

## FACT SHEET

### The Government's Quarterly General Revenue Account, Capital Works Reserve Fund Account and Capital Investment Fund Account

**Table 1 — General Revenue Account: revenue for the period 1 April 2005 to 31 December 2005**

	Revised estimate 2005-06 (in HK\$'000)	Estimate 2006-07 (in HK\$'000)	1 April 2004 - 31 December 2004 = (a) (in HK\$'000)	1 April 2005 - 31 December 2005 = (b) (in HK\$'000)	(b) – (a) (in HK\$'000)
Duties	6,523,305	6,602,103	4,699,802	4,715,318	15,516
General rates	13,816,000	15,361,000	9,424,545	10,618,037	1,193,492
Internal revenue <sup>(1)</sup>	141,439,576	140,995,813	72,665,018	89,215,031	16,550,013
Motor vehicle taxes	3,872,708	4,016,927	2,659,691	2,893,478	233,787
Fines, forfeitures and penalties	942,186	941,942	688,026	699,369	11,343
Royalties and concessions	624,685	627,763	698,290	547,797	-150,493
Properties and investments	13,206,791	16,082,269	7,067,761	7,952,609	884,848
Loans, reimbursements, contributions and other receipts <sup>(2)</sup>	5,824,024	6,362,339	49,175,528	4,406,339	-44,769,189 <sup>(3)</sup>
Utilities <sup>(4)</sup>	3,404,212	3,464,414	2,570,012	2,561,697	-8,315
Fees and charges	10,897,412	11,228,794	8,102,678	8,250,463	147,785
<b>Total</b>	<b>200,550,899</b>	<b>205,683,364</b>	<b>157,751,351</b>	<b>131,860,138</b>	<b>-25,891,213</b>

Notes: (1) This revenue head is credited direct taxes on earnings and profits which include profits tax, property tax and salaries tax. A range of indirect taxes is also included.

(2) This revenue head is credited repayments of loans and advances such as payments made by the trading funds.

(3) The difference was resulted from the transfer of HK\$40 billion from the Land Fund to the General Revenue Account in 2004-05.

(4) This revenue head is credited all income generated by government-operated public utilities except government toll-tunnels and bridges.

Sources: The Treasury (2005) and *Estimates for the Year Ending 31 March 2007: Volume 1B – General Revenue Account* (2006b).

**Table 2 — Capital Works Reserve Fund<sup>(1)</sup> Account: revenue for the period 1 April 2005 to 31 December 2005**

	<b>Revised estimate 2005-06 (in HK\$'000)</b>	<b>Estimate 2006-07 (in HK\$'000)</b>	<b>1 April 2004 - 31 December 2004 = (a) (in HK\$'000)</b>	<b>1 April 2005 - 31 December 2005 = (b) (in HK\$'000)</b>	<b>(b) – (a) (in HK\$'000)</b>
Land premium					
Sales by public auction and tender	10,673,000	-	18,728,994	10,523,660	-8,205,334
Private treaty grants	4,455,000	-	768,397	4,438,332	3,669,935
Modification of existing leases, exchanges and extensions	13,333,000	-	8,008,221	13,328,230	5,320,009
Fees received in respect of short term waivers	242,000	-	184,041	197,431	13,390
<i>Sub-total</i>	<i>28,703,000</i>	<i>30,500,000<sup>(2)</sup></i>	<i>27,689,653</i>	<i>28,487,653</i>	<i>798,000</i>
Investment income	1,376,000	2,189,000	4,252	21,585	17,333
Recovery from MTR Corporation Limited	0	131,000	11,235	0	-11,235

Notes: (1) The Capital Works Reserve Fund mainly finances the public works programmes. Most of its income is derived from land premia and appropriation from the General Revenue Account.

(2) According to the Government, no breakdown in the land premium estimate for 2006-07 is provided because of the market-driven nature of the land sales under the Application List, Private Treaty Grants and Modifications. The total land premium for 2006-07 is estimated having regard to the overall performance of the property market under the past and current market conditions. The Government has assumed that land revenue will be around 2.1% of the forecast Gross Domestic Product.

