

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 2006 to 31 March 2007

	Estimates 2007-2008 (in HK\$'000)	1 April 2005 - 31 March 2006 = (a) (in HK\$'000)	1 April 2006 - 31 March 2007 = (b) (in HK\$'000)	Change in revenue (b) – (a) (in HK\$'000)
Duties	6,288,796	6,424,366	7,022,969	598,603
General rates	11,552,000	14,146,318	15,467,273	1,320,955
Internal revenue ⁽¹⁾	149,072,610	144,982,283	155,134,636	10,152,353
Motor vehicle taxes	4,464,610	3,894,940	4,334,659	439,719
Fines, forfeitures and penalties	993,053	987,869	1,008,698	20,829
Royalties and concessions	781,331	616,059	609,964	-6,095
Properties and investments	20,759,466	13,700,857	21,916,293	8,215,436
Loans, reimbursements, contributions and other receipts ⁽²⁾	4,554,064	5,745,173	8,422,178	2,677,005
Utilities ⁽³⁾	3,451,134	3,373,900	3,335,675	-38,225
Fees and charges	11,983,878	11,109,430	11,672,619	563,189
Total	213,900,942	204,981,195	228,924,964	23,943,769

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

Sources: The Treasury (2006) and The Government of the Hong Kong Special Administrative Region (2007b).

Table 2 – Capital Works Reserve Fund⁽¹⁾ Account: revenue for the period 1 April 2006 to 31 March 2007

	Estimates 2007-2008 (in HK\$'000)	1 April 2005 - 31 March 2006 = (a) (in HK\$'000)	1 April 2006 - 31 March 2007 = (b) (in HK\$'000)	Change in revenue (b) – (a) (in HK\$'000)
Land premium				
Sales by public auction and tender	–	10,673,260	7,200,500	-3,472,760
Private treaty grants	–	4,459,637	23,188,328	18,728,691
Modification of existing leases, exchanges and extensions	–	14,073,698	6,324,827	-7,748,871
Fees received in respect of short term waivers	–	265,353	286,758	21,405
<i>Sub-total</i>	<i>38,500,000⁽²⁾</i>	<i>29,471,948</i>	<i>37,000,413</i>	<i>7,528,465⁽³⁾</i>
Investment income	4,024,740	1,377,545	4,358,479	2,980,934 ⁽³⁾

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 2007-2008 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 2007-2008 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 2.5% of the forecast Gross Domestic Product.

(3) The Government has explained that the amounts of land premium and investment income received may fluctuate depending on the economic conditions.

Sources: The Treasury (2006) and The Government of the Hong Kong Special Administrative Region (2007c).

Table 3 – Capital Works Reserve Fund Account: expenditure of the Public Works Programme for the period 1 April 2006 to 31 March 2007

	Estimates 2007-2008 (in HK\$'000)	1 April 2005 - 31 March 2006 = (a) (in HK\$'000)	1 April 2006 - 31 March 2007 = (b) (in HK\$'000)	Change in expenditure (b) – (a) (in HK\$'000)
Port and airport development	7,569	370,108	129,416	-240,692
Buildings	6,519,718	6,369,445	5,929,672	-439,773
Drainage	1,416,262	1,405,151	1,449,583	44,432
Civil engineering	1,824,217	2,383,950	2,211,724	-172,226
Highways	3,414,593	7,077,273	5,235,185	-1,842,088
New towns and urban area development	1,699,019	2,343,085	1,773,008	-570,077
Waterworks	1,494,619	1,259,354	1,098,355	-160,999
Housing	361,521	743,772	669,122	-74,650
Total	16,737,518	21,952,138	18,496,065	-3,456,073

Sources: The Treasury (2006) and The Government of the Hong Kong Special Administrative Region (2007c).

Table 4 – Capital Investment Fund⁽¹⁾ Account: revenue for the period 1 April 2006 to 31 March 2007

	Estimates 2007-2008 (in HK\$'000)	1 April 2005 - 31 March 2006 = (a) (in HK\$'000)	1 April 2006 - 31 March 2007 = (b) (in HK\$'000)	Change in revenue (b) – (a) (in HK\$'000)
Dividends, interests and other receipts from investments/loans	903,000 ⁽²⁾	1,427,524	1,090,579	-336,945 ⁽³⁾
Loan repayments	1,207,000	1,213,153	1,178,787	-34,366
Interest on deposits and bank balances	48,000	38,317	37,714	-603
Proceeds from sale of equity holdings	Not available ⁽²⁾	264,327 ⁽⁴⁾	0	-264,327
Appropriation from General Revenue	0	2,000,000	0	-2,000,000
Total	2,158,000	4,943,321	2,307,080	-2,636,241

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) According to the Government, as regards the estimates 2007-2008, the total of dividends, interests and other receipts from investments/loans has already included the figure of proceeds from sale of equity holdings.

(3) The Government has explained that the dividends and interests from investments/loans may fluctuate depending on the economic conditions.

(4) This total was generated from the initial public offering of the Tradelink Electronic Commerce Limited.

Sources: The Treasury (2006) and The Government of the Hong Kong Special Administrative Region (2007c).

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References

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