

FACT SHEET

Major Sources of Government Revenue

(as at 19 April 2007)

Government revenue for 2005-2006 (Total: 205.0 billion)		
Items	Value (in HK\$ billion)	Percentage
Profits tax (2007-2008 tax rates: corporations: 17.5% unincorporated businesses: 16%)	69.8	34.1%
Salaries tax (2007-2008 tax rates: 2% - 17% on HK\$35,000 segments of income after deduction of allowances Standard tax rate: 16%)	40.7	19.9%
Other revenues (e.g. income from properties and investments, loans and reimbursements, motor vehicle first registration tax, and yields from the Capital Works Reserve Fund and the Capital Investment Fund)	25.0	12.2%

Major sources of government revenue (cont'd)

Government revenue for 2005-2006 (Total: 205.0 billion)		
Items	Value (in HK\$ billion)	Percentage
Stamp duties (duties on different classes of documents relating to assignments of immovable property, leases and shares transfers)	17.9	8.7%
Rates (2007-2008 tax rate: 5% of the rateable annual rent of landed property)	14.2	7.0%
Betting duty (2007-2008 tax rates: Horse races bets: 72.5% - 75.0% on the net stake receipts Mark Six Lottery: 25% on the amount of proceeds Football matches bets: 50% on the net stake receipts)	11.9	5.8%
Fees and charges	11.1	5.4%
Duties (four groups of commodities: tobacco, certain types of hydrocarbon oil, alcoholic beverages and certain alcoholic products)	6.4	3.1%

Major sources of government revenue (cont'd)

Government revenue for 2005-2006 (Total: 205.0 billion)		
Items	Value (in HK\$ billion)	Percentage
Government rents (2007-2008 tax rate: 3% of the rateable value of landed property)	4.7	2.3%
Estate duty (Abolished for estates of persons who passed away on or after 11 February 2006)	1.7	0.8%
Property tax (2007-2008 tax rate: 16% on the actual rent received, less an allowance of 20% for repairs and maintenance)	1.3	0.6%
Hotel accommodation tax (2007-2008 tax rate: 3% on hotels and guest houses)	0.3	0.1%

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