

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 2009 to 30 June 2009

	Estimates 2009-2010 (in HK\$'000)	1 April 2008 – 30 June 2008 = (a) (in HK\$'000)	1 April 2009 – 30 June 2009 = (b) (in HK\$'000)	Change in revenue (b) – (a) (in HK\$'000)
Duties	6,581,811	1,327,935	1,328,730	795
General rates	13,899,000	1,903,489	2,517,885	614,396 ⁽¹⁾
Internal revenue ⁽²⁾	149,651,588	25,301,116	23,595,800	-1,705,316 ⁽³⁾
Motor vehicle taxes	4,080,832	1,591,711	926,464	-665,247
Fines, forfeitures and penalties	1,012,499	246,009	235,189	-10,820
Royalties and concessions	1,004,341	178,924	172,879	-6,045
Properties and investments	29,427,839	3,217,732	3,114,120	-103,612
Loans, reimbursements, contributions and other receipts ⁽⁴⁾	5,279,733	1,052,211	779,191	-273,020
Utilities ⁽⁵⁾	3,412,827	804,753	816,977	12,224
Fees and charges	12,120,481	2,722,147	2,889,532	167,385
Total	226,470,951	38,346,027	36,376,767	-1,969,260

Notes: (1) The Government waived the general rates in 2009-2010, subject to a ceiling of \$1,500 per quarter for each rateable tenement.

(2) 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.

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

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

(5) 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⁽¹⁾ Account: revenue for the period 1 April 2009 to 30 June 2009

	Estimates 2009-2010 (in HK\$'000)	1 April 2008 – 30 June 2008 = (a) (in HK\$'000)	1 April 2009 – 30 June 2009 = (b) (in HK\$'000)	Change in revenue (b) – (a) (in HK\$'000)
Land premium				
Sales by public auction and tender	–	664,680	289,191	-375,489
Private treaty grants	–	390,557	71,077	-319,480
Modification of existing leases, exchanges and extensions	–	2,550,457	1,059,518	-1,490,939
Fees received in respect of short term waivers	–	94,051	111,685	17,634
<i>Sub-total</i>	<i>16,500,000⁽²⁾</i>	<i>3,699,745</i>	<i>1,531,471</i>	<i>-2,168,274⁽³⁾</i>
Investment income	1,727,000	1,060	805	-255 ⁽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 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 2009 to 30 June 2009

	Estimates 2009-2010 (in HK\$'000)	1 April 2008 – 30 June 2008 = (a) (in HK\$'000)	1 April 2009 – 30 June 2009 = (b) (in HK\$'000)	Change in expenditure (b) – (a) (in HK\$'000)
Port and airport development	1,167	374	66,960	66,586
Buildings	9,186,540	1,528,649	1,529,463	814
Drainage	3,350,022	606,391	673,590	67,199
Civil engineering	1,921,372	296,822	417,794	120,972
Highways	5,263,386	737,027	983,634	246,607
New towns and urban area development	1,828,783	353,362	504,432	151,070
Waterworks	2,965,614	523,519	813,972	290,453
Housing	557,726	86,682	316,193	229,511
Total	25,074,610	4,132,826	5,306,038	1,173,212

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

Table 4 – Capital Investment Fund⁽¹⁾ Account: revenue for the period 1 April 2009 to 30 June 2009

	Estimates 2009-2010 (in HK\$'000)	1 April 2008 – 30 June 2008 = (a) (in HK\$'000)	1 April 2009 – 30 June 2009 = (b) (in HK\$'000)	Change in revenue (b) – (a) (in HK\$'000)
Dividends, interests and other receipts from investments/loans	825,315	67,040	49,972	-17,068 ⁽²⁾
Loan repayments	47,134	311,301	–	-311,301
Investment income ⁽³⁾	56,000	1	1 ⁽⁴⁾	0
Total	928,449	378,342	49,973	-328,369

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.

(3) Investment income includes payment from the Exchange Fund for investment of the fiscal reserves, interest on deposits and bank balances.

(4) Payment from the Exchange Fund is usually credited to the Capital Investment Fund Account in the third quarter of a financial year.

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

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References

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2. The Government of the Hong Kong Special Administrative Region. (2009a) *Estimates for the Year Ending 31 March 2010: Volume IA – General Revenue Account*. Hong Kong, Government Logistics Department.
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