

Head 76 — INLAND REVENUE DEPARTMENT

Controlling officer: the Commissioner of Inland Revenue will account for expenditure under this Head.

Estimate 2018–19 **\$1,633.9m**

Establishment ceiling 2018–19 (notional annual mid-point salary value) representing an estimated 2 825 non-directorate posts as at 31 March 2018 rising by 36 posts to 2 861 posts as at 31 March 2019..... **\$1,177.5m**

In addition, there will be an estimated 27 directorate posts as at 31 March 2018 rising by one post to 28 posts as at 31 March 2019.

Controlling Officer's Report

Programmes

| | |
|--|---|
| <p>Programme (1) Assessing Functions Programme (2) Collection Programme (3) Investigation and Field Audit Programme (4) Taxpayer Services</p> | <p>These programmes contribute to Policy Area 25: Revenue Collection and Financial Control (Secretary for Financial Services and the Treasury).</p> |
|--|---|

Detail

Programme (1): Assessing Functions

| | 2016–17 (Actual) | 2017–18 (Original) | 2017–18 (Revised) | 2018–19 (Estimate) |
|---------------------------|---------------------|-----------------------|----------------------|-----------------------------------|
| Financial provision (\$m) | 1,077.5 | 1,130.1 | 1,120.4 (–0.9%) | 1,184.7 (+5.7%) |
| | | | | (or +4.8% on 2017–18 Original) |

Aim

2 The aim is to raise revenue through taxes, duties and fees in accordance with the relevant legislation in a cost-effective manner.

Brief Description

3 This programme involves:

- establishing the liabilities of taxpayers under profits tax, salaries tax, property tax and personal assessment;
- processing objections and appeals in relation to tax assessments raised under the Inland Revenue Ordinance (Cap. 112) which involve complicated issues of fact or law, or disputed assessments that cannot be settled by agreement;
- maintaining an accurate and efficient system for business registration;
- assessing stamp duty chargeable on assignments, agreements for sale and purchase, leases of immovable property and transfers of shares;
- examining estate duty affidavits or accounts, and issuing assessments for dutiable cases and certificates of exemption for exempt cases in respect of persons who passed away before 11 February 2006, following the enactment of the Revenue (Abolition of Estate Duty) Ordinance 2005;
- administering betting duty in respect of horse races, football matches and lotteries; and
- issuing and redeeming tax reserve certificates.

4 In 2017–18, the Department continued to enhance the quality and efficiency of its services through a wider use of information technology (IT), upgrading internal computer systems and streamlining procedures. Under eTAX at GovHK, services were provided for individual taxpayers to file tax returns, obtain personal tax information, notify changes of personal particulars as well as lodge requests for revision of assessment electronically. They could also select to receive notices and documents related to tax return filing, assessment and tax payment in an electronic form. Electronic filing was available to small corporations and partnerships for their profits tax returns and employers for annual returns and various notifications in respect of their employees. The Department also continued with its efforts to expand Hong Kong's tax treaty network, formulated legislative proposals to implement the latest international standards for enhancing tax transparency and combating tax evasion, and put in place portals for collecting financial account information from financial institutions and country-by-country (CbC) reports for onward exchange with the designated tax authorities.

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5 To assist taxpayers in understanding their rights and fulfilling their obligations under the Inland Revenue Ordinance, the Department continued to make use of its website and a 24-hour fax system to provide comprehensive information to employers, individuals, businesses and tax representatives. Information on a wide range of topics was also disseminated to the public through GovHK.

