

FACT SHEET

Major sources of Government revenue⁽¹⁾

Items	2007-2008 (in HK\$ billion)	Percentage	2008-2009 (in HK\$ billion)	Percentage
Profits tax (2009-2010 tax rates: corporations: 16.5% unincorporated businesses: 15%)	91.4	29.8%	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%)	41.1	13.4%	41.2	15.1%
Stamp duties (duties on different classes of documents relating to assignments of immovable property, leases and shares transfers)	51.5	16.8%	32.2	11.8%
Other revenues (Categories include: property tax, income from properties, loans and reimbursements and motor vehicle first registration tax)	31.3	10.2%	28.2	10.4%
Investment income and interest	12.0	3.9%	23.3	8.5%
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)	13.0	4.2%	12.6	4.6%

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)

Items	2007-2008 (in HK\$ billion)	Percentage	2008-2009 (in HK\$ billion)	Percentage
Fees and charges	12.3	4.0%	10.5	3.8%
Rates (2009-2010 tax rate: 5% of the rateable annual rent of landed property)	9.5	3.1%	7.2	2.6%
Duties (four groups of commodities: tobacco, certain types of hydrocarbon oil, alcoholic beverages and certain alcoholic products)	7.0	2.3%	6.1	2.2%
Government rents (2009-2010 tax rate: 3% of the rateable value of landed property)	5.8	1.9%	5.9	2.2%
Transfers from funds	31.6 ⁽²⁾	10.4%	1.8	0.6%
Total	306.5	100%	273.2	100%

Notes: (2) Under Section 30(2) of the *Public Finance Ordinance* (Chapter 2), the Financial Secretary is empowered to transfer excess amount of moneys accumulated in an individual Fund to the General Revenue Account. A lump sum of HK\$30 billion was transferred from the Capital Works Reserve Fund to the General Revenue Account in 2007-2008.

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References

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2. *Rating and Valuation Department*. (2010) Available from: <http://www.rvd.gov.hk/> [Accessed June 2010].
3. *Speech by the Financial Secretary: The 2010-11 Budget*. (2010) Hong Kong, Government Logistics Department.
4. The Treasury. (2008) *Accounts of the Government for the year ended 31 March 2008*. Hong Kong, Government Logistics Department.
5. The Treasury. (2009) *Accounts of the Government for the year ended 31 March 2009*. Hong Kong, Government Logistics Department.