

## 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 31 March 2009**

	Estimates 2009-2010 (in HK\$'000)	1 April 2007 - 31 March 2008 = (a) (in HK\$'000)	1 April 2008 - 31 March 2009 = (b) (in HK\$'000)	Change in revenue (b) – (a) (in HK\$'000)
Duties	6,581,811	7,059,525	6,046,654	-1,012,871 <sup>(1)</sup>
General rates	13,899,000	9,494,544	7,174,835	-2,319,709 <sup>(2)</sup>
Internal revenue <sup>(3)</sup>	149,651,588	200,801,441	192,949,724	-7,851,717 <sup>(4)</sup>
Motor vehicle taxes	4,080,832	5,552,874	4,980,925	-571,949
Fines, forfeitures and penalties	1,012,499	996,968	1,006,391	9,423
Royalties and concessions	1,004,341	863,270	2,389,088	1,525,818
Properties and investments	29,427,839	28,078,385	36,306,289	8,227,904 <sup>(5)</sup>
Loans, reimbursements, contributions and other receipts <sup>(6)</sup>	5,279,733	37,993,181	8,592,659	-29,400,522 <sup>(7)</sup>
Utilities <sup>(8)</sup>	3,412,827	3,343,639	3,320,350	-23,289
Fees and charges	12,120,481	12,296,648	10,470,305	-1,826,343
<b>Total</b>	<b>226,470,951</b>	<b>306,480,475</b>	<b>273,237,220</b>	<b>-33,243,255</b>

Notes: (1) Since 2008-2009, the Government has exempted the duties on alcoholic beverages except spirits.

(2) The Government waived the general rates in 2008-2009, subject to a ceiling of \$5,000 per quarter for each rateable tenement.

(3) 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.

(4) According to the Government, the change was mainly due to the decrease in revenue from stamp duties.

(5) According to the Government, the change was mainly due to the increase in investment income and interest.

(6) This revenue head is credited repayments of loans and advances, pension contributions, reimbursements, transfers from Government Funds and payments made by Trading Funds.

(7) According to the Government, the change was mainly due to fluctuation in the transfers from Government Funds.

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

Sources: The Treasury (2009) and The Government of the Hong Kong Special Administrative Region (2009b).

**Table 2 – Capital Works Reserve Fund<sup>(1)</sup> Account: revenue for the period 1 April 2008 to 31 March 2009**

	<b>Estimates 2009-2010 (in HK\$'000)</b>	<b>1 April 2007 - 31 March 2008 = (a) (in HK\$'000)</b>	<b>1 April 2008 - 31 March 2009 = (b) (in HK\$'000)</b>	<b>Change in revenue (b) – (a) (in HK\$'000)</b>
Land premium				
Sales by public auction and tender	–	33,373,780	813,660	-32,560,120
Private treaty grants	–	10,804,691	6,645,555	-4,159,136
Modification of existing leases, exchanges and extensions	–	17,741,737	9,026,913	-8,714,824
Fees received in respect of short term waivers	–	397,672	449,730	52,058
<i>Sub-total</i>	<i>16,500,000<sup>(2)</sup></i>	<i>62,317,880</i>	<i>16,935,858</i>	<i>-45,382,022<sup>(3)</sup></i>
Investment income	1,727,000	4,003,170	6,083,361	2,080,191 <sup>(3)</sup>

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 2009-2010 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 2009-2010 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 1% of the forecast Gross Domestic Product.

(3) According to the Government, the amounts of land premium and investment income received may fluctuate depending on economic conditions.

Sources: The Treasury (2009) and The Government of the Hong Kong Special Administrative Region (2009c).

**Table 3 – Capital Works Reserve Fund Account: expenditure of the Public Works Programme for the period 1 April 2008 to 31 March 2009**

	<b>Estimates 2009-2010 (in HK\$'000)</b>	<b>1 April 2007 - 31 March 2008 = (a) (in HK\$'000)</b>	<b>1 April 2008 - 31 March 2009 = (b) (in HK\$'000)</b>	<b>Change in expenditure (b) – (a) (in HK\$'000)</b>
Port and airport development	1,167	3,791	2,556	-1,235
Buildings	9,186,540	6,593,077	7,314,892	721,815
Drainage	3,350,022	1,643,648	2,651,799	1,008,151
Civil engineering	1,921,372	1,724,937	1,782,393	57,456
Highways	5,263,386	3,918,447	3,979,190	60,743
New towns and urban area development	1,828,783	1,388,467	1,823,176	434,709
Waterworks	2,965,614	1,588,235	2,152,895	564,660
Housing	557,726	330,326	547,924	217,598
<b>Total</b>	<b>25,074,610</b>	<b>17,190,928</b>	<b>20,254,825</b>	<b>3,063,897</b>

Sources: The Treasury (2009) and The Government of the Hong Kong Special Administrative Region (2009c).

**Table 4 – Capital Investment Fund<sup>(1)</sup> Account: revenue for the period 1 April 2008 to 31 March 2009**

	<b>Estimates 2009-2010 (in HK\$'000)</b>	<b>1 April 2007 - 31 March 2008 = (a) (in HK\$'000)</b>	<b>1 April 2008 - 31 March 2009 = (b) (in HK\$'000)</b>	<b>Change in revenue (b) – (a) (in HK\$'000)</b>
Dividends, interests and other receipts from investments/loans	825,315	969,218	1,177,096	207,878 <sup>(2)</sup>
Loan repayments	47,134	1,214,982	642,232	-572,750
Interest on deposits and bank balances	56,000	22,576	85,674	63,098
Proceeds from sale of equity holdings	–	–	12,222	12,222
<b>Total</b>	<b>928,449</b>	<b>2,206,776</b>	<b>1,917,224</b>	<b>-289,552</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) According to the Government, dividends and interests from investments/loans may fluctuate depending on economic conditions.

Sources: The Treasury (2009) and The Government of the Hong Kong Special Administrative Region (2009c).

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## References

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