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AA chief's tax claims refuted

The executive director of the Automobile Association, Mr Phil Taylor, "was way off beam" in his latest attack on Government, a Transport Department official said yesterday.

The chief executive officer licensing, Mr Colin Priston, was commenting on an article by Mr Taylor in the current edition of the AA's magazine, Hongkong Motorist.

Quoting strong rumours that the Executive Council had approved a 100 per cent increase in first registration tax, Mr Taylor alleged that civil servants were buying new cars in the knowledge that the rise was in the pipeline.

He also claimed the Government was deliberately inflating the statistics for private vehicles to support its view that there were too many private cars on the road.

Describing these charges as "tilting at windmills Don Quixote style," Mr Priston said details of any future tax increases were, as with the Budget, kept a closely guarded secret.

"We in the licensing office probably know about increases about 5 pm the day before they are due to be implemented."

Asked about Mr Taylor's point that the number of private cars is overstated by about 25,000 vehicles — by including light vans with private licences plied for hire illegally to carry passengers or goods — Mr Priston was also sceptical.

Saying he would have thought the number being used illegally was not a figure

to make any difference to the argument Mr Taylor was "trying" to put forward, Mr Priston said:

"He is as usual merely speculating on the use put on these vehicles."

"The vast majority of these vans are used for legitimate purposes."

Contacted yesterday, Mr Taylor was sticking to his guns.

Asked if he had proof of the 100 per cent rise, he replied: "No proof at all. These are rumours that have been going around."

"My contacts in various places suggest there is a great deal behind this one."

But although he knew of civil servants who had bought new cars mindful of an impending tax increase, he was not mentioning names.

Asked about his theory that the Government is cooking the books on the number of private vehicles — the official figure was 216,000 at the end of February — Mr Taylor said: "This happens to be true."

"My contacts in the trade have stated as a fact that three quarters of the vans that are registered are registered as private cars."

"Many people I have spoken to have said these vehicles are used for hire."

A Government Secretariat spokesman said that no decision has been made yet on any increase in first registration tax.

"There has been no decision so there cannot be any inside information. Ask him to confirm the rumours," the spokesman said.