

Draft Bills.

No. S. 464.—The following bills are published for general information:—

[No. 27 :—5.11.31.—4.]

C.S.O. 6 in 4299/31.

A BILL

INTITULED

An Ordinance to amend and consolidate the law relating to the taxation of tobacco.

BE it enacted by the Governor of Hong Kong, with the advice and consent of the Legislative Council thereof, as follows:—

Short title. **1.** This Ordinance may be cited as the Tobacco Ordinance, 1931.

Interpreta-
tion.

2. In this Ordinance,

- (a) "Dutiable tobacco" means tobacco which is not exempt from duty and on which the duty has not been paid and includes any such tobacco which has paid duty, if subsequently re-imported.
- (b) "Duty-paid tobacco" means tobacco on which the full duty leviable by law has been paid.
- (c) "Export" means to carry out of the Colony or to cause to be carried out of the Colony, and includes the carriage out of the Colony of tobacco which was imported into the Colony.
- (d) "General bonded warehouse" means a place appointed by the Superintendent for the warehousing of dutiable tobacco into which dutiable tobacco may be removed by the licensee of such general bonded warehouse without a permit direct from the ship on which it was imported or from the Railway premises.
- (e) "Import" means to carry into the Colony or to cause to be carried into the Colony.
- (f) "Licensed warehouse" means any place, other than a general bonded warehouse, appointed by the Superintendent for the warehousing of dutiable tobacco.
- (g) "Manufacture" includes every kind of preparation, mixing, and treatment, except packing and unpacking.
- (h) "Master" includes every person, except a pilot, having command or charge of any ship.
- (i) "Person", except so far as relates to the imposition of the penalty of imprisonment, includes a body corporate and a firm.
- (j) "Railway" means the Kowloon Canton Railway, British Section.
- (k) "Ship" includes every description of vessel used in navigation or for the carriage of

(l) "Superintendent" means the Superintendent of Imports and Exports and any Assistant Superintendent of Imports and Exports.

(m) "Tobacco" includes all tobacco other than growing tobacco, whether manufactured or not.

3.—(1) It shall be lawful for the Governor in Council to make regulations for any of the following purposes:—

(a) the restriction, regulation, and control of the importation, exportation, manufacture, sale and possession of tobacco;

(b) the time and mode of collection of the duty on tobacco and the granting of drawback on exported tobacco;

(c) the licensing, regulation, and control of general bonded warehouses and licensed warehouses and the control of the dutiable tobacco stored therein;

(d) the imposing of conditions to be observed by applicants for licences and permits and by the holders of licences and permits;

(e) the licensing regulation and control of places where plants intended for use, sale or manufacture as tobacco are cultivated or grown.

(f) generally for the purpose of carrying into effect the provisions of this Ordinance.

(2) Subject to the exercise of the above powers, the regulations contained in the First Schedule shall be in force from the commencement of this Ordinance and shall be deemed to have been made under this Ordinance. First Schedule.

4.—(1) It shall be lawful for the Governor in Council to prescribe the fees, if any, to be paid for licences and permits. Fees.

(2) Subject to the exercise of the above power, the fees specified in the Third Schedule shall be in force from the commencement of this Ordinance. Third Schedule.

5. It shall be lawful for the Governor in Council to amend in any way whatsoever any of the Schedules to this Ordinance. Schedules.

6.—(1) Subject to the provisions of subsection (2), the duty payable (i) upon all tobacco imported into the Colony after the coming into operation of this Ordinance, and (ii) upon all dutiable tobacco already in the Colony at the coming into operation of this Ordinance, shall be in accordance with the resolutions in force at the commencement of this Ordinance. Duties.

(2) The following tobacco shall be exempt from duty:—

(a) ship's stores in such quantities, in each case, as the Superintendent may deem sufficient, and no more, for consumption by the commanding officer, master, officers, crew and passengers, during the intended voyage of any ship, exceeding 40 tons net register, about to leave the waters of the Colony.

(b) tobacco which is imported in broken packages in passengers baggage for private use and which does not exceed such quantity, weight, or value as may be allowed by the Superintendent or as may be appointed by regulations made under this Ordinance.

Alteration of duties by Legislative Council.

7.—(1) It shall be lawful for the Legislative Council by resolution to increase, decrease, recast, abolish or vary to any extent and in any manner whatsoever, any of the duties imposed at any time by or under this Ordinance, or to impose new duties on any tobacco thereafter to be imported into the Colony or already in the Colony at the time of coming into operation of such resolution.

(2) Every such resolution shall come into operation at the time of the passing thereof unless some other time be specified in such resolution.

Application for drawback.

8.—(1) Every application made with a view to obtain drawback on any tobacco shall contain a declaration by the person exporting, which shall be attached to the export permit referred to in section 38 and shall be signed by such declarant in the presence of a witness, to the effect that the tobacco in respect of which drawback is being claimed has been actually shipped for export and is not intended to be reloaded in the Colony, and any such declaration shall also state the name of the person who, upon exportation, will be entitled to receive the drawback thereon.

Penalty for untrue declaration.

(2) In the event of any such declaration being untrue in any particular the person making it shall be guilty of an offence, and shall be liable upon summary conviction to a fine not exceeding two hundred and fifty dollars or to imprisonment for any term not exceeding six months.

Penalty for fraudulently attempting to obtain drawback. (3 and 4 Vict. c. 18, s. 15.)

9.—(1) Every person who ships, or causes to be shipped, or produces, or causes to be produced to any tobacco officer to be shipped or any other goods, matter or thing as tobacco, the same not being tobacco, or fraudulently removes, or conceals any tobacco or other goods, matter, or thing, with intent unduly to obtain any drawback on tobacco, or any greater drawback than he would otherwise be entitled to, shall upon summary conviction, in addition to all other penalties which he may thereby incur, forfeit either the sum of treble the amount of the drawback sought to be obtained, or the sum of two thousand dollars, at the election of the Superintendent (which election shall be certified by the Superintendent in writing under his hand), and all such tobacco or other goods, matters or things shall be forfeited, and may be seized by any Revenue Officer.

(2) Any sum forfeited under sub-section (1) hereof shall be deemed to be a debt due to the Crown, and may be recovered in an action by the Treasurer in the same manner as Crown fees are recovered under the provisions of the Crown Remedies Ordinance, 1875.

Ordinance No. 6 of 1875.

Provision for contracts when duties are altered or repealed.

10.—(1) When any new duty is imposed and when any duty is increased and any tobacco is delivered on or after the time at which the new or increased duty takes effect, in pursuance of a contract made before that time, and the seller has paid such new or increased duty, he may in the absence of any agreement to the contrary recover as an addition to the contract price a sum equal to the amount paid by him in respect of the tobacco on account of the new duty or the increase of duty, as the case may be.

(2) When any duty is repealed or decreased and any tobacco affected by the duty is delivered at or after the time at which the duty ceases or the decrease in duty takes effect, in pursuance of a contract made before that time, the buyer, in the absence of any agreement to the contrary, may, if the seller has had in respect of that tobacco the benefit of the repeal or decrease in the duty, deduct from the contract price a sum equal to the amount of the duty or the decrease of duty, as the case may be.

(3) When any addition to or deduction from the contract price may be made under this section on account of any new or repealed duty, such sum as may be agreed upon, or in default of agreement as may be determined by the Superintendent, as representing in the case of a new duty any expenses incurred and in the case of a repealed duty any expenses saved may be included in the addition to or deduction from the contract price and may be recovered or deducted accordingly.

(4) This section shall apply although the tobacco may have undergone some process of manufacture.

11. The duty on tobacco imported into the Colony shall be payable as follows:—

When duty payable.

- (a) If the tobacco is not forthwith removed into a general bonded or licensed warehouse, and is not removed for immediate re-export under an export permit issued under this Ordinance, the duty shall be payable before the removal of the tobacco from the ship on which it was imported or from the Railway premises, as the case may be.
- (b) If the tobacco is forthwith removed into a general bonded or licensed warehouse, the duty shall be payable before the removal of the tobacco from such general bonded or licensed warehouse, or from some other general bonded or licensed warehouse in which the tobacco has been stored with the permission of the Superintendent, unless such removal is for immediate export.
- (c) If the tobacco is imported by the post, the duty shall be payable before the delivery of the tobacco to the addressee, and the Postmaster General shall refuse to deliver any such tobacco until the duty has been paid.

12. The Superintendent shall give a receipt in the form in the Second Schedule for any duty received by him under this Ordinance.

Receipt for duty.
Second Schedule
Form No. 9.

13. Any duty payable under this Ordinance may be recovered in all respects in the same manner as Crown rents are recovered under the Crown Remedies Ordinance, 1875, upon a certificate purporting to be under the hand of the Treasurer.

Recovery of duty.
Ordinance No. 6 of 1875.

14. In all proceedings under this Ordinance in respect of any tobacco, and in all proceedings for the recovery of any duty imposed by or under this Ordinance, the tobacco to which the proceedings relate shall be presumed to be dutiable tobacco unless the person against whom the proceedings have been taken proves to the court or magistrate that the proper duty has been paid upon it.

Tobacco to be presumed to be dutiable.

Movement and possession.

Restrictions
on dealings
with tobacco.

15. No person shall import, export, move, sell, buy, manufacture or have in his possession, custody or control any tobacco except in accordance with the provisions of this Ordinance and of all regulations made thereunder.

Route of
importation
and exportation.

16.—(1) No tobacco shall be imported or exported except by sea or by the Railway, and except into such ports or places as may be notified by the Governor.

(2) No tobacco shall be imported from China into the New Territories: Provided that this sub-section shall not apply to tobacco which is imported by the Railway and which is not removed from the train anywhere except at Kowloon station.

(3) All tobacco imported by the Railway shall be consigned through to Kowloon by railway invoice.

(4) It shall be lawful for the Superintendent either generally or in any particular case to grant exemption from any of the provisions of this section.

Tobacco
not to be
allowed to
be dis-
charged
except under
a permit
or into a
general
bonded
warehouse.

17.—(1) The owners, charterers, agents, master and comradore of every ship shall not allow the discharge of any tobacco from the ship without a permit unless the tobacco is delivered direct to the licensee of a general bonded warehouse or his servant for removal direct into a general bonded warehouse.

(2) If any tobacco is discharged from a ship without a permit and is not delivered direct to the licensee of a general bonded warehouse or his servant for removal direct into a general bonded warehouse, the owners, charterers, agents, master and comradore of the ship shall be deemed to have allowed the tobacco to be so discharged and shall be deemed to be guilty of an offence against this Ordinance, unless it shall be proved to the court or magistrate that the tobacco was so discharged without the knowledge of the person charged and that such person had taken all reasonable precautions to prevent any such discharge.

(3) Notwithstanding anything contained in this section, it shall be lawful for the master of any ship to permit the landing of any tobacco which forms part of the contents of a mail brought into the Colony by such ship, provided that such tobacco is landed for removal direct to the Post Office as part of such mail.

