

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 2008 to 30 June 2008

	Estimates 2008-2009 (in HK\$'000)	1 April 2007 - 30 June 2007 = (a) (in HK\$'000)	1 April 2008 - 30 June 2008 = (b) (in HK\$'000)	Change in revenue (b) – (a) (in HK\$'000)
Duties	6,198,696	1,572,139	1,327,935	-244,204 ⁽⁴⁾
General rates	7,333,000	1,762,498	1,903,489	140,991 ⁽⁵⁾
Internal revenue ⁽¹⁾	162,950,517	22,235,925	25,301,116	3,065,191
Motor vehicle taxes	5,570,100	1,361,221	1,591,711	230,490
Fines, forfeitures and penalties	1,013,477	237,052	246,009	8,957
Royalties and concessions	870,914	168,760	178,924	10,164
Properties and investments	35,239,322	2,852,763	3,217,732	364,969
Loans, reimbursements, contributions and other receipts ⁽²⁾	28,794,812	2,206,573	1,052,211	-1,154,362 ⁽⁶⁾
Utilities ⁽³⁾	3,514,019	794,109	804,753	10,644
Fees and charges	10,394,037	2,919,916	2,722,147	-197,769
Total	261,878,894	36,110,956	38,346,027	2,235,071

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, pension contributions, reimbursements, transfers from Government Funds and payments made by Trading Funds.

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

(4) Since 2008-2009, the Government has exempted the duties on alcoholic beverages except spirits.

(5) The Government waived the general rates in 2008-2009.

(6) The Government has stated that the change was mainly due to fluctuation in the other receipts subhead.

Sources: The Treasury (2008) and The Government of the Hong Kong Special Administrative Region (2008b).

Table 2 – Capital Works Reserve Fund⁽¹⁾ Account: revenue for the period 1 April 2008 to 30 June 2008

	Estimates 2008-2009 (in HK\$'000)	1 April 2007 - 30 June 2007 = (a) (in HK\$'000)	1 April 2008 - 30 June 2008 = (b) (in HK\$'000)	Change in revenue (b) – (a) (in HK\$'000)
Land premium				
Sales by public auction and tender	–	11,906,580	664,680	-11,241,900
Private treaty grants	–	7,381,564	390,557	-6,991,007
Modification of existing leases, exchanges and extensions	–	2,617,090	2,550,457	-66,633
Fees received in respect of short term waivers	–	75,568	94,051	18,483
<i>Sub-total</i>	<i>43,100,000⁽²⁾</i>	<i>21,980,802</i>	<i>3,699,745</i>	<i>-18,281,057⁽³⁾</i>
Investment income	2,470,737	3,529	1,060	-2,469 ⁽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 2008-2009 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 2008-2009 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 stated that the amounts of land premium and investment income received may fluctuate depending on economic conditions.

Sources: The Treasury (2008) and The Government of the Hong Kong Special Administrative Region (2008c).

Table 3 – Capital Works Reserve Fund Account: expenditure of the Public Works Programme for the period 1 April 2008 to 30 June 2008

	Estimates 2008-2009 (in HK\$'000)	1 April 2007 - 30 June 2007 = (a) (in HK\$'000)	1 April 2008 - 30 June 2008 = (b) (in HK\$'000)	Change in expenditure (b) – (a) (in HK\$'000)
Port and airport development	1,957	942	374	-568
Buildings	6,867,686	1,548,768	1,528,649	-20,119
Drainage	2,293,818	396,534	606,391	209,857
Civil engineering	1,586,440	322,881	296,822	-26,059
Highways	3,188,799	1,039,951	737,027	-302,924
New towns and urban area development	1,752,498	305,127	353,362	48,235
Waterworks	1,735,613	313,987	523,519	209,532
Housing	432,613	66,785	86,682	19,897
Total	17,859,424	3,994,975	4,132,826	137,851

Sources: The Treasury (2008) and The Government of the Hong Kong Special Administrative Region (2008c).

Table 4 – Capital Investment Fund⁽¹⁾ Account: revenue for the period 1 April 2008 to 30 June 2008

	Estimates 2008-2009 (in HK\$'000)	1 April 2007 - 30 June 2007 = (a) (in HK\$'000)	1 April 2008 - 30 June 2008 = (b) (in HK\$'000)	Change in revenue (b) – (a) (in HK\$'000)
Dividends, interests and other receipts from investments/loans	1,123,911	15,735	67,040	51,305 ⁽²⁾
Loan repayments	658,059	0	311,301	311,301
Interest on deposits and bank balances	15,078	20	1	-19
Total	1,797,048	15,755	378,342	362,587

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 stated that the dividends and interests from investments/loans may fluctuate depending on economic conditions.

Sources: The Treasury (2008) and The Government of the Hong Kong Special Administrative Region (2008c).

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References

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2. The Government of the Hong Kong Special Administrative Region. (2008a) *Estimates for the Year Ending 31 March 2009: Volume IA – General Revenue Account*. Hong Kong, Government Logistics Department.
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