Sources: The Treasury (2005) and *Estimates for the Year Ending 31 March 2007: Volume II – Fund Accounts* (2006c).

**Table 3 — Capital Works Reserve Fund Account: expenditure of the Public Works Programme for the period 1 April 2005 to 31 December 2005**

	<b>Revised estimate 2005-06 (in HK\$'000)</b>	<b>Estimate 2006-07 (in HK\$'000)</b>	<b>1 April 2004 - 31 December 2004 = (a) (in HK\$'000)</b>	<b>1 April 2005 - 31 December 2005 = (b) (in HK\$'000)</b>	<b>(b) – (a) (in HK\$'000)</b>
Port and airport development	377,000	78,000	583,781	365,076	-218,705
Buildings	6,206,000	5,926,000	5,068,384	4,152,067	-916,317
Drainage	1,378,000	1,442,000	1,402,544	995,562	-406,982
Civil engineering	2,336,000	2,135,000	2,110,615	1,713,492	-397,123
Highways	6,952,000	5,181,000	5,052,621	4,959,288	-93,333
New towns and urban area development	2,512,000	2,067,000	1,934,482	1,701,996	-232,486
Waterworks	1,276,000	1,136,000	920,146	777,084	-143,062
Housing	748,000	477,000	659,393	534,688	-124,705
<b>Total</b>	<b>21,785,000</b>	<b>18,442,000</b>	<b>17,731,966</b>	<b>15,199,253</b>	<b>-2,532,713<sup>(1)</sup></b>

Note: (1) The Government has stated that the expenditure on building, drainage and civil engineering projects in 2005-06 is smaller than the previous financial year.

Sources: The Treasury (2005) and *Estimates for the Year Ending 31 March 2007: Volume II – Fund Accounts* (2006c).

**Table 4 — Capital Investment Fund<sup>(1)</sup> Account: revenue for the period 1 April 2005 to 31 December 2005**

	<b>Revised estimate 2005-06 (in HK\$'000)</b>	<b>Estimate 2006-07 (in HK\$'000)</b>	<b>1 April 2004 - 31 December 2004 = (a) (in HK\$'000)</b>	<b>1 April 2005 - 31 December 2005 = (b) (in HK\$'000)</b>	<b>(b) – (a) (in HK\$'000)</b>
Dividends, interest and other receipts from investments/ loans	1,690,000	925,000	814,717	891,560	76,843
Loan repayments	1,213,000	1,179,000	895,086	934,266	39,180
Interest on deposits and bank balances	35,000	71,000	3,862	28,063	24,201
Return of share capital <sup>(2)</sup>	-	-	6,000,000	0	-6,000,000 <sup>(3)</sup>
Proceeds from sale of equity <sup>(2)</sup>	-	-	0	264,327	264,327 <sup>(4)</sup>
Appropriation from General Revenue <sup>(2)</sup>	-	-	0	500,000	500,000
<b>Total</b>	<b>2,938,000</b>	<b>2,175,000</b>	<b>7,713,665</b>	<b>2,618,216</b>	<b>-5,095,449</b>

Notes: (1) The Capital Investment Fund finances the Government's capital investments, such as equity injections in the Airport Authority, the Kowloon-Canton Railway Corporation and the MTR Corporation Limited, and capital investments in the Hong Kong Housing Authority and the Urban Renewal Authority. Its income is derived mainly from appropriation from the General Revenue Account and dividends.

(2) The Government has not provided the estimates.

(3) The difference was resulted from the receipt of share capital returned from the Airport Authority in 2004-05.

(4) The difference is resulted from the receipt of proceeds from sale of equity in Tradelink Electronic Commerce Limited in 2005-06.

Sources: The Treasury (2005) and *Estimates for the Year Ending 31 March 2007: Volume II – Fund Accounts* (2006c).

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