Tobacco
not to be
removed from
a ship or
from the
Railway
premises
except under
a permit or
by the
licensee
of a

18.—(1) No person other than the licensee of a general bonded warehouse shall remove any tobacco from any ship or from any Railway premises except under and in accordance with the conditions of a permit issued under this Ordinance, and if the licensee of a general bonded warehouse removes any tobacco from a ship or from any Railway premises without a permit he shall forthwith remove such tobacco direct into a general bonded warehouse.

general
bonded
warehouse
into such
warehouse.

(2) Notwithstanding anything contained in this section, it shall be lawful for the master of any ship to remove or cause to be removed to the Post Office any tobacco which forms part of the contents of a mail brought into the Colony by such ship, provided that such tobacco is removed direct from the ship to the Post Office as part of the contents of such mail.

19. No person shall remove any tobacco from any general bonded or licensed warehouse except under and in accordance with the conditions of a permit issued under this Ordinance.

Removal of tobacco from general bonded or licensed warehouse.

20. No person shall re-land or permit to be re-landed any tobacco shipped under any permit or knowingly neglect or omit to cause such tobacco to be exported in accordance with the terms of such permit.

Tobacco shipped under a permit not to be re-landed.

21.—(1) Tobacco imported on board any ship and intended to be exported on board the same ship without landing or transshipment or to be used as ships stores while the ship is in the waters of the Colony shall during the whole time that the ship is in the waters of the Colony be kept in a place of safety under the custody and control of the master.

Tobacco which is not landed or trans-shipped.

(2) The Superintendent and any person authorised by him in writing either generally or in any particular instance shall be permitted at all times to inspect such tobacco and to place seals on any package or place in which it may be.

(3) No seal so placed shall without the permission of the Superintendent be broken while the ship is in the waters of Colony.

22. No tobacco shall be removed for export from any general bonded or licensed warehouse except in closed packages permanently marked by stencil or otherwise on at least three sides with the words "For Export" in letters not less than three inches high.

Tobacco removed for export.

23. No person shall move any dutiable tobacco except in such quantities as may be approved by the Superintendent or may be appointed by regulations made under this Ordinance.

Dutiable tobacco not to be moved except in certain quantities.

24.—(1) Except with the permission of the Superintendent, no person shall have in his possession, custody or control any dutiable tobacco unless such tobacco is—

Restrictions on possession of dutiable tobacco.

- (a) on board the ship on which it was imported; and duty entered on the manifest; or
- (b) on the Railway premises under the control of the Railway authorities with their knowledge of its nature; or
- (c) in a general bonded or licensed warehouse; or
- (d) on board the ship on which it is to be exported; and is also covered by an export permit; or
- (e) under the immediate physical control of the licensee of a general bonded warehouse or his servant and in course of removal direct to such warehouse from the ship on which it was imported or from the Railway premises; or

- (f) under the immediate physical control of the holder of a removal or export permit or his servant and in course of removal in accordance with the conditions of such permit direct to the place to which removal is authorised by such permit; or
- (g) part of the contents of a mail and is either on board the ship on which it was imported, or on board the ship on which it is to be exported, or in the Post Office, or in course of removal direct from the importing ship to the Post Office or from the Post Office to the exporting ship.

(2) The onus of proving that the tobacco was in course of direct removal shall be on the person in whose possession, custody or control such tobacco is found.

Possession of tobacco illegally imported, moved or manufactured.

25. No person shall, without the permission of the Superintendent, receive into or have in his possession, custody or control any tobacco which was illegally imported, moved or manufactured.

Restrictions on sale of dutiable tobacco.

26. No person shall sell, offer for sale, or buy any dutiable tobacco stored elsewhere than in a general bonded or licensed warehouse or on board the ship on which it was imported or on the Railway premises.

Import statements to be furnished.

27. The owners, charterers, agents and master of every ship on which any tobacco is imported shall within four hours after the arrival of such ship in the waters of the Colony, or so soon thereafter as the office of the Superintendent is open, furnish to the Superintendent a true, accurate and complete statement of all tobacco imported thereon, and where no tobacco is imported a statement to that effect.

Export statements to be furnished.

28. The owners, charterers, agents and master of every ship on which any tobacco is exported shall within twenty-four hours after the departure of such ship furnish to the Superintendent a true, accurate and complete statement of all tobacco exported thereon, and where no tobacco is exported a statement to that effect.

Contents of import and export statements.

29. Every import or export statement furnished in accordance with the provisions of this Ordinance shall be signed by the party furnishing it and shall contain such particulars as may be appointed by the Superintendent, and in default of such appointment shall be in the respective forms in the Second Schedule.

Second Schedule. Forms Nos. 10, 11.

Licences.

Licences generally.

30.—(1) It shall be lawful for the Superintendent to issue the following licences:—

- (a) General bonded warehouse licence.
- (b) Licensed warehouse licence.
- (c) Manufacturers licence.
- (d) Importers licence.
- (e) Retailers licence.
- (f) Such other licences as the Governor in Council may appoint.

(2) Such licences may be in the respective forms in the Second Schedule or in such other form as the Governor in Council may appoint. Second Schedule. Forms Nos. 1-5.

(3) Such licences shall be for such periods as the Governor in Council may appoint, and in default of such appointment every such licence shall expire on the 31st day of December next after the date of its being issued.

(4) The grant or renewal of any such licence shall be in the absolute discretion of the Superintendent.

31. No person shall manufacture tobacco except under and in accordance with a manufacturers licence. Manufacturers licence.

32. No person shall import any tobacco for sale except under and in accordance with an importers licence. Importers licence.

33. No person shall sell any tobacco by retail except under and in accordance with a retailers licence. Retailers licence.

34.—(1) Every licensee under this Ordinance shall at all times allow the Superintendent or any revenue officer to enter his premises and to inspect the stock of tobacco therein and to take samples thereof and to inspect and make copies of and extracts from any books of account kept in connexion therewith and any other documents relating thereto. Inspection of premises of licensee.

(2) Such licensee shall produce all such books and documents on demand.

35. The licensee of every general bonded or licensed warehouse shall be liable for the payment of all duties payable in respect of any tobacco at any time stored therein, and shall prevent the removal of any tobacco therefrom except in accordance with the provisions of this Ordinance and of all regulations made thereunder. Licensee to be liable for duty and to prevent illegal removal.

36. If it shall appear at any time that there is a deficiency in any general bonded or licensed warehouse in the quantity of dutiable tobacco which ought to be found stored therein, the licensee of such general bonded or licensed warehouse shall be liable to pay to the Superintendent the duty leviable upon such deficiency, and shall in the absence of proof to the contrary be presumed to have removed such tobacco without a permit. Deficiency of dutiable tobacco in general bonded or licensed warehouse.

Permits.

37.—(1) It shall be lawful for the Superintendent to issue the following permits:— Permits generally.

- (a) to remove duty-paid tobacco from a ship or from the Railway premises or from a general bonded or licensed warehouse;
- (b) to remove dutiable tobacco from a ship to a licensed warehouse or from a general bonded or licensed warehouse to a general bonded warehouse or to a licensed warehouse;
- (c) to remove dutiable tobacco from a ship or from the Railway premises or from a general bonded or licensed warehouse for export;
- (d) such other permits as the Superintendent may appoint.

Second
Schedule.
Forms Nos.
6, 7, 8.

(2) Such permits may be in the respective forms in the Second Schedule or in such other form as the Governor in Council may appoint.

(3) Before issuing any permit it shall be lawful for the Superintendent to demand the production of all or any invoices, bills of lading or other documents relating to the tobacco in question, and the person applying for the permit shall on such demand produce all such documents.

(4) Every person who applies for any export permit shall submit to the Superintendent the application and permit in triplicate, and every person who applies for any other permit shall submit to the Superintendent the application and permit in duplicate.

(5) Every application for a permit under this Ordinance shall be signed by the applicant, and if the applicant is a body corporate or a firm the application shall be signed also by some employé or agent of such body corporate or firm, and in the case of a Chinese firm the application shall also be chopped with the chop of the firm.

(6) Every person who has obtained a permit under this Ordinance and who has not availed himself thereof on the date for which it was issued shall return such permit to the Superintendent within two hours of the time when it first became known to such person that the permit could not be used within the time granted, or so soon thereafter as the office of the Superintendent is open, and if so required give to the Superintendent a full explanation of the reason for not using such permit.

Export
permits.

38.—(1) Export permits shall be issued in duplicate and the exporter shall procure a receipt for the tobacco in question to be indorsed on one copy of such permit by the master or mate of the ship on which the tobacco is to be exported and shall forthwith deliver such copy so indorsed to the Superintendent.

(2) The Superintendent may, instead of issuing the duplicate copy of the export permit to the exporter, deliver it to a revenue officer who shall thereupon accompany the tobacco on board the ship on which it is to be exported.

(3) The Superintendent may refuse to issue any export permit until such time before the proposed sailing of the ship on which the tobacco is to be exported as he may consider reasonable.

(4) The Superintendent may refuse to issue any export permit to export tobacco as ships stores unless the application for the permit is indorsed by the master or agent of the ship to the effect that the tobacco is for ships use. The Superintendent may also refuse to issue any such permit in respect of any quantities in excess of the quantities which he may deem sufficient in the circumstances of each case.

(5) No export permit shall be necessary for the exportation of any tobacco which is, without landing or transshipment into any other ship, exported on the ship on which it was imported.

Revenue officers.

Revenue
officers.

39.—(1) The Superintendent may appoint such persons as he may think fit to act as revenue officers under this Ordinance and may at any time cancel any such appointment.

(2) The Superintendent may in case of any absence from duty or breach of discipline or neglect of duty on the part of any revenue officer order such revenue officer to forfeit any sum not exceeding ten dollars.

(3) No revenue officer shall desert or absent himself from his duty or be guilty of any breach of discipline or neglect of duty.

(4) Every revenue officer shall on ceasing for any cause to be a revenue officer, and at any time on demand by the Superintendent, deliver up his badge of office to the Superintendent.

(5) Every revenue officer under this Ordinance and every person having the powers of a revenue officer under this Ordinance and every police officer when acting against any person under this Ordinance shall on demand declare his office and produce his badge.

(6) The following shall have all the powers of a revenue officer under this Ordinance:—

- (a) the Superintendent;
- (b) all police officers;
- (c) all revenue officers appointed under the Liquors Consolidation Ordinance, 1911 or Ordinance under any Ordinance amending or substituted therefor; No. 9 of 1911.
- (d) all revenue officers appointed under the Opium Ordinance, 1923 or under any Ordinance amending or substituted therefor; Ordinance No. 30 of 1923.
- (e) all Railway officials not below the rank of traffic inspector.

Search, examination and arrest.

40.—(1) Any revenue officer may board any ship (not being or having the status of a ship of war) and remain on board so long as such ship remains in the Colony. Revenue officer may board and remain on ship.

(2) Any revenue officer authorised thereto in writing by the Superintendent, either generally or for a particular occasion, may search any such ship and may seize, remove and detain anything found in any such ship with respect to which such revenue officer may have reasonable grounds for suspecting that any offence against this ordinance has been committed.

