

Press release

LCQ10: Assessment of rateable values

Wednesday, June 8, 2011

Following is a question by the Hon Audrey Eu and a written reply by the Secretary for Financial Services and the Treasury, Professor K C Chan, in the Legislative Council today (June 8):

Question:

Recently, quite a number of members of the public have relayed to me that the rateable values of different types of buildings for the financial year 2011-2012 have increased substantially as compared with those for the previous year. In this connection, will the Government inform this Council:

(a) of the year-on-year increases in the rateable values of domestic premises, offices, retail premises and factory premises in each district for the past three years;

(b) of the number of rateable tenements in each district which are subject to rates of an amount less than \$6,000 for 2010-2011 but more than \$6,000 for 2011-2012;

(c) whether the authorities considered raising the maximum amount of rates to be waived in response to the increase in rateable values when setting the ceiling on the waiver of rates for 2011-2012;

(d) of the total number of cases of requests for review of rateable values received by the authorities in the past three years, and the number of those which succeeded in obtaining a review; and

(e) whether the authorities have looked into the main causes of the errors found in the original assessments in those cases which succeeded in obtaining a review?

Reply:

President,

(a) In the past three years, the increases or decreases in rateable values of all domestic premises, offices, shops and commercial premises as well as industrial premises in Hong Kong are set out at Table 1.

(b) The number of assessments with rates payable less than \$6,000 in 2010-11 but more than \$6,000 in 2011-12 is set out at Table 2.

(c) When considering the rates concession for 2011-12, the Government has taken into account a number of factors, including the overall economic conditions, the affordability of the public, the Government's financial position and the changes of rateable values. The current rates concession with a cap of \$1,500 per quarter per tenement renders 82% of rates payers exempt from rates payment this year. As regards the remaining 18% of rates payers, they could also benefit from the concession of \$1,500 per quarter in full.

(d) and (e) In the past three years, the number of objections to the new rateable values following revaluation and the number of objections ended up with rateable values altered after review are set out at Table 3.

After review of the cases, the Rating and Valuation Department has made changes to rateable values mainly due to alteration in ancillary accommodation and facilities of the properties, changes in use of individual properties, changes in the nearby environment of the properties, or availability of updated rental analyses necessitating revision in the rateable values of the properties.

Ends