

(Translation)

**Motion debate on
“Comprehensive review of the Inland Revenue Ordinance”
to be held at the Legislative Council meeting
of Wednesday, 11 May 2005**

**Hon LEE Cheuk-yan’s further amendment
if Hon Patrick LAU Sau-shing’s amendment is carried**

Motion as further amended

~~“That, as it has been nearly 30 years since the Government conducted a comprehensive review of the Inland Revenue Ordinance (‘IRO’) in 1976, in order to further strengthen and expand Hong Kong’s edge as an ideal place for investment in the international arena, this Council urges the Government to, under the principle of maintaining a simple tax regime with low tax rates:~~

- ~~(a) expeditiously conduct a comprehensive review of the IRO, so as to ensure that it meets the needs of the current economic environment and mode of business;~~
- ~~(b) make the provisions of the IRO more simple and certain, and enhance consistency in its implementation; and~~
- ~~(c) establish a statutory advisory body on taxation for conducting a policy study on the IRO, and ensure that members of the advisory body come from different sectors,~~

*examine the specific issues relating to Hong Kong’s taxation system and the implementation of the Inland Revenue Ordinance, with a view to enhancing Hong Kong’s competitiveness and its attractiveness to international investors; **this Council also urges the Government to consider introducing progressive profits tax, so as to fully implement the principle of ‘those who have the means pay more’, and maintain abundant tax revenues to cope with Hong Kong’s development and social needs.***”

Note: Hon LEE Cheuk-yan’s further amendment is underlined.