41.—(1) Every person landing from or embarking on any ship or entering or leaving the Colony by land accompanied by any goods or baggage shall on demand by any revenue or police officer either permit his goods and baggage to be searched by such officer, or, together with such goods and baggage, accompany such officer to the office of the Superintendent or to a police station and there permit his goods and baggage to be searched by any revenue or police officer in the presence and under the supervision of any European officer. Search of goods and baggage of persons entering or leaving the Colony.

(2) The goods and baggage of any person who claims to be present when they are searched shall not be searched except in his presence.

(3) Any person who refuses to comply with any lawful demand under this section may be arrested without warrant by the officer making the demand.

42. Any box, chest, package or other article (not being passengers baggage accompanied by the owner) which is being landed from or is being embarked on any ship or has been recently landed from any ship or is in or on board any ship (not being or having the status of a ship of war), islet, landing place, wharf, warehouse or place adjoining any wharf or used in connexion therewith; or which is being removed from Examination of articles (other than passengers baggage) on shore, ship, wharf, and other places.

any such ship, islet or other place, or which is being brought into or has recently been brought into the Colony by land—

- (a) may be examined and searched by any revenue officer, and may be detained until any person in charge thereof shall have opened the same to admit of such examination and search, and in default of such opening may be removed by such officer to the office of the Superintendent or to a police station.
- (b) may be broken open by the orders of any European officer to facilitate such examination and search: Provided that any person in charge or possession of such box, chest, package or other article shall be afforded every reasonable facility for being present at such breaking open, examination and search.

Search of ship without warrant.

43. Any revenue or police officer, having reasonable ground for believing that there is any tobacco in any ship in contravention of this Ordinance (such ship not being or having the status of a ship of war) may proceed without warrant on board such ship and search for such tobacco and may seize any such tobacco so found and shall take the same, together with the person in whose possession it may be found, to a police station in order that he may be brought before a magistrate to be dealt with according to law.

Search of place or ship with warrant.

44.—(1) Where it appears to any justice of the peace, upon the oath of any person, that there is reasonable cause to believe that in any place, there is concealed or deposited any tobacco subject to forfeiture or with respect to which an offence has been committed or is about to be committed against this Ordinance, such justice of the peace may, by his warrant directed to any revenue or police officer, empower such officer, by day or by night—

- (a) to enter such place and there to search for and take possession of any such tobacco; and
- (b) to arrest any person being in such place in whose possession such tobacco may be found, or whom such officer may reasonably suspect to have concealed or deposited any such tobacco in such place or thereabout.

(2) Such officer may, if necessary,—

- (a) break open any outer or inner door of any dwellinghouse, shop, or other building or place, and enter thereinto;
- (b) remove by force any obstruction to such entry, search, seizure and removal as he is empowered to effect;
- (c) detain every person found in such place until such place or ship has been searched;
- (d) seize and detain any such tobacco found in such place; and
- (e) seize and detain any such tobacco found in any place whatever within the Colony in the possession, custody or control of any of the persons against whom his warrant has been issued.

Search of place without warrant.

45. Whenever it appears to any European revenue officer generally or specially authorised in writing by the Superintendent for the purpose of carrying out the provisions of this section that there is reasonable

cause to believe that in any place there is concealed or deposited any tobacco subject to forfeiture or with respect to which an offence has been committed or is about to be committed against this Ordinance and he shall have reasonable ground for believing that by reason of the delay in obtaining a search warrant the tobacco is likely to be removed, the said officer in virtue of his office may exercise in, upon and in respect of such place all the powers mentioned in section 44 in as full and ample a manner as if he were empowered to do so by warrant issued under the said section.

46.—(1) Any revenue officer may arrest without warrant— Arrest without warrant.

(a) any person found committing, or attempting to commit, or employing, aiding, or assisting any person to commit, any offence against this Ordinance;

(b) any person whom he may reasonably suspect to have in his possession any tobacco subject to forfeiture under this Ordinance.

(2) Every person so arrested shall, together with any such tobacco found in his possession, be taken to a police station either directly or *via* the office of the Superintendent. The Superintendent may cause any such person, who has not been charged at a police station, to be released.

(3) Every such person and his luggage shall be liable to be searched. But such person may be taken to the office of the Superintendent or to the police station, and searched there under the supervision of a European officer should he so request.

47. No person shall obstruct the Superintendent or any revenue or police officer in the carrying out of any inspection or search authorised by or under this Ordinance or in the execution of any duty imposed or power conferred by or under this Ordinance. Obstruction of inspection or search.

48. Every person required by a revenue officer to give any information on any subject which it is the officer's duty to inquire into under this Ordinance, and which it is in his power to give, shall be legally bound to give such information. Obligation to give information.

Miscellaneous

49.—(1) Every person applying for a permit under this Ordinance shall allow the Superintendent or any person authorised by him in writing either generally or for a particular occasion to take samples of the tobacco to which the application relates. Power of Superintendent to take samples.

(2) Every person licensed under this Ordinance and the holder of every permit under this Ordinance shall allow the Superintendent or any other person authorised by him in writing either generally or for a particular occasion to take samples of any tobacco in his possession, custody or control.

(3) The Superintendent or the person authorised by him as hereinbefore provided may select the case or receptacle from which the sample is to be taken.

50. No person shall make any incorrect statement or apply any incorrect description or supply any incorrect particulars in any document made or furnished for the purposes of this Ordinance or of any regulations made thereunder or in or in connection with any application for any licence or permit to be issued under this Ordinance. False statements.

Extracts from records to be *prima facie* evidence.

51. In all proceedings under this Ordinance and in all proceedings for the recovery of any duty on tobacco, the production of any copies of or extracts from the records of the Superintendent purporting to be certified by the Superintendent shall be *prima facie* evidence of the facts stated or appearing therein or to be inferred therefrom.

Magistrate may employ an analyst to report on technical points.

52. The magistrate hearing any charge under this Ordinance may employ an analyst or other skilled person to report on any technical point, and may order the payment of the fee of such analyst by the defendant in addition to any other penalty, and such fee shall be recoverable in the same way as a penalty imposed under this Ordinance is recoverable.

Certificate of Government or Monopoly Analyst to be sufficient evidence.

53. At the hearing of any charge under this Ordinance, the production of a certificate purporting to be signed by the Government or Monopoly Analyst shall be sufficient evidence of the facts therein stated, unless the defendant requires that the Analyst should be called as a witness, but, if the defendant shall require the Analyst to be called, the magistrate may order him in addition to any other penalty to pay a fee of twenty-five dollars for the attendance of the Analyst, such fee to be recoverable in the same way as a penalty imposed under this Ordinance is recoverable and to be paid into the Treasury. When any such certificate bears the same number or mark as a sealed packet produced by the prosecution at the hearing, it shall, until the contrary is proved, be presumed that such certificate relates to the contents of such packet.

Protection of informers from discovery.

54. Except as hereinafter mentioned, no information laid under this Ordinance shall be admitted in evidence in any civil or criminal proceeding whatsoever and no witness shall be obliged or permitted to disclose the name or address of any informer under this Ordinance or state any matter which might lead to his discovery. Moreover, if any books, documents or papers which are in evidence or liable to inspection in any civil or criminal proceeding whatsoever contain any entry in which any informer is named or described or which might lead to his discovery, the court shall cause all such passages to be concealed from view or to be obliterated so far as may be necessary to protect the informer from discovery but no further. But if on the trial of any offence under this Ordinance the magistrate after full inquiry into the case believes that the informer wilfully made in his information a material statement which he knew or believed to be false or did not believe to be true or if in any other proceeding the magistrate is of opinion that justice cannot be fully done between the parties thereto without the discovery of the informer, it shall be lawful for the magistrate to require the production of the original information and permit inquiry and require full disclosure concerning the informer.

Responsibility for acts of agents and servants.

55. Every licensee under this Ordinance and the holder of every permit under this Ordinance shall, without prejudice to the liability of any other person, be liable criminally for the acts and omissions of his agents and servants in respect of any offence against this Ordinance, and if such licensee or such permit-holder is himself an agent or servant of a company or firm and the licence or permit has been granted wholly or partly for the benefit of such company or firm, he shall, without prejudice to the liability of any other person, be liable criminally for the acts and omissions of the agents and servants of such company or firm in respect of any offence against this Ordinance: Provided that no person shall be sentenced to imprisonment by virtue only of the provisions of this section.

56.—(1) A summons may be served on a body corporate or a firm by leaving a copy thereof with an adult at the last-known address of the body corporate or firm, and if the body corporate or firm does not appear in answer to such summons the magistrate may proceed *ex parte*.

Service on
body cor-
porate or
firm.

(2) In answer to such summons, a body corporate may appear by an officer of such body corporate and a firm may appear by a partner or a responsible representative of such firm.

Offences, penalties and forfeitures.

57. Every person who contravenes any of the provisions of this Ordinance or of any regulations made thereunder or who fails to observe any condition or restriction imposed by or under this Ordinance shall be deemed to commit an offence against this Ordinance.

Offences.

58.—(1) Every person who commits or attempts to commit any offence against this Ordinance shall upon summary conviction be liable—

Penalties.

- (a) for a first offence to a fine not exceeding five hundred dollars, and to imprisonment for any term not exceeding six months;
- (b) for a second offence to a fine not exceeding one thousand dollars, and to imprisonment for any term not exceeding one year;
- (c) for a subsequent offence to a fine not exceeding two thousand and five hundred dollars, and to imprisonment for any term not exceeding one year.

(2) If the magistrate is of the opinion that any offence committed against this Ordinance was committed with the intent to avoid payment of any duty payable under this Ordinance, he may impose a fine not exceeding ten times the amount of the duty payable on the tobacco in respect of which the offence was committed, notwithstanding the fact that such fine may be in excess, in the case of a first, second or subsequent offence of the maximum fines authorised for first, second or subsequent offences respectively by sub-section (1):

Provided that nothing in this sub-section shall affect the power of the magistrate to impose in lieu of or in addition to any fine imposed under this sub-section a sentence of imprisonment for any term authorised by sub-section (1).

59. It shall be lawful for a magistrate to order to be forfeited to the Crown any tobacco with respect to which any offence against this Ordinance may have been committed, whether any person shall have been convicted of such offence or not, and upon the making of such order of forfeiture the said tobacco shall be deemed to be the property of the Crown free from all rights of any person: Provided that it shall be lawful for the Governor in Council in his absolute discretion to entertain and give effect to any moral claim to or in respect of the said tobacco.

Forfeiture
of tobacco.

60.—(1) Upon the failure of any condition of any bond required as a condition on the granting of any permit or licence issued under this Ordinance, the sum secured by the bond shall be deemed to be a debt due to the Crown and may be recovered in an action by the Treasurer in the same manner as Crown fees are recovered under the provisions of the Crown Remedies Ordinance 1975.

Forfeiture
of bond.

Ordinance
No. 6 of 1975

(2) The recovery of any such sum shall not relieve any person from any other penalty to which he may be liable under this or any other Ordinance.

Forfeiture
of deposit.

