

Mr. Henry Tang Ying-yen  
Financial Secretary  
Hong Kong Special Administrative Region Government  
12/F Central Government Office, West Wing  
Lower Albert Road  
Hong Kong

April 25, 2005

Dear Mr. Tang

**Response from the Hong Kong Women Professionals and Entrepreneurs Association on the 2005-06 Budget**

The Hong Kong Women Professionals & Entrepreneurs Association (HKWPEA) values the opportunity to submit our views on the 2005-06 Budget.

We support the Financial Secretary's position that Hong Kong shall maintain its simple and low tax regime.

We are pleased that there is a reduction in the operating account, and we endorse the proposed initiatives to enhance Hong Kong's status as an international financial centre.

We believe that the Government is taking positive steps to improve the economic state of the SAR and the overall community welfare while preparing for forward planning through its long term strategy, 'Consolidating our Recovery, Rising to the Challenges'.

We support the increase in the allowances for dependent parents and children.

We are of the opinion that there should be reduced taxes on both alcohol and salaries to stimulate the economy.

We also believe it will be important for the Government to establish an independent committee comprised of tax experts, professionals, and academics to review the suitability of introducing new types of taxes, for example the Green Tax, GST. We support the Government's initiative in introducing the Green Tax and believe it will not only help to improve the public awareness of environmental protection and management but also show that the Government is committed to a clean and more sustainable environment for the community.

We recommend the Government to speed up the GST study and the public consultation to review the implementation of GST to broaden Hong Kong's tax base.

On the whole, we believe that the budget has come to meet the needs of the community at large. However, we feel that to enable Hong Kong to remain a competitive hub of the region, the Financial Secretary must make it a priority to broaden the tax base, continue

to build a smaller and more effective government, provide quality education, improve community health care, and increase infrastructure projects.

Taking this opportunity, I enclose herewith a copy of our newsletter for your information.

Sincerely,

Eva Cheng  
President