
FACT SHEET

The Government's Quarterly General Revenue Account, Capital Works Reserve Fund Account and Capital Investment Fund Account (for the period of 1 April 2011 to 31 March 2012)

1. Introduction

1.1 This fact sheet provides updated information on the Government's Quarterly General Revenue Account, Capital Works Reserve Fund Account and Capital Investment Fund Account for the period of 1 April 2011 to 31 March 2012.

2. General Revenue Account

2.1 The total General Revenue of Hong Kong in the 2011-2012 Financial Year was HK\$332.6 billion, up HK\$42.3 billion when compared with the 2010-2011 Financial Year. The change was mainly attributable to the increase in revenue in the subhead of "profits tax" under the head of "internal revenue", the head of "loans, reimbursements, contributions and other receipts", and the head of "properties and investments".

2.2 Details of the General Revenue Account for the period of 1 April 2011 to 31 March 2012 are shown in **Table 1**.

Table 1 – General Revenue Account: revenue for the period of 1 April 2011 to 31 March 2012

	Estimates 2012-2013 (in HK\$'000)	1 April 2010 – 31 March 2011 = (a) (in HK\$'000)	1 April 2011 – 31 March 2012 = (b) (in HK\$'000)	Change in revenue (b) – (a) (in HK\$'000)
Duties	8,331,645	7,551,086	7,724,742	173,656
General rates	10,471,000	8,955,850	9,722,268	766,418 ⁽¹⁾
Internal revenue ⁽²⁾	216,504,833	210,797,234	238,980,135	28,182,901
Motor vehicle taxes	7,360,111	6,657,392	7,070,073	412,681
Fines, forfeitures and penalties	998,279	1,159,047	2,659,647	1,500,600
Royalties and concessions	3,096,410	2,451,443	4,849,249	2,397,806
Properties and investments	36,909,720	33,772,161	37,238,972	3,466,811
Loans, reimbursements, contributions and other receipts ⁽³⁾	9,281,546	4,098,880	7,583,523	3,484,643
Utilities ⁽⁴⁾	3,733,808	3,483,357	3,573,203	89,846
Fees and charges	11,408,719	11,362,982	13,219,207	1,856,225
Total	308,096,071	290,289,432	332,621,019	42,331,587

Notes: (1) The Government waived the general rates in 2010-2011 and 2011-2012, subject to a ceiling of HK\$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) This revenue head is credited repayments of loans and advances, pension contributions, reimbursements, transfers from Government Funds and payments made by Trading Funds.

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

Sources: The Treasury (2012) and The Government of the Hong Kong Special Administrative Region (2012b).

3. Capital Works Reserve Fund Account

3.1 In the 2011-2012 Financial Year, revenue of the Capital Works Reserve Fund Account¹ from land premium was HK\$84.6 billion, up HK\$19.1 billion when compared with the 2010-2011 Financial Year. In particular, revenue from "sales by public auction and tender" and "modification of existing leases, exchanges and extensions" increased by HK\$19.6 billion and HK\$9.7 billion respectively, while revenue from "private treaty grants" decreased by HK\$10.3 billion.

3.2 Details of revenue of the Capital Works Reserve Fund Account for the period of 1 April 2011 to 31 March 2012 are shown in **Table 2**.

¹ The Capital Works Reserve Fund mainly finances the public works programme. Its income is derived mainly from land premia and appropriation from the General Revenue Account.

Table 2 – Capital Works Reserve Fund Account: revenue for the period of 1 April 2011 to 31 March 2012

	Estimates 2012-2013 (in HK\$'000)	1 April 2010 – 31 March 2011 = (a) (in HK\$'000)	1 April 2011 – 31 March 2012 = (b) (in HK\$'000)	Change in revenue (b) – (a) (in HK\$'000)
Land premium				
Sales by public auction and tender	–	44,116,460	63,722,624	19,606,164
Private treaty grants	–	10,673,947	331,238	-10,342,709
Modification of existing leases, exchanges and extensions	–	10,312,726	19,999,555	9,686,829
Fees received in respect of short term waivers	–	441,427	591,001	149,574
<i>Sub-total</i>	<i>60,000,000⁽¹⁾</i>	<i>65,544,560</i>	<i>84,644,418</i>	<i>19,099,858⁽²⁾</i>
Investment income	4,111,000	2,711,135	3,609,384	898,249 ⁽²⁾

Notes: (1) According to the Government, no breakdown in the land premium estimate for 2012-2013 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 2012-2013 is estimated having regard to the overall performance of the property market under the past and current market conditions.