61.—(1) Upon the breach of any condition of any permit or any licence issued under this Ordinance, any deposit required as a condition on the granting of such permit or licence shall upon application to a magistrate be declared by him to be forfeited to the Crown.

(2) The forfeiture of any such deposit shall not relieve any person from any other penalty to which he may be liable under this or any other Ordinance.

Forfeiture
of licence.

62. Upon the conviction of any licensee under this Ordinance of any offence against this Ordinance, it shall be lawful for the magistrate to forfeit the licence of such licensee, in addition to any other penalties hereinbefore provided.

Seizure
and for-
feiture of
receptacles.

63.—(1) Whenever it is lawful for a revenue officer to seize any tobacco, it shall be lawful for him to seize also all the receptacles in which the tobacco is contained.

(2) Whenever it is lawful for the magistrate to forfeit any tobacco, it shall be lawful for him to forfeit in like manner any cart, carriage, conveyance, or any ship of less than 15 tons net register, or any receptacle or other goods in which the tobacco was found.

Repeal of
Ordinances
No. 10 of
1916 and
No. 3 of
1929.

64.—(1) The Tobacco Ordinance, 1916 and the Tobacco Amendment Ordinance, 1929 are repealed.

Amendment
of Ordinance
No. 2
of 1917,
Schedules.

(2) In both Schedules to the Revenue Officers Power of Arrest Ordinance, 1917, the figures and words “ of 1931. Tobacco Ordinance, 1931” are substituted for the figures and words “10 of 1916. Tobacco Ordinance, 1916.”

Amendment
of Ordinance
No. 4
of 1930,
s. 28.

(3) In section 38 (6) (d) of the Motor Spirit Ordinance, 1930, the figures “1931” are substituted for the figures “1916”.

FIRST SCHEDULE. [s. 3 (2).]

REGULATIONS.

General Bonded Warehouses.

1. In these regulations, “package” shall include any box, basket, barrel, cask, case, jar, container, receptacle, sack, bag, wrapper or other thing in which dutiable goods are placed for the purpose of carriage, consignment, exportation or storage.

2. The Governor in Council hereby approves and appoints the following premises to be general bonded warehouses for the purpose of storing dutiable goods, *viz.*:—

The godowns at Kowloon Point, and at West Point, and Kennedy Town Praya, the property of the Hong Kong and Kowloon Wharf and Godown Co., Ltd.,

and the godowns at Kowloon Point known as Holt's Wharf, the property of the Ocean Steamship Co., Ltd.,

and the godowns at West Point and Kennedy [First
Town Praya, the property of the China Schedule
Provident Loan and Mortgage Co., Ltd., *contd.*]

and the godowns, the property of the China
Navigation Steamship Co., Ltd., situated at
Nos. 328 to 332, Des Vœux Road West.

3. For the purposes of the Tobacco Ordinance, 1931, and of all regulations made thereunder, the aforesaid owners of the above mentioned premises shall be deemed to be the respective persons in charge of the general bonded warehouses approved and appointed under regulation No. 2 of the these regulations, and shall be responsible for the observance and performance of all the duties devolving upon such persons in charge.

4. Every person in charge on receiving a request from the master, owner, or agent of any ship lying within the limits of the harbour as defined by the Interpretation Ordinance, 1911, or by any Ordinance amending the same, shall forthwith remove from such ship into his general bonded warehouse all such dutiable goods as such master, owner, or agent may require to be so removed, and shall store such dutiable goods in his general bonded warehouse to the order of such master, owner, or agent.

5. Any person in charge, on receiving a request from any person holding a permit for the removal of dutiable goods, which permits the holder to store such dutiable goods in a general bonded warehouse, shall forthwith store the same in his general bonded warehouse.

No such dutiable goods shall be received for storage until a permit issued by the Superintendent shall have been produced.

6.—(1) Dutiable goods may be divided into such classes as the person in charge, with the approval of the Superintendent, may determine, having regard to the rules of the Fire Insurance Association of Hong Kong in so far as such regulations are compatible with the regulations for the storage of inflammable liquids made under the Dangerous Goods Ordinance, 1873, or any Ordinance amending the same or substituted therefor.

(2) All dutiable goods placed on storage shall be stored class by class in a portion of the premises specially set apart for that purpose by the person in charge, with the approval of the Superintendent.

(3) All dutiable goods shall be stowed in such a manner that easy access may be had to any portion thereof, and in such classes as the Superintendent may appoint subject to the provisions of paragraph (1) of this regulation.

(4) In that portion of the premises specially set apart for the storage of dutiable goods no other cargo shall be stored unless special permission has first been obtained from the Superintendent.

(5) No package of dutiable goods shall be opened except in the presence of a revenue officer. All deficiencies discovered on examination shall be reported within 24 hours to the Superintendent.

(6) No empty packages shall be stored in the same place together with dutiable goods.

(7) Where the contents of a number of packages of any one kind of dutiable goods in the same consign-

[First
Schedule
contd.]

ment are found deficient, full packages shall be made up so far as possible from the deficient packages, and the packages thus becoming empty shall be removed without delay, and the necessary adjustments in the books of account shall be made.

7. Every person in charge shall on demand set apart sufficient space in that part of his premises assigned to the storage of dutiable goods for the purpose of testing, sampling, blending, mixing, re-packing, grading, and reconditioning any dutiable goods in accordance with any regulations in respect thereto.

8. Rates for storing and moving dutiable goods, or for the use of any space under regulation No. 7 of these regulations shall be approved by the Superintendent.

9. Any person in charge shall, immediately after receiving any dutiable goods in storage or removing the same, make due entry of such receipt or removal in a special book in a form to be approved by the Superintendent. Such book shall be available for inspection by the Superintendent and any revenue officer, and shall always be kept on the approved premises.

10. Every person in charge shall furnish daily returns to the Superintendent, in a form to be approved by him, of all dutiable goods received into or removed from the approved premises, and of all operations mentioned in regulation No. 7 of these regulations.

11. Any loss or contraction of dutiable goods due to natural causes or unavoidable accident, or to breakage, deterioration, or loss of moisture or dust, not due to any negligence or default on the part of the person in charge or his servants, shall be deducted from the stock total of such goods, and no duty shall be charged thereon if such loss is reported to a revenue officer as soon as it is discovered and is certified by him, after examination, to be a loss as aforesaid.

12. If so required by the Superintendent, the person in charge shall provide office, sanitary and lavatory accommodation, with heating, lighting, cleaning, and furniture, and shall maintain the same to the satisfaction of the Superintendent, free of expense to the Crown or Government of the Colony, for the use of the revenue officers in attendance at such warehouse.

13. The person in charge shall set apart a space clear of all encumbrances and adequately lighted as an examination floor, and shall provide suitable receptacles for holding debris resulting from examination.

14. The person in charge shall provide, to the satisfaction of the Superintendent, free of charge, a sufficient supply of accurate measures, beams and scales, or weighing machines, and shall maintain the same in a proper state of repair and adjustment.

15. No alterations or repairs to the approved portion of the premises shall be begun without the sanction of the Superintendent. If the nature of such repairs or alterations necessitate the presence of additional revenue officers for the due protection of the

revenue, the person in charge shall pay the usual fees [First Schedule contd.] for the extra attendance of sufficient revenue officers.

16. The portion of the premises set apart for the storage of dutiable goods shall be legibly marked on the outside, in English and Chinese, in letters and characters at least 3 inches high with the words "Bonded Warehouse", and with the addition of the words "For Tobacco".

17. Empty packages of all kinds which it is intended to refill shall be kept apart from those already filled, and all empty packages which are not intended to be refilled shall be removed at once from the warehouse.

18. A bond to secure the duty with one or more sufficient sureties shall be given by the person in charge in accordance with the following scales:—

When the portion of the premises used for storing dutiable goods has an area—

- (a) not exceeding 12,000 sq. ft\$ 30,000
- (b) exceeding 12,000 sq. ft. but not exceeding 30,000 sq. ft.\$ 50,000
- (c) exceeding 30,000 sq. ft. ...\$100,000

19. Except with the special permission of the Superintendent the portions of the approved premises appropriated for the storage of dutiable goods shall only be opened for 8 hours per day, that is to say, between the hours of 8.30 a.m. and 4.30 p.m.

20. The entrance to the portions of the premises in use for the storage of dutiable goods shall have strong doors so constructed that when shut they cannot be lifted off their hinges. The doors shall have proper fastenings for securing them with revenue-locks. All fastenings for locks and hinges shall be so constructed that they cannot easily be removed. The windows shall be of sufficient number and size to ensure reasonably good lighting and ventilation, and shall be suitably secured with stout wire mesh, shutters, and bars.

21. The person in charge shall not permit any samples of dutiable goods to be drawn, or any packages to be opened for any purpose, except in the presence of a revenue officer.

22. No person not in the employ of the person in charge shall be allowed entrance to any bonded floor, unless accompanied by a revenue officer.

Licensed Warehouses.

1. In these regulations, "package" shall include any box, basket, barrel, cask, jar, container, receptacle, sack, bag, wrapper or other thing in which dutiable goods are placed for the purpose of carriage, consignment, exportation or storage.

2. Applications for licences shall be made to the Superintendent. Licences shall be in the Form in the Schedule to these regulations.

[First
Schedule
contd.]

3. Fees for licences in respect of a portion of a year only may be received at the rate of one-twelfth of the full fee for each month in respect of any part of which the licence may be issued.

4. No structural alteration to any licensed premises shall be made without the permission in writing of the Superintendent.

5. No article may be stored in a licensed warehouse other than dutiable goods.

6. All dutiable goods stored in a licensed warehouse shall be stowed in such a way that easy access may be had to any portion thereof.

7. No licensed warehouse shall be open for the receipt or delivery of dutiable goods between 4.30 p.m. and 8.30 a.m. or on Sundays or public or general holidays except with the permission in writing of the Superintendent, who shall be entitled to charge a fee not exceeding three dollars for every hour or portion of an hour in which such licensed warehouse shall be open before 8.30 a.m. or after 4.30 p.m., or on Sundays or public or general holidays.

8. Every licensee shall, immediately after any dutiable goods are received into or removed from his licensed premises, make due entry of such receipt or removal in a stock book in a form to be approved by the Superintendent. All entries shall be made in English unless the Superintendent, in any special case, shall give permission for the use of Chinese.

9. Every licensee shall, not later than noon on every Monday morning (or on the following day if Monday is a public or general holiday) furnish to the Superintendent a return in a form to be supplied by him, concerning all dutiable goods stored, received and removed during the then previous week.

10.—(a) No package of dutiable goods shall be opened except in the presence of a revenue officer.

(b) No samples shall be drawn except in the presence of a revenue officer, and duty shall be paid on all samples removed from the warehouse.

(c) Any deficiencies discovered on examination shall be reported within 24 hours to the Superintendent.

(d) No empty package shall be stored in the same place as dutiable goods.

(e) Where the contents of a number of packages of one kind of dutiable goods in the same consignment are found on examination to be deficient, full packages shall so far as possible, be made up from the partially empty packages, and the completely empty packages shall be removed at once from the premises.

