

**立法會**  
**Legislative Council**

LC Paper No. LS44/20-21

**Paper for the House Committee Meeting  
on 26 February 2021**

**Legal Service Division Report on  
Subsidiary Legislation Gazetted on 24 February 2021**

**Tabling in LegCo** : Council meeting of 17 March 2021

**Amendment to be made by** : Council meeting of 24 March 2021 (or that of 5 May 2021 if extended by resolution)

**Public Revenue Protection (Revenue) Order 2021** (L.N. 31)

L.N. 31 is made by the Chief Executive ("CE") under section 2 of the Public Revenue Protection Ordinance (Cap. 120) after consultation with the Executive Council. It gives immediate effect to the proposals in paragraph 145 of the 2021-2022 Budget Speech delivered by the Financial Secretary on 24 February 2021, namely, increasing the rates of the first registration tax for private cars by 15% and the annual licence fees for private cars and electrically powered passenger vehicles by 30% respectively.

2. Section 2 of Cap. 120 provides, among other things, that if CE approves of the introduction into the Legislative Council ("LegCo") of a bill whereby, if the bill were to become law any duty, tax, fee, rate or other item of revenue would be imposed, removed or altered, CE may make an order giving full force and effect of law to all the provisions of the bill.

3. L.N. 31, which came into force at 11 a.m. on 24 February 2021, is made to give full force and effect to all the provisions of the bill set out in the Schedule to L.N. 31 ("Bill"). The Bill proposes to amend the Motor Vehicles (First Registration Tax) Ordinance (Cap. 330) and the Road Traffic (Registration and Licensing of Vehicles) Regulations (Cap. 374E) to give effect to the budgetary proposals in paragraph 145 of the 2021-2022 Budget Speech. The Bill also provides for transitional matters relating to the proposals. The Bill will be introduced into LegCo in accordance with normal legislative procedures.

4. A comparison of the rates of the first registration tax under Cap. 330 (in force before 11 a.m. on 24 February 2021) and the proposed rates of the first registration tax under the Bill (with effect from 11 a.m. on 24 February 2021) for private cars is set out below:

<b>Tax Bands</b>	<b>Rates under Cap. 330 in force before 11 a.m. on 24 February 2021</b>	<b>Proposed rates under the Bill with effect from 11 a.m. on 24 February 2021</b>
On the first \$150,000 of the taxable value	40%	46%
On the next \$150,000	75%	86%
On the next \$200,000	100%	115%
On the remainder (i.e. on taxable value over \$500,000)	115%	132%

5. Comparisons of the annual licence fees under Cap. 374E (in force before 11 a.m. on 24 February 2021) and the proposed annual licence fees under the Bill for private cars (using either petrol or diesel oil) and electrically powered passenger vehicles (with effect from 11 a.m. on 24 February 2021) are set out below:

For private cars

<b>Cylinder capacity of the engine</b>	<b>Annual licence fees under Cap. 374E in force before 11 a.m. on 24 February 2021</b>	<b>Proposed annual licence fees under the Bill with effect from 11 a.m. on 24 February 2021</b>
	<b>for petrol/diesel private cars</b>	
Not exceeding 1 500 cubic centimetres	\$3,815/ \$5,275	\$4,960/ \$6,858
Exceeding 1 500 cubic centimetres but not exceeding 2 500 cubic centimetres	\$5,680/ \$7,140	\$7,384/ \$9,282
Exceeding 2 500 cubic centimetres but not exceeding 3 500 cubic centimetres	\$7,550/ \$9,010	\$9,815/ \$11,713
Exceeding 3 500 cubic centimetres but not exceeding 4 500 cubic centimetres	\$9,420/ \$10,880	\$12,246/ \$14,144
Exceeding 4 500 cubic centimetres	\$11,215/ \$12,675	\$14,580/ \$16,478

For electrically powered passenger vehicles

<b>Electrically powered passenger vehicle</b>	<b>Annual licence fees under Cap. 374E in force before 11 a.m. on 24 February 2021</b>	<b>Proposed annual licence fees under the Bill with effect from 11 a.m. on 24 February 2021</b>
Not exceeding one tonne unladen weight	\$440	\$572
An additional fee for each 250 kg unladen weight or part thereof	\$95	\$124

6. L.N. 31 is a temporary measure. By virtue of section 5(2) of Cap. 120, L.N. 31 shall expire and cease to be in force upon:

- (a) the notification in the Gazette of the rejection by LegCo of the Bill;
- (b) the notification in the Gazette of the withdrawal of the Bill or L.N. 31;
- (c) the Bill, with or without modification, becoming law in the ordinary manner; or
- (d) the expiration of four months from the day on which L.N. 31 came into force,

whichever event first happens.

7. Pursuant to section 6 of Cap. 120, any tax or fee paid under L.N. 31 in excess of the tax or fee payable immediately after the expiration of L.N. 31 shall be repaid to the person who paid the same.

8. According to paragraph 16 of the LegCo Brief (File Ref: THB(T)CR 3/1/2321/92) issued by the Transport and Housing Bureau on 24 February 2021, no formal public consultation has been carried out specifically for the legislative proposals owing to the confidentiality of the Budget. However, according to the Administration, the proposals were formulated after taking into account views received from Members and other parties during the Budget consultation process and in other relevant context.

9. As advised by the Clerk to the Panel on Financial Affairs, the Panel has not been consulted on L.N. 31.

10. The Legal Service Division is scrutinizing the legal and drafting aspects of L.N. 31 and will report further, if necessary.

Prepared by

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