6 The key performance measures are:

Targets

| | Target | 2016–17 (Actual) | 2017–18 (Revised Estimate) | 2018–19 (Plan) |
|---|--------|---------------------|----------------------------------|-------------------|
| <i>Written enquiries</i> | | | | |
| replies to simple enquiries within seven working days (%) | 96.0 | 99.9 | 96.0 | 96.0 |
| replies to technical enquiries within 21 working days (%) | 98.0 | 99.9 | 99.0 | 99.0 |
| <i>Processing of returns</i> | | | | |
| assessments made within nine months | | | | |
| profits tax | | | | |
| business (%)..... | 80.0 | 86.6 | 85.0 | 85.0 |
| individuals (%)..... | 96.0 | 97.1 | 97.0 | 97.0 |
| salaries tax (%)..... | 96.0 | 97.1 | 97.0 | 97.0 |
| property tax (%) | 96.0 | 97.5 | 97.0 | 97.0 |
| personal assessment (%) | 96.0 | 97.1 | 97.0 | 97.0 |
| <i>Tax returns for first-time taxpayers</i> | | | | |
| profits tax | | | | |
| tax returns issued for chargeable cases within three months (%) | 98 | 100 | 98 | 98 |
| salaries tax | | | | |
| tax returns issued for taxable cases | | | | |
| April to November— within three months (%).... | 98.0 | 99.9 | 99.0 | 99.0 |
| December to March— within five months (%) | 98 | 100 | 99 | 99 |
| <i>Company deregistration</i> | | | | |
| processing of requests for issuance of Notice of No Objection by the Commissioner of Inland Revenue within 21 working days (%) | 98 | 100 | 98 | 98 |
| <i>Tax reserve certificates</i> | | | | |
| purchase/redemption transactions completed | | | | |
| January to June—within 12 working days (%) | 99 | 100 | 99 | 99 |
| July to December—within nine working days (%)..... | 99 | 100 | 99 | 99 |
| <i>Notices of objection</i> | | | | |
| replies made | | | | |
| May to August—within 12 working days (%) | 98.0 | 99.9 | 99.0 | 99.0 |
| September to April—within 18 working days (%) | 98.0 | 99.9 | 99.0 | 99.0 |
| notices of settlement/notifications of decision issued within four months (%)..... | 98.0 | 99.9 | 99.0 | 99.0 |
| <i>Tax holdover claims</i> | | | | |
| replies made within 12 working days (%) | 98 | 100 | 99 | 99 |

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| | Target | 2016–17 (Actual) | 2017–18 (Revised Estimate) | 2018–19 (Plan) |
|--|--------|---------------------|----------------------------------|-------------------------------|
| <i>Stamping of documents</i> | | | | |
| stamping of assignments, sale and purchase agreements and lease agreements through GovHK issued instantly through GovHK after receipt of stamp duty payment by online mode (%) | 99 | 100 | 99 | 99 |
| issued within two working days through GovHK after receipt of stamp duty payment by offline mode (%) | 99 | 100 | 99 | 99 |
| processing of requests for stamping of assignments and sale and purchase agreements within five working days (%) | 98.0 | 99.8 | 99.0 | 99.0 |
| contract notes/lease agreements stamped on the day submitted (%) | 98.0 | 99.7 | 99.0 | 99.0 |
| claims for exemption in respect of intra-group transfers processed within three months (%) | 85.0 | 96.3 | 90.0 | 90.0 |
| <i>Business registration</i> | | | | |
| new business registration certificates applications over the counter issued within 30 minutes (%) | 99.0 | 99.8 | 99.0 | 99.0 |
| applications by post or through GovHK issued within two working days (%) | 99 | 100 | 99 | 99 |
| certified extracts of information issued within the next working day (%) | 99 | 100 | 99 | 99 |
| change of business registration particulars notifications over the counter updated within 30 minutes (%) | 97.0 | 99.9 | 99.0 | 99.0 |
| notifications by post or through GovHK updated within five working days (%) | 99.0 | 99.8 | 99.0 | 99.0 |
| <i>Indicators</i> | | | | |
| | | 2016–17 (Actual) | 2017–18 (Revised Estimate) | 2018–19 (Estimate) |
| <i>Profits tax</i> | | | | |
| assessments made | | 479 000 | 469 000 | 471 000 |
| assessments per post | | 846 | 817 | 798 |
| provision per assessment (\$) | | 644.5 | 687.2 | 739.9 |
| <i>Salaries tax</i> | | | | |
| assessments made | | 2 939 000 | 2 920 000 | 2 920 000 |
| assessments per post | | 3 133 | 3 100 | 3 083 |
| provision per assessment (\$) | | 153.4 | 158.2 | 165.7 |
| <i>Property tax</i> | | | | |
| assessments made | | 625 000 | 626 000 | 626 000 |
| assessments per post | | 3 378 | 3 384 | 3 366 |
| provision per assessment (\$) | | 143.4 | 142.7 | 149.2 |

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| | 2016–17 (Actual) | 2017–18 (Revised Estimate) | 2018–19 (Estimate) |
|--|---------------------|----------------------------------|-----------------------|
| <i>Personal assessment</i> | | | |
| assessments made..... | 384 000 | 382 000 | 364 900 |
| assessments per post..... | 3