

Vehicle distributor convicted of contravening Motor Vehicles (First Registration Tax) Ordinance

A vehicle distributor was fined \$660,000 today (August 8) at Kowloon City Magistrates' Courts for contravening the Motor Vehicles (First Registration Tax) Ordinance when selling motor vehicles.

The vehicle distributor sold 15 private cars at a price higher than the Published Retail Price (PRP) approved by Hong Kong Customs and/or contravening the publication requirement of the retail price from September 2016 to August 2017. The total amount in excess was \$650,000.

The Ordinance stipulates that all registered vehicle distributors shall, before offering a motor vehicle for sale for use in Hong Kong, deliver a PRP to Hong Kong Customs for assessment, which will form the basis for calculating the First Registration Tax. Vehicle distributors shall, upon receipt of the approved PRP, publish in writing the relevant price.

Under the Ordinance, any person who, without obtaining prior consent of Hong Kong Customs, sells a motor vehicle at a price higher than the approved PRP commits an offence. The maximum penalty upon conviction is a fine of \$500,000 and imprisonment for 12 months.

Customs appeals to consumers to ask the distributor for a PRP list for reference when considering to buy a vehicle.

Members of the public may report any suspected violations of the Ordinance to Customs' 24-hour hotline 2545 6182 or its dedicated crime-reporting email account (crimereport@customs.gov.hk).