

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 September 2008

	Estimates 2008-2009 (in HK\$'000)	1 April 2007 - 30 September 2007 = (a) (in HK\$'000)	1 April 2008 - 30 September 2008 = (b) (in HK\$'000)	Change in revenue (b) – (a) (in HK\$'000)
Duties	6,198,696	3,392,448	2,914,649	-477,799 ⁽⁴⁾
General rates	7,333,000	3,468,139	3,849,949	381,810 ⁽⁵⁾
Internal revenue ⁽¹⁾	162,950,517	38,496,841	37,687,972	-808,869
Motor vehicle taxes	5,570,100	2,803,266	3,267,783	464,517
Fines, forfeitures and penalties	1,013,477	490,844	519,873	29,029
Royalties and concessions	870,914	341,538	336,510	-5,028
Properties and investments	35,239,322	4,964,942	7,595,344	2,630,402
Loans, reimbursements, contributions and other receipts ⁽²⁾	28,794,812	32,978,326	1,972,198	-31,006,128 ⁽⁶⁾
Utilities ⁽³⁾	3,514,019	1,703,555	1,666,533	-37,022
Fees and charges	10,394,037	6,096,719	5,322,409	-774,310
Total	261,878,894	94,736,618	65,133,220	-29,603,398

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, subject to a ceiling of \$5,000 per quarter for each rateable tenement.

(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 September 2008

	Estimates 2008-2009 (in HK\$'000)	1 April 2007 - 30 September 2007 = (a) (in HK\$'000)	1 April 2008 - 30 September 2008 = (b) (in HK\$'000)	Change in revenue (b) – (a) (in HK\$'000)
Land premium				
Sales by public auction and tender	–	21,481,580	664,680	-20,816,900
Private treaty grants	–	7,403,633	4,072,905	-3,330,728
Modification of existing leases, exchanges and extensions	–	11,365,905	7,504,458	-3,861,447
Fees received in respect of short term waivers	–	204,868	188,682	-16,186
<i>Sub-total</i>	<i>43,100,000⁽²⁾</i>	<i>40,455,986</i>	<i>12,430,725</i>	<i>-28,025,261⁽³⁾</i>
Investment income	2,470,737	4,261	1,450	-2,811 ⁽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 September 2008

	Estimates 2008-2009 (in HK\$'000)	1 April 2007 - 30 September 2007 = (a) (in HK\$'000)	1 April 2008 - 30 September 2008 = (b) (in HK\$'000)	Change in expenditure (b) – (a) (in HK\$'000)
Port and airport development	1,957	1,205	675	-530
Buildings	6,867,686	2,683,894	3,029,654	345,760
Drainage	2,293,818	750,447	1,130,206	379,759
Civil engineering	1,586,440	675,583	644,089	-31,494
Highways	3,188,799	2,072,862	1,534,297	-538,565
New towns and urban area development	1,752,498	648,141	699,604	51,463
Waterworks	1,735,613	714,879	1,063,192	348,313
Housing	432,613	142,949	203,326	60,377
Total	17,859,424	7,689,960	8,305,043	615,083

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 September 2008

	Estimates 2008-2009 (in HK\$'000)	1 April 2007 - 30 September 2007 = (a) (in HK\$'000)	1 April 2008 - 30 September 2008 = (b) (in HK\$'000)	Change in revenue (b) – (a) (in HK\$'000)
Dividends, interests and other receipts from investments/loans	1,123,911	84,709	122,554	37,845 ⁽²⁾
Loan repayments	658,059	296,234	626,413	330,179
Interest on deposits and bank balances	15,078	20	1	-19
Total	1,797,048	380,963	748,968	368,005

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