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

Sources: The Treasury (2012) and The Government of the Hong Kong Special Administrative Region (2012c).

3.3 Under the Capital Works Reserve Fund Account, expenditure on the Public Works Programme was HK\$48.5 billion in the 2011-2012 Financial Year, up HK\$5.0 billion when compared with the 2010-2011 Financial Year. The change was mainly attributable to the increase in expenditure in the heads of "highways" and "civil engineering".

3.4 Details of expenditure of the Public Works Programme under the Capital Works Reserve Fund Account for the period of 1 April 2011 to 31 March 2012 are shown in **Table 3**.

Table 3 – Capital Works Reserve Fund Account: expenditure of the Public Works Programme for the period of 1 April 2011 to 31 March 2012

	Estimates 2012-2013 (in HK\$'000)	1 April 2010 – 31 March 2011 = (a) (in HK\$'000)	1 April 2011 – 31 March 2012 = (b) (in HK\$'000)	Change in expenditure (b) – (a) (in HK\$'000)
Port and airport development	5,300	1,056	1,505	449
Buildings	10,586,214	12,001,574	11,990,125	-11,449
Drainage	5,192,975	6,089,283	5,965,515	-123,768
Civil engineering	4,368,506	2,456,300	3,545,999	1,089,699
Highways	27,356,216	15,201,075	20,358,764	5,157,689
New towns and urban area development	2,276,950	3,590,102	2,833,517	-756,585
Waterworks	3,315,829	3,653,378	3,368,184	-285,194
Housing	544,912	562,106	475,269	-86,837
Total	53,646,902	43,554,874	48,538,878	4,984,004

Sources: The Treasury (2012) and The Government of the Hong Kong Special Administrative Region (2012c).

4. Capital Investment Fund Account

4.1 Revenue of the Capital Investment Fund Account² was HK\$1,385 million in the 2011-2012 Financial Year, up HK\$29 million when compared with the 2010-2011 Financial Year.

4.2 Details of revenue of the Capital Investment Fund Account for the period of 1 April 2011 to 31 March 2012 are shown in **Table 4**.

² 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.

Table 4 – Capital Investment Fund Account: revenue for the period of 1 April 2011 to 31 March 2012

	Estimates 2012-2013 (in HK\$'000)	1 April 2010 – 31 March 2011 = (a) (in HK\$'000)	1 April 2011 – 31 March 2012 = (b) (in HK\$'000)	Change in revenue (b) – (a) (in HK\$'000)
Dividends, interest and other receipts from investments/loans	1,096,987	1,235,533	1,269,441	33,908
Loan repayments	101,743	17,396	18,008	612
Investment income ⁽¹⁾	84,000	104,174	98,522	-5,652
Total	1,282,730	1,357,103	1,385,971	28,868⁽²⁾

Notes: (1) Investment income includes payment from the Exchange Fund for investment of the fiscal reserves, interest on deposits and bank balances.

(2) According to the Government, revenue of the Capital Investment Fund Account may fluctuate depending on economic conditions.

Sources: The Treasury (2012) and The Government of the Hong Kong Special Administrative Region (2012c).

References

1. *Speech by the Financial Secretary: The 2012-13 Budget*. (2012) Hong Kong, Government Logistics Department.
2. The Government of the Hong Kong Special Administrative Region. (2012a) *Estimates for the Year Ending 31 March 2013: Volume IA – General Revenue Account*. Hong Kong, Government Logistics Department.
3. The Government of the Hong Kong Special Administrative Region. (2012b) *Estimates for the Year Ending 31 March 2013: Volume IB – General Revenue Account*. Hong Kong, Government Logistics Department.
4. The Government of the Hong Kong Special Administrative Region. (2012c) *Estimates for the Year Ending 31 March 2013: Volume II – Fund Accounts*. Hong Kong, Government Logistics Department.
5. The Treasury. (2012) *Accounts Published in the Gazette: Accounts for the Year Ended 31 March 2012*. Available from: http://www.gld.gov.hk/cgi-bin/gld/egazette/gazettefiles.cgi?lang=e&year=2012&month=5&day=25&vol=16&no=21&gn=3626&header=1&part=0&df=1&nt=gn&newfile=1&acurrentpage=12&agree=1&gaz_type=mg [Accessed July 2012].

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