

FACT SHEET

Major sources of Government revenue

(as at 8 December 2009)

| Government revenue⁽¹⁾ for 2008-2009 (Total : HK\$273.2 billion) | | |
|---|------------------------------------|-------------------|
| Items | Value (in HK\$ billion) | Percentage |
| Profits tax (2009-2010 tax rates: corporations: 16.5% unincorporated businesses: 15%) | 104.2 | 38.2% |
| Salaries tax (2009-2010 tax rates: 2% – 17% on HK\$40,000 segments of income after deduction of allowances Standard tax rate: 15%) | 41.2 | 15.1% |
| Stamp duties (duties on different classes of documents relating to assignments of immovable property, leases and shares transfers) | 32.2 | 11.8% |
| Other revenues (e.g. income from properties, loans and reimbursements and motor vehicle first registration tax) | 29.2 | 10.7% |
| Investment income and interest | 23.3 | 8.5% |

Notes: (1) Government revenue refers to the revenue collection under the General Revenue Account, which does not cover the following funds – Capital Works Reserve Fund, Capital Investment Fund, Civil Service Pension Reserve Fund, Disaster Relief Fund, Innovation and Technology Fund, Land Fund, Loan Fund and Lotteries Fund, which are established by resolutions of the Legislative Council for specific purposes.

Major sources of government revenue (cont'd)

| Government revenue for 2008-2009 (Total : HK\$273.2 billion) | | |
|---|------------------------------------|-------------------|
| Items | Value (in HK\$ billion) | Percentage |
| Betting duty (2009-2010 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) | 12.6 | 4.6% |
| Fees and charges | 10.5 | 3.8% |
| Rates (2009-2010 tax rate: 5% of the rateable annual rent of landed property) | 7.2 | 2.6% |
| Duties (four groups of commodities: tobacco, certain types of hydrocarbon oil, alcoholic beverages and certain alcoholic products) | 6.1 | 2.2% |
| Government rents (2009-2010 tax rate: 3% of the rateable value of landed property) | 5.9 | 2.2% |
| Property tax (2009-2010 tax rate: 15% on the actual rent received, less an allowance of 20% for repairs and maintenance) | 0.8 | 0.3% |

References

1. *Inland Revenue Department.* (2009) Available from: <http://www.ird.gov.hk/> [Accessed December 2009].
2. *Rating and Valuation Department.* (2009) Available from: <http://www.rvd.gov.hk/> [Accessed December 2009].
3. *Speech by the Financial Secretary: The 2009-10 Budget.* (2009) Hong Kong, Government Logistics Department.
4. The Treasury. (2009) *Accounts of the Government for the year ended 31 March 2009.* Hong Kong, Government Logistics Department.

Research and Library Services Division
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Tel: 2869 9644

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