(f) All empty or broken packages, and all packing paper, and other debris shall be removed daily.

(g) Should the nature of the business render it necessary to keep a stock of empty packages and packing material ready for immediate use, the same shall be stored in a separate locked compartment of the premises apart from the space used for the storage of dutiable goods.

(h) The minimum amount of dutiable goods which shall be removed in one consignment from the warehouse for export shall be as hereunder— [First
Schedule
contd.]

Tobacco

Cigarettes	pieces 1,000
Cigars	pieces 100
Other manufactured Tobacco	{ lbs. 7, or in the case of coasting steamers, for ships stores, 3 lbs.

11. No licence shall be hereafter issued or renewed until the licensee has given security, in such sum as the Superintendent shall direct and to his satisfaction, for the observance of all the conditions of the licence and the requirements of the Tobacco Ordinance, 1931.

12. No licence shall be hereafter issued or renewed unless the premises to be licensed are fitted with such locks or other fastenings as the Superintendent may require, and such locks and fastenings shall be so arranged that no entry into the premises can be effected without the attendance of the Superintendent or a revenue officer.

13.—(a) Any loss or contraction of dutiable goods due to natural causes or unavoidable accident, or to leakage, breakage, deterioration, or loss of moisture or dust, not due to any negligence or default on the part of the licensee or his servants, shall be deducted from the stock total of such goods and no duty shall be charged thereon if such loss is reported to a revenue officer as soon as it is discovered and is certified by him, after examination, to be a loss as aforesaid.

(b) All goods received into a licensed warehouse shall be deemed to be of the weight and measure reported unless the shortage, if any, on entry into such warehouse has been certified by a revenue officer.

14.—(a) Every licensed warehouse shall be lighted and ventilated in an efficient way to the satisfaction of the Superintendent.

(b) Every licensed warehouse shall be maintained in a good state of repair, and all doors, windows, bars, bolts, hinges, fastenings, and locks, shall be periodically examined and kept in good order, to the satisfaction of the Superintendent.

(c) Every licensed warehouse shall have the words "Licensed Warehouse No." painted legibly on the outside in letters and Chinese characters at least 4 inches high, together with words denoting the class of goods for which the licence is issued.

(d) In every licensed warehouse a sufficient space shall be maintained free of any encumbrance in the best lighted part of the premises for the purpose of examination of packages by the inspecting officer.

(e) Office accommodation with the necessary furniture and writing materials shall be provided for the use of the inspecting officer. Such office shall be efficiently lighted at all times.

15. No smoking, naked lights or matches shall be allowed within the premises of any licensed warehouse.

[First
Schedule
contd.]

16. All lamps used on the premises of any licensed warehouse must be made of substantial metal, the glass being protected by metal guards.

17. No person shall be allowed to sleep on the premises of any licensed warehouse.

Manufacturers licences.

1. Every factory or place licensed for the manufacture of tobacco shall be provided with one or more buildings or enclosures, constructed to the satisfaction of the Superintendent, and all tobacco shall be manufactured within such buildings or enclosures.

2. All raw tobacco entering the factory shall be stored in a place set apart for that purpose to the satisfaction of the Superintendent and in such manner as he shall direct.

Second
Schedule.
Form
No. 15.

3. The licensee shall keep a stock-book in the form in the Second Schedule to the Tobacco Ordinance, 1916, showing the receipts of raw tobacco, and the issues made therefrom for manufacturing purposes.

4. After the completion of the process of manufacture, all manufactured tobacco shall be kept in a place set apart for the purpose and shall be stored to the satisfaction of the Superintendent.

Form
No. 16.

5. The licensee shall keep a factory book in the form in the Second Schedule to the Tobacco Ordinance, 1931, showing the amount of tobacco manufactured each day.

6. The licensee shall permit the Superintendent or any officer duly authorised by him, at all hours, both day and night, to enter and inspect the licensed premises and further shall permit him and them to draw samples for analysis free of charge, of any tobacco or any material used, or capable of being used, in the preparation of manufactured tobacco and found therein.

Form No. 17

7. The licensee shall not later than noon on every Monday morning (or on the following day if Monday is a general or public holiday) furnish to the Superintendent returns in the form in the Second Schedule to the Tobacco Ordinance, 1931, concerning all tobacco received, manufactured and removed during the previous week.

8. No licensee shall have on his licensed premises any material capable of being used as a substitute for, or adulterant of, tobacco.

Retailers licences.

1. No person shall sell any tobacco by retail except on the premises named as the licensed premises in the retailers licence.

2. Every person licensed to sell any tobacco by retail shall, at all times during the subsistence of his licence, exhibit such licence in a conspicuous position on the licensed premises.

3. The licensee shall keep on his licensed premises a Stock Book and make correct entries therein showing, under separate headings, the amounts of each kind or brand of tobacco, whether in the form of cigarettes or cigars or in any other form, as soon as received. Such book shall be balanced at the close of business on the last day of each week.

The amount of sales shall be recorded daily under each heading, but only the total amount of retail sales shall be recorded daily where the value of the individual purchase does not amount to more than \$50 in the case of cigars, and \$20 in any other case. In the case of sales of higher values to an individual customer the record shall contain the serial number of the pass issued under condition 4 below. [First Schedule contd.]

4. Every licensee shall keep a book of passes numbered consecutively, in a form containing foils and counterfoils and approved by the Superintendent, and upon the issue to an individual customer of tobacco of value above \$50 in the case of cigars and \$20 in any other case from his premises shall fill in upon a foil and counterfoil a description of the tobacco issued giving its nature, brand and price and the name and address of the person to whom such tobacco is delivered, and shall chop the foil and deliver it, as a pass, to the person receiving the tobacco. No tobacco valued above \$50 in the case of cigars and \$20 in any other case shall be issued to an individual customer from any licensed premises between the hours of 6 p.m. and 6 a.m.

5. The licensee on receipt of any foil or pass issued under condition 4 above shall immediately on receipt of the tobacco covered thereunder cancel such pass by drawing with ink two parallel straight lines diagonally across the face. All the aforesaid foils or passes received by the licensee shall be kept by him for six months, filed in order of receipt and ready for inspection on demand by any Revenue Officer.

Drawbacks.

1. Subject to the conditions contained in the following regulations a drawback shall be paid according to the following scale upon every pound or fraction, not being less than a hundredth, of a pound of tobacco manufactured in the Colony, upon which the proper duties have been paid, when the tobacco is exported, by any licensed manufacturer, as merchandise, shipped by him as ships' stores, or exported by him by parcel post:—

- (a) On cigars at the rate of 91 cents per lb.
- (b) On cigarettes at the rate of 71 cents per lb.
- (c) On tobacco manufactured in Chinese fashion
 - (i) without the addition of oil at the rate of 81 cents per lb.
 - (ii) with the addition of not more than 17 per cent of oil at the rate of 73 cents per lb.
- (d) on other manufactured tobacco—at a rate based upon the duty originally paid on the tobacco used in the manufacture: such rate to be fixed by the Superintendent in each case.

subject to such increase or reduction in the amount of such drawback as may result from the examination of such tobacco, or a sample or samples thereof.

Provided that in the case of tobacco

- (a) not being tobacco prepared in Chinese fashion which does not contain inorganic matter (including sand) exceeding twenty-two pounds, or sand exceeding four pounds, in every hundred pounds weight of such tobacco, exclusive of moisture, the drawback shall be calculated on a moisture standard of 14 per cent and a proportionate deduction from the amount of drawback shall be made when the percentage of moisture exceeds 14.

[First
Schedule
contd.]

When the proportion of inorganic matter (including sand) exceeds twenty-two per cent of the tobacco, exclusive of moisture, a proportionate deduction shall be made from the drawback according to the scale in Regulation 1.

- (b) being tobacco prepared in Chinese fashion with or without the addition of oil which does not contain inorganic matter (including sand) exceeding twenty-two pounds, or sand exceeding four pounds, in every hundred pounds weight of such tobacco, exclusive of moisture, the drawback shall be calculated on a moisture standard of 10 per cent, and a proportionate deduction from the amount of drawback shall be made when the percentage of moisture exceeds 10.

When the proportion of inorganic matter (including sand) exceeds twenty-two per cent of the tobacco, exclusive of moisture, a proportionate deduction shall be made from the drawback according to the scale in Regulation 1.

2. No drawback shall be allowed except to a licensed manufacturer of tobacco.

3.—(1) No drawback shall be allowed unless the minimum weight of packages

- (a) for exportation as merchandise on drawback shall be 20 lbs. net, except in the case of cigars and cigarettes when the minimum weight of the packages shall be 12 lbs. net and 8 lbs. net respectively;
- (b) for shipment as ships' stores shall be 2 lbs. net in the case of cigars and cigarettes and 7 lbs. net in the case of other descriptions of tobacco,

but packages of any kind of tobacco forwarded by parcel post may be of a minimum net weight of 2 lbs. provided that the total net weight of such tobacco in each consignment is not less than 7 lbs.

(2) Every such package must be labelled EXPORTED ON DRAWBACK.

4. No drawback shall be allowed unless the manufacturer;

- (i) shall give 24 hours notice in writing of the date and time at which he proposes to commence the packing of the tobacco and all such packing shall take place in the presence of a Revenue Officer, to whom the manufacturer shall deliver an Export on Drawback Permit, in triplicate, containing full particulars of the shipment and the gross weight of each package or case.
- (ii) the manufacturer shall provide proper scales and weights to enable the Revenue Officer to check the weight of packages, samples, etc.
- (iii) The manufacturer shall close and secure all packages with tape or wire and shall seal the same to the satisfaction of the Superintendent.
- (iv) The packages, when so closed and secured and sealed as aforesaid shall have complete shipping marks on them for the purpose of future identification, including a serial mark.

They shall also have permanently marked on them by stencil or otherwise, on at least three sides, the words "Exported on Drawback" in letters not less than three inches high. [First Schedule contd.]

5. In the case of tobacco for exportation as merchandise, or for shipment as ships' stores, the permit after being checked and signed by the Revenue Officer shall be returned to the manufacturer, who shall be responsible for its return to the Superintendent within 48 hours, duly signed by a responsible officer of the exporting ship that the tobacco has been received on board the ship.

6. Manufactured tobacco including cigars and cigarettes may be exported on drawback by parcel post direct from the tobacco manufacturer's premises under these regulations provided that the gross weight of each parcel does not exceed that allowed by the Post Office regulations and that an approved printed label bearing the words "Exported on Drawback" is affixed to the front of each parcel, close to the address. The external wrapper of each parcel shall be sealed by the Revenue Officer with a revenue seal. The permit shall be submitted to the Post Office together with the parcel and shall be returned duly signed by an officer of the Post Office to the effect that the parcel has been duly posted with the revenue seal intact.

7. No drawback shall be allowed on any tobacco which shall not have been wholly manufactured from tobacco on which the full duty shall have been paid, nor on any tobacco which shall be mixed with any dirt or rubbish, or which shall be made or manufactured with or to which shall be added any other ingredients, matter, or thing not necessary or usual in the manufacturing of tobacco.

