

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

FSTB(Tsy)059

Question Serial No.

1299

Head: 76 Inland Revenue Department Subhead (No. & title):

Programme: (1) Assessing Functions

Controlling Officer: Commissioner of Inland Revenue

Director of Bureau: Secretary for Financial Services and the Treasury

Question:

As it is proposed in the Budget that the Hotel Accommodation Tax be waived, why does the return processing work increase rather than decrease as reflected by the performance indicators?

Asked by: Hon. WONG Ting-kwong

Reply:

The performance indicators were prepared by Inland Revenue Department (IRD) prior to the announcement of the Budget proposal to waive Hotel Accommodation Tax (HAT). It was based on the then estimated number of hotels and guesthouses which have to submit quarterly tax returns in 2008-09. IRD is required to process the HAT returns lodged by hotels and guesthouses for the period until the relevant provisions of the legislation have been amended to give effect to the Budget proposal.

Signature _____

Name in block letters Mrs LAU MAK YEE MING, ALICE

Post Title Commissioner of Inland Revenue

Date 18 March 2008