resources contributed which resulting to achieve a more long-term sustainable revenue stream under the current narrow tax base in Hong Kong tax system.

As mentioned by the Institute in its previous budget submissions, the Institute believes that the HKSAR Government should, at the same time of promoting economic growth to increase government revenue, continue to explore ways of broadening Hong Kong's tax base and reducing our fiscal volatility e.g. by considering the possibility of introducing new types(s) of indirect taxes or levies in Hong Kong in appropriate time.

We trust the above would help the Bills Committee to scrutinize and deliberate on the Bill. Should you wish us to elaborate or clarify any of the above, please contact us.

Your sincerely,

For and on behalf of
The Taxation Institute of Hong Kong

Webster Ng
President