No drawback shall be payable unless the claim is made within three working days of the date mentioned in the export permit as the day of shipment or when the ship left the port.

8. No drawback shall be allowed on any tobacco which shall not have been wholly manufactured within the licensed premises of the person submitting the tobacco for exportation or shipment.

9. No drawback shall be allowed, unless with the special permission of the Superintendent, on any tobacco except in accordance with a certificate of a Government or Monopoly Analyst or Assistant Government Analyst or Assistant Monopoly Analyst which certificate shall be final and conclusive evidence of the facts stated therein to have been obtained from the examination of such tobacco or a sample or samples thereof.

The inspecting Revenue Officer shall be entitled to draw such samples free of charge for submission to the Analyst.

10. Drawbacks payable under these regulations shall be paid at the sterling rate for conventional dollars fixed for the month in which the application is made, or, if the date when the goods were packed for export can in the opinion of the Superintendent be accurately determined, but not otherwise, at the sterling rate prevailing when the goods were so packed.

[First Schedule contd.] *Import, Export and Landing Regulations.*

1. In these regulations and in the Schedule thereto "package" shall include any box, basket, barrel, cask, case, container, receptacle, sack, bag, wrapper or other thing in which tobacco is placed for the purpose of carriage, consignment, importation, exportation or storage.

IMPORT OF WATER-BORNE TOBACCO.

2. No tobacco shall be imported by any vessel under 300 tons register tonnage as ascertained in the manner prescribed by the Merchant Shipping Act, 1894. Provided that the Superintendent, in his sole discretion, shall have the power to grant a licence subject to the conditions set forth in the Schedule to these regulations for the import of such tobacco by approved ships of over 60 tons register tonnage in the case of steam and motor vessels, and over 1,000 piculs capacity in the case of junks, when such ships are employed on a regular route, and after security to his satisfaction shall have been furnished by the intended licensee.

3. All licensed junks which have no special wharf at which to discharge their cargo, shall, if their cargo includes tobacco, on entering the waters of the Colony, proceed by the most direct course possible to the Victoria junk anchorage as defined in Table S in the Schedule to the Merchant Shipping Ordinance, 1899, and shall remain there until the cargo of tobacco shall have been completely discharged. As long as any such tobacco remains on board no cargo shall be discharged elsewhere.

4. No tobacco shall be imported into the Colony on any ship unless such tobacco has already been entered in the manifest or in a register of ship's stores, and duly appears therein.

IMPORT OF TOBACCO.

5. No tobacco shall be imported except in closed packages weighing not less than 30 pounds gross.

This regulation shall not apply to any package of less than 22 pounds gross coming into the Colony and containing tobacco for the private use of the addressee and not for sale.

6. No person shall remove from Kowloon Railway Station any tobacco without a permit in Form 6 in the Second Schedule to the Tobacco Ordinance, 1931, in the case of tobacco on which duty is to be paid before such removal, and except in accordance with the conditions of such permit, or a permit in Form 7 in the said Schedule in the case of tobacco to be stored in a general bonded or licensed warehouse, and except in accordance with the conditions in such permit contained.

EXPORT OF TOBACCO.

7. No person shall remove, for the purpose of export, any tobacco from any general bonded or licensed warehouse except in closed packages weighing not less than 30 pounds gross.

This regulation shall not apply to any package of less than 22 pounds gross forwarded to an addressee and containing tobacco for his private use and not for sale.

8. The export of tobacco in vessels of less than 100 tons net register tonnage, or 2,000 piculs capacity in the case of junks, is hereby prohibited, except with the special permission of the Superintendent. [First
Schedule
contd.]

9. No tobacco intended to be exported shall be removed except by such harbour vessels as shall have been specially licensed by the Superintendent for the purpose: Provided that vessels owned by or under the control of the licensee of a general bonded warehouse shall be deemed to be so licensed.

10. Every application for a removal permit for export shall state the number of the licensed harbour vessel or the name of the licensee of the general bonded warehouse by which or by whom the tobacco is to be removed. A removal permit shall be valid only for the licensed vessel mentioned, for the tobacco described in such permit, and while such tobacco is being removed by the Applicant or his employees.

11. Before any removal permit is granted for the export of any dutiable tobacco on which the duty would exceed \$100 the applicant shall either deposit with the Superintendent the amount assessed by him or give other security or enter into a bond, to the satisfaction of the Superintendent, for the production to the Superintendent, within a reasonable time, of a certificate issued by the Authorities at the port of destination certifying that the tobacco has been duly landed. A bond or security as aforesaid may be either general or in respect of a particular consignment.

LANDING PLACES FOR TOBACCO.

12. Tobacco shall be landed as set out hereunder, and not elsewhere.—

- (a) When the tobacco is being landed by the licensee of a General Bonded Warehouse—at the portion of the sea-front opposite or nearest to the licensed premises.
- (b) When the tobacco is being landed by the licensee of a licensed warehouse—at the portion of the sea-front which is nearest to his licensed premises.
- (c) When the tobacco is being landed for the purpose of paying duty at—
 - (1) the shed for the examination of tobacco on the Praya Wall opposite the Harbour Office; or
 - (2) the Praya opposite the Imports and Exports Office; or
 - (3) the sea-front at Tsim Sha Tsui between the Star Ferry Wharf and the gate of the Kowloon Godowns; or
 - (4) any other convenient place specially appointed by the Superintendent.

SHIP'S STORES.

13. No tobacco exempted from duty as ship's stores shall be removed from any ship while in the waters of the Colony.

14. No tobacco exempted as aforesaid shall be sold or supplied to any person unless such person is either on the ship's articles or a passenger in the ship.

[First
Schedule
contd.]

15. Tobacco imported on board any ship for the purpose of being consumed by the crew or passengers of the ship, and any tobacco taken on board as ship's stores, shall, while the ship remains in the waters of the Colony, be kept in a locked place of safety under the custody and control of the master, except only a quantity sufficient for the consumption of the officers, crew and passengers for a period of 24 hours. Such tobacco shall be entered in a separate register or stock book, and a copy of the balance in such stock book shall be forwarded to the Superintendent together with the prescribed import statement. The register of ship's stores shall be kept up-to-date and shall be produced to any Revenue Officer for inspection on demand.

16. Any Revenue Officer shall be permitted to inspect and examine any such tobacco and to place seals on any package, or place in which they are stored.

No such seal so affixed shall without the permission of a Revenue Officer be broken or removed whilst the ship is in the waters of the Colony.

17. Before any permit is issued for removal of any tobacco to a ship about to put to sea, for use as ship's stores, the exporter shall enter into a personal bond in a sum assessed by the Superintendent, to produce to the Superintendent the receipt mentioned in section 38 (1) of the Tobacco Ordinance, 1931.

18. The receipt of tobacco as ship's stores shall be duly entered in the ship's export statement furnished to the Superintendent under section 28 of the said Ordinance.

19. Every application for a permit to export tobacco as ship's stores shall be in the form given hereunder, and shall be in addition to an application in Form No. 8 of the Second Schedule to the Tobacco Ordinance, 1931, made by the supplier.

FORM.

Application for issue of a permit to export tobacco as ship's stores.

I..... Purser or Officer in charge of ship's stores of S.S. hereby declare that

1. This ship is sailing for on atm.
2. The duration of the voyage is days.
3. The surplus tobacco in store is,
Smoking Tobacco pounds.
Cigarettes (number).
Cigars (number).
Chinese Tobacco pounds.

4 The ship's complement is, [First, Schedule, contd.]

	Officers	European	
		Asiatic	
	Crew	European	
		Asiatic	

5. The passengers

	number	European	Saloon
		Asiatic	Deck

and apply for a permit to export the undermentioned tobacco as ship's stores.

SCHEDULE.

Smoking Tobacco	pounds.
Cigarettes	(number).
Cigars	(number).
Chinese Tobacco	pounds.

Signed

Purser or Officer in Charge of Ship's Stores
S.S.

Date

NOTE :—Under section 38 (4) of the Tobacco Ordinance, 1931, the Superintendent may refuse to issue any export permit to export tobacco as ship's stores unless the application for the permit is endorsed by the master or agent of the ship to the effect that the tobacco is for ship's use.

SCHEDULE. [Reg. 2.]

CONDITIONS OF LICENCE TO IMPORT TOBACCO
BY SHIPS UNDER 300 TONS.

1. All tobacco shall be stowed in a separate portion of the hold or deck, in such a way as to be readily accessible for examination.
2. All relevant regulations prescribed under the Tobacco Ordinance, 1931, shall be observed.
3. No tobacco shall be removed from the ship until the prescribed removal permit, duly issued by the Superintendent, is produced.
4. A complete record shall be kept on board showing the importer's name and address in respect of all tobacco imported, together with the quantities. Such record shall be produced, on demand, to any Revenue Officer.
5. No package containing any tobacco shall be opened on board the ship except in the presence of a Revenue Officer, and the master of the ship as well as the person opening such package shall be responsible for any breach of this regulation.
6. The master and crew of the ship shall afford all the assistance that any Revenue Officer may require in carrying out his duties on board the ship.

[First
Schedule
contd.]

7. The master of the ship shall furnish a complete, true, and accurate statement in writing of all tobacco imported by his ship within four hours of arrival at the ship's place of discharge. The statement to be furnished as aforesaid shall be delivered at the office of the Superintendent except when such office is closed, in which case such master shall deliver the statement or cause it to be delivered to the Senior Chinese Revenue Officer on duty at the office of the Senior Chinese Revenue Officer.

SECOND SCHEDULE.

[ss. 12, 29, 30.]

FORMS.

FORM No. 1. [s. 30.]

GENERAL BONDED WAREHOUSE LICENCE.

Tobacco Ordinance, 1931.

Name of licensee
Licensed premises
Date of expiration of licence
Fee
Date

.....
Superintendent of Imports and Exports.

*Note:—*This licence is issued subject to the provisions of the above Ordinance and of all regulation made thereunder for the time being in force.

FORM No. 2. [s. 30.]

LICENSED WAREHOUSE LICENCE.

Tobacco Ordinance, 1931.

Name of licensee
Licensed premises
Date of expiration of licence
Fee
Date

.....
Superintendent of Imports and Exports.

*Note:—*This licence is issued subject to the provisions of the above Ordinance and of all regulations made thereunder for the time being in force. The description of the licensed premises shall include the enumeration of all doors and windows and shall state any special appropriation of storage space.

FORM No. 3.

[s. 30.] [Second
Schedule
contd.]

MANUFACTURERS LICENCE.

Tobacco Ordinance, 1931.

Name of licensee
Licensed premises
Date of expiration of licence
Fee
Date

.....
Superintendent of Imports and Exports.

*Note:—*This licence is issued subject to the provisions
of the above Ordinance and of all regulations
made thereunder for the time being in force.

FORM No. 4.

[s. 30.]

IMPORTERS LICENCE.

Tobacco Ordinance, 1931.

