

# 300pc leap in rateable value angers hotels

By Henry Leung

HOTEL owners have declared war against the Government after the rateable value of their premises rose sharply from less than 100 percent to 300 percent.

The Federation of Hongkong Hotel Owners' executive director, Mr Michael Li, said yesterday that they had appointed their own surveyor, Mr Richard Ellis, for re-valuation of the hotels.

They will take the results for each hotel to the Rating and Valuation Department to challenge the department's calculations.

The hoteliers' decision followed a meeting between the department and more than 10 representatives of the federation yesterday morning.

Both sides said after the meeting that only general matters were raised. No specific details had been discussed.

Mr Li said they had hoped the department would tell them how the new rateable value was worked out, but to their disappointment the department had little to say on the matter.

"We are not satisfied with the explanation. In fact, we could not even get a clear picture at the meeting what basis the Government used for its calculations."

Mr Li said there should be an acceptable standard, general calculation or guideline for working out the figure, but they could not get a satisfactory response on this.

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The assistant commissioner (rating) of the Rating and Valuation Department, Mr Wong Chun-shiu, said the rateable value was generally calculated on the basis of hotels' profits, but he refused to be more specific.

He said hoteliers could hire surveyors to do their own re-valuation, and the department would definitely discuss individual cases with them.

The federation decided this would be the only way to deal with the department.

Mr Wong said if they could not reach agreement with the hoteliers, they would take their case to the Lands Tribunal for settlement.

If any one side was not satisfied with the judgment, they could appeal to a higher court.

Mr Li could not say how much it would cost hotels to do their own re-valuation as this had to be worked out with the chartered surveyor.