Name of licensee
Address of licensee
Date of expiration of licence
Fee
Date

.....
Superintendent of Imports and Exports.

*Note:—*This licence is issued subject to the provisions
of the above Ordinance and of all regulations
made thereunder for the time being in force.

FORM No. 5.

[s. 30.]

RETAILERS LICENCE.

Tobacco Ordinance, 1931.

Name of licensee
Licensed premises
Date of expiration of licence
Fee
Date

.....
Superintendent of Imports and Exports.

*Note:—*This licence is issued subject to the provisions
of the above Ordinance and of all regulations
made thereunder for the time being in force.

[Second
Schedule
contd.]

FORM No. 6.

[s. 37.]

DUTY-PAID PERMIT.

Tobacco Ordinance, 1931.

SIR,

I (We) hereby declare that I (we) wish to land (move) on the _____ day of _____, 19____, between the hours of _____ a.m. and _____ p.m. the tobacco described hereunder, the duties on which have been paid, from

Ship and date of arrival.	Nature of tobacco.	Marks on cases, etc.	Quantity in lbs.	Total value.

Date.....

.....
(Applicant.)

.....
(Address.)

.....
(Signature of employé or agent if the applicant is a body corporate or a firm.)

Permission is hereby given as above for the landing (removal) of the tobacco described above, the duty on which has been duly paid.

.....
Superintendent of Imports and Exports.

Note:—If this permit is not made use of on the day for which it is issued, it must be returned within 24 hours to the office of the Superintendent of Imports and Exports.

FORM No. 7.

[s. 37.]

REMOVAL PERMIT.

Tobacco Ordinance, 1931.

SIR,

I (We) hereby declare that I (we) wish to land (move) on the _____ day of _____, 19____, between the hours of _____ a.m. and _____ p.m. the tobacco described hereunder from _____ and to store the same in the _____ warehouse at _____

Ship and date of arrival.	Nature of tobacco.	Marks on cases, etc.	Quantity in lbs.	Total value.

[Second Schedule Form No. 7 contd.]

Date.....

.....
(Applicant.)

.....
(Address.)

.....
(Signature of employé or agent if the applicant is a body corporate or a firm.)

Permission is hereby given as above for the landing (removal) of the tobacco described above on condition that the said tobacco shall be immediately stored in the warehouse at

.....
Superintendent of Imports and Exports.

Note :—If this permit is not made use of on the day for which it is issued, it must be returned within 24 hours to the office of the Superintendent of Imports and Exports.

FORM No. 8.

[s. 37.]

EXPORT PERMIT.

Tobacco Ordinance, 1931.

SIR,

I (We) hereby declare that I (we) wish to move from the _____ at _____ on the _____ day of _____, 19____, between the hours of _____ a.m. and _____ p.m. the dutiable tobacco described below for export to _____ by the S.S. _____ The said tobacco is being consigned to _____

Importing ship and date of arrival.	Nature of tobacco.	Marks on cases, etc.	Quantity in lbs.	Total value.

[Second
Schedule
Form No. 8
contd.]

Date.....

.....
(Applicant.)

.....
(Address.)

.....
(Signature of employé or
agent if the applicant is a
body corporate or a firm.)

Permission is hereby given as above to move the tobacco described above for export on condition that the said tobacco shall be immediately moved from the place named above to the ship named above.

.....
*Superintendent of
Imports and Exports.*

Note:—If this permit is not made use of on the day for which it is issued, it must be returned within 24 hours to the office of the Superintendent of Imports and Exports.

FORM No. 9.

[s. 12.]

RECEIPT FOR DUTY.

Tobacco Ordinance, 1931.

I hereby acknowledge the receipt from
of the sum of dollars
and cents being the
amount payable as duty on the tobacco described below
which is now stored at

Nature of tobacco.	Marks on cases, etc.	No. of lbs.	Duty per lb.	Total duty.

Date.....

.....
*Superintendent of
Imports and Exports.*

IMPORT STATEMENT.

Tobacco Ordinance, 1931.

I (We) hereby declare that the following tobacco was imported by the S.S. which arrived in the Colony on

Cargo.

No. of cases.	Description of cases.	Marks.	Nos.	Nature of tobacco.	Weight in lbs.	Total value.

Ships stores.

No. of cases.	Description of cases.	Nature of tobacco.	Weight in lbs.	Total value.

Date.....

.....
(Owners, charterers, agents or master.)

.....
(Address.)

.....
(Signature of employé or agent if the above signature is that of a body corporate or firm.)

EXPORT STATEMENT.

Tobacco Ordinance, 1931.

I (We) hereby declare that the following tobacco was exported by the S.S. which left the Colony on the

Date.....

[Second
Schedule
Form No. 11
contd.]

Cargo.

No. of cases.	Description of cases.	Marks.	Nos.	Nature of tobacco.	Weight in lbs.	Total value.

Ships stores.

No. of cases.	Description of cases.	Nature of tobacco.	Weight in lbs.	Total value.

Date.....

.....
(Owners, charterers, agents
or master.)

.....
(Address.)

.....
(Signature of employé or
agent if the above signature
is that of a body corporate
or firm.)

FORM No. 12.

[First Sched.
Manufacturers
licences.
Reg. 3.]

MANUFACTURERS STOCK-BOOK.

Raw tobacco received.

Ex. S.S. arrived on

Date.	Landing removal permit No.	Marks, etc.	Description.	Quantity in lbs.	Remarks.

Raw tobacco issued for manufacture.

[Second
Schedule
Form No. 11
contd.]

Date.	Description.	Quantity in lbs.	Remarks.

FORM No. 13.

[First Sched.
Manufac-
turers
licences.
Reg. 5.]

MANUFACTURERS FACTORY BOOK.

Raw tobacco issued for manufacture.

Date.	Stock-book folio number.	Quantity in lbs.	Remarks.

Tobacco manufactured.

Date.	Description and quantity.	Quantity in lbs.	Value.	Quantity in lbs.	Value.	Remarks.

[Second
Schedule
Form No. 14

[First Sched.
Manufacturers
licences.
Reg. 7.]

MANUFACTURERS WEEKLY RETURN.

Raw tobacco.

	Description.	Quantity in lbs.	Description.	Quantity in lbs.
Balance on				
Received since				
Total				
Issued for manufacture...				
Loss.....				
Total				
Balance on				

Manufactured tobacco.

	Description.	Quantity in lbs.	Description.	Quantity in lbs.
Balance				
Received since				
Total				
Delivered since :—				
(a) Local consumption.				
(b) Export				
Loss				
Total				
Balance on				

THIRD SCHEDULE. [s. 4 (2).]

FEES.

The following annual fees shall be payable for the following licences :—

Licensed warehouse licence—	
If held in conjunction with a manufacturer's licence	\$ 200.00
If not so held	\$ 400.00
Manufacturers licence	\$ 200.00
Licence for planing and preparing only	
Chinese smoking tobacco.....	\$ 100.00
Importers licence	\$ 100.00
Retailers licence—	
(a) City of Victoria and Kowloon South of Waterloo Road, Gascoigne Road and Chatham Road	\$ 30.00
(b) Hong Kong Island, the remainder	\$ 20.00
(c) Kowloon, the remainder, and New Kowloon	\$ 20.00
(d) New Territory other than New Kowloon	\$ 5.00
(e) Street squatters and itinerant hawkers	\$ 8.00

If the licence is issued for less than a year, the fee payable shall be at the rate of one-twelfth of the annual fee for each month or part of a month for which the licence is issued.

Objects and Reasons.

This Ordinance consolidates and to some extent amends the law relating to the taxation of tobacco. A Table of Correspondence is attached which indicates the source of the various sections and the nature of the amendments.

C. G. ALABASTER,
Attorney General.

October, 1931.

TABLE OF CORRESPONDENCE

Section of new Ordinance.	Section of Ordinance No. 10 of 1916.	Remarks.
1	1	—
2	2	As amended by Ordinance No. 3 of 1929. Paragraph (j) deleted and subsequent paragraphs relettered.
3	3	As amended by No. 3 of 1929, ss. (1) (e) is new.
4	4	—
5	5	—
6	6	Sub-section (1) validates duties as enacted by the Resolution of the Legislative Council published in G.N. 666 of 1931. Sub-sec. (2) is deleted as spent and sub-sec. (3) is renumbered as (2) and amended to conform with G.N. 430 of 1931 which related to liquors as ships stores.
7	7	As enacted by Ordinance No. 3 of 1929.
8	—	See Ordinance No. 3 of 1929, s. 4.
9	—	Do. S. 5. Section 8 of No. 10 of 1916 was repealed by No. 3 of 1929 and s. 9 by the Law Revision Ordinance, 1924.
10	10	As amended by No. 3 of 1929. "at" substituted for "on" in ss. (1) and (2).
11	11	As amended by No. 3 of 1929.
12	12	—
13	13	—
14	14	—
15	15	—
16	16	Words "and except into such ports or places as may be notified by the Governor" added. Compare Ordinance No. 9 of 1911, s. 44 (1) and ss. 11 and 14 of the Customs Consolidation Act, 1876.
17	17	As amended by No. 3 of 1929.
18	18	Do.
19	19	—
20	20	—
21	21	As amended by No. 3 of 1929.
22	22	Do.

Table of Correspondence

Section of new Ordinance.	Section of Ordinance No. 10 of 1916.	Remarks.
23	23	—
24	24	As amended by No. 3 of 1929.
25	25	—
26	26	—
27	27	Words "and where.....effect" added. Compare Ordce. No. 9 of 1911 s. 52 (3).
28	28	Do.
29	29	As amended by No. 3 of 1929.
30	30	—
31	31	As amended by No. 3 of 1929.
32	32	—
33	33	Proviso excepting licensed hawkers deleted.
34	34	—
35	35	—
36	36	—
37	37	ss. (1) as amended by No. 3 of 1929 ss. (6) amended so as to accord with Ordce. No. 9 of 1911, s. 54 as amended by No. 29 of 1929, s. 11.
38	38	As amended by No. 3 of 1929. The last sentence in ss. (4) is new. Compare G.N. 430 of 1931.
39	39	—
40	40	ss. (2) added so as to accord with Ordce. No. 9 of 1911, s. 71 as amended by No. 29 of 1929, s. 14.
41	41	Words "the office of the Superintendent or to" added owing to deletion of para. (j) of s. 2 of No. 10 of 1916. Word "officer" substituted for last 7 lines of ss. (1).
42	42	Words "the office of the Superintendent or to" added as in s. 41.
43	43	—
44	44	Reference to "ship" deleted. See section 33.
45	45	—
46	46	Sub-sections (2) and (3) revised and enlarged.

Table of Correspondence

Section of new Ordinance.	Section of Ordinance No. 10 of 1916.	Remarks.
47	47	—
48	48	—
49	49	—
50	50	As amended by No. 3 of 1929.
51	51	—
52	52	—
53	53	As amended by No. 3 of 1929.
54	54	—
55	56	s. 55 of No. 10 of 1916 is omitted as no longer used or required.
56	57	—
58	59	—
59	60	—
60	61	As amended by No. 3 of 1929.
61	62	—
62	63	Power to forfeit licence transferred to magistrate who will have all the facts before him. It is not considered necessary to limit the power to a second or subsequent conviction as in No. 9 of 1911, s. 92 as the offences under the two Ordinances differ in range.
63	64	Sub-sec. (2) revised to correspond more closely with No. 9 of 1911, s. 90.
64	—	Repeals and amendments.
First Schedule.	First Schedule.	General Bonded Warehouse and Licensed Warehouse Regulations from G.N. 548 of 5.9.1930. Manufacturers Licence Regulations as amended by G.N. 74 of 13.2.1931. Retailers Licence Regulations as amended by G.N. 452 of 1926 and G.N. 600 of 1931. Drawback Regulations from G.N. 75 of 13.2.1929, as amended by G.N. 585 of 1931. Import, Export and Landing Regulations from G.N. 601 of 1931.

Table of Correspondence

Section of new Ordinance.	Section of Ordinance No. 10 of 1916.	Remarks.
Second Schedule.	Second Schedule.	<p>Note to Form 2 amplified to conform with the Form in C.N. 518 of 1930. Form 8 word "warehouse" deleted and "place" substituted the second time it occurred.</p> <p>Forms 12, 13, 14 and 18 deleted not required. Other forms renumbered.</p>
Third Schedule.	Third Schedule.	<p>Warehouse, Manufacturer's and Importers licence fees have been increased. The restricted licence for planing and preparing only Chinese smoking tobacco is new. Retailers licence fees as in G.N. 582 of 1928 as amended by G.N. 473 of 1930, but with districts re-arranged and fee raised from \$20 to \$30 for City of Victoria and for the Kowloon Peninsula, South of Waterloo, Gascoigne and Chatham Roads and from \$10 to \$20 elsewhere in Hong Kong, Kowloon and New Kowloon. The fee of \$8 for licensed street squatter and itinerant hawker retailers is new.</p>

C.S.O. 3215/30.

[No. 39 :—3. 2 31.—4.]

A BILL

INTITLED

An Ordinance to make provision for the taxation of bets on authorised totalisators or pari-mutuels and on contributions or subscriptions towards authorised cash-sweeps.

BE it enacted by the Governor of Hong Kong, with the advice and consent of the Legislative Council thereof, as follows :—

Short title. 1. This Ordinance may be cited as the Betting Duty Ordinance, 1931.

Authorisation of Club Cash-sweeps on horse and pony races. 2. Ordinary Social or sporting clubs in the Colony may, with the permission in writing in each case of the Inspector General of Police, and subject to such conditions as he may see fit to impose, conduct cash-sweeps on horse or pony races provided that not less than ninety per cent., or in the case of a club organising the race not less than eighty per cent. of the total contributions or subscriptions, after deduction of the duty shall be devoted to prizes for the subscribers.

Authorisation of totalisator or pari-mutuel betting on horse or pony races. 3. Ordinary race, jockey or hunt clubs which organise meetings for horse or pony races in the Colony may, with the permission in writing of the Inspector General of Police, and subject to such conditions as he may see fit to impose, conduct totalisator or pari-mutuel betting on the race course premises on such races provided that not less than ninety per cent. of the total bets after deduction of the duty, shall be devoted to prizes for the ticket-holders.

Allocation of chances in cash-sweeps. 4 —(1) In the case of cash-sweeps organised by clubs in the Colony the chances shall be allocated by numbered tickets issued in books with or without counterfoils as the Inspector General of Police may decide.

(2) In the case of cash-sweeps organised by clubs or other bodies elsewhere, ordinary social, sporting, race, jockey or hunt clubs in the Colony as agents for the organising club or other body and with the permission in writing of the Inspector General of Police may provide lists of numbers, against which their members may sign their names as subscribers for chances, or may issue books of numbered tickets as the Inspector General of Police may decide.

Restriction on sale of tickets, hawking of chances and advertisements. 5.—(1) No tickets, lists, receipts, or other substitutes for tickets recording the numbers of the chances allocated for any cash-sweep, totalisator or pari-mutuel may be made, printed, issued, sold or offered for sale, except by or on behalf of a club which has received the permission of the Inspector General of Police under this Ordinance.

(2) No hawking of chances in the streets or public advertisements of cash-sweeps or of totalisator or pari-mutuel betting shall be permitted: Provided that nothing in this sub-section shall prevent the publication of results after the race in question or after any drawing in relation thereto.

6.—(1) On every bet made on any totalisator or pari-mutuel authorised under this Ordinance there shall be charged a duty of three per cent. of the amount paid, contributed or subscribed.

Duty on totalisator or pari-mutuel bets and on cash-sweeps.

(2) On every cash-sweep ticket sold and on every cash-sweep chance allocated by list as provided in section 4 there shall be charged a duty of five per cent. of the amount paid, contributed or subscribed.

(3) The secretary, treasurer and every steward and member of the committee of management of the club, as well as the club itself if a corporation, shall be jointly and severally liable for the duty payable.

7.—(1) The Governor in Council may make regulations for securing the payment of duty and generally for carrying the provisions of this Ordinance into effect.

Regulations.

(2) Subject to the exercise of the above powers, the regulations contained in the Schedule shall be in force from the commencement of this Ordinance and shall be deemed to have been made under this Ordinance.

Schedule.

8. Any person who, and the secretary, treasurer and every steward or member of the committee of management of any club which, acts in contravention of, or fails to comply with any provision of this Ordinance or of any regulation made or condition imposed thereunder for which no other penalty is provided shall be liable on summary conviction to a fine not exceeding one thousand dollars.

Penalties.

9.—(1) Section 2 of the Gambling Ordinance, 1891, as amended by section 2 of the Gambling Amendment Ordinance, 1930, is amended by the deletion of the words "other than sweepstakes conducted in accordance with the provisions of section 18 of this Ordinance" and by the substitution therefor of the words :—

Repeals and Amendments.

Ordinance No. 2 of 1891.

Ordinance No. 12 of 1930.

"other than totalisators, pari-mutuels and cash-sweeps authorised under the Betting Tax Ordinance, 1931, and other than the sweepstakes subscriptions contributed towards the prizes for the owners of winners and placed horses or ponies in horse and pony races conducted by race, jockey or hunt clubs."

(2) Section 18 of the Gambling Ordinance, 1891, as enacted by section 3 of the Gambling Amendment Ordinance, 1930 is repealed.

(3) The Gambling Amendment Ordinance, 1930, is repealed.

SCHEDULE.

[s. 7 (2).]

BETTING DUTY REGULATIONS.

1. The Provisions (including the penal provisions) of the Stamp Duties Management Ordinance, 1911, shall apply to stamps used for denoting Betting duty.

2. The secretary of every club organising a cash-sweep or conducting a totalisator or pari-mutuel, in the Colony, or acting as agent in the Colony for the allocation of chances in a cash-sweep organised outside the Colony, shall draw up for the Collector of Stamp Revenue a statement showing —

(i) the number of tickets sold and the amounts received in respect of the totalisator or pari-mutuel betting on each race ;

(ii) the number and value of cash-sweep tickets sold ;

(iii) the number and value of cash-sweep chances allocated otherwise than by ticket in respect of each race.

3. In the case of a club acting as agent as aforesaid which is permitted to issue lists instead of tickets, the statement shall be drawn up and delivered to the Collector before the lists of numbers allocated are despatched from the Colony.

4. In the case of cash-sweeps conducted by a club organising the race and in the case of bets on any totalisator or pari-mutuel the statement shall be drawn up and delivered within fifteen days after the day on which the race is held.

5. In all other cases the statement shall be drawn up and delivered within three days after the day on which the race is held and before any money is distributed among the contributors or subscribers.

6. The Collector, or any person generally or specially authorised thereto by him in writing, may at all reasonable times require from the secretary of every such club the production at such place as he may direct of any books, accounts, vouchers, lists, counterfoils or other documents relating to any totalisator, pari-mutuel or sweep.

7. The duty required to be paid under the Betting Duty Ordinance, 1931, shall be deemed a debt and may be recovered in the same manner as Crown rents, assessments, fees or forfeitures are recovered under the Crown Remedies Ordinance, 1875, upon certificate purporting to be under the hand of the Colonial Treasurer.

8. Unless by agreement between any club and the Collector for the payment of duty in any other manner, the duty shall be paid by stamps affixed printed, embossed or impressed by the Collector on each ticket or counterfoil and on each list provided for in section 4 of the Betting Duty Ordinance, 1931, before any such ticket or list is issued.

9. The Collector may prescribe forms for use under these regulations.

Objects and Reasons.

1. The object of this Ordinance is stated in its long title.

2. In the Straits Settlements and Federated Malay States a similar object has been effected by amendment to the Stamp Ordinance and Stamp Enactment respectively. In Ceylon a special Ordinance, the Betting on Horse-racing (Taxation) Ordinance, 1930, has been preferred.

3. Section 2 of this Ordinance replaces section 18 of the Gambling Ordinance, 1891, as enacted by the Gambling Amendment Ordinance, 1930, which dealt with club sweepstakes. In this Ordinance the word "cash-sweep", which is the name usually employed in the Colony for subscriptions towards cash prizes to the holders of successful numbers in numbered chances, is used to denote the form of sweeps which are to be subject to the duty and the word "sweepstakes", which is used in section 9 (1), is reserved for the racing term which is used for the subscriptions contributed towards the prizes for the owners of winners and placed horses or ponies in such races as the Hong Kong Derby.

4. Section 3 makes similar provision for totalisator and pari-mutuel betting.

5. Section 4 provides for the allocation of chances in cash-sweeps.

6. Section 5 places certain restrictions on the sale of tickets and advertisements.

7. Section 6 provides for a duty of 5 per cent. on cash sweeps and 3 per cent. on totalisator or pari-mutuel betting and for the persons responsible for the payment thereof.

8. Section 7 provides for regulations for securing the payment of duty and generally for carrying out the provisions of the Ordinance.

9. Section 8 makes provision for penalties and section 9 effects the necessary amendments and repeals in the Gambling Ordinance.

C. G. ALABASTER,
Attorney General.

December, 1931.

NOTICES.

COLONIAL SECRETARY'S DEPARTMENT.

No. S. 465.—Statement of Sanitary Measures adopted against Hong Kong.

Place or Port.	Nature of Measures.	Date.	Reference to Government Notification.
Philippine Ports.	Inspections outside Manila harbour from 20th April. Third class passengers and new crew must comply with the vaccination requirements.	16th April, 1924.	—
All ports in the United States of America, including the Hawaiian Islands.	Inspections outside the ports from 1st April. Steerage passengers must comply with the vaccination requirements. Cabin passengers must produce a vaccination certificate or be vaccinated by ships doctor or quarantine authorities.	30th April, 1926.	—
Bangkok.	Vessels detained at river mouth and passengers and crew vaccinated unless they can produce evidence of successful recent vaccination.	29th October, 1926.	No. S. 301.

W. T. SOUTHORN,
Colonial Secretary.

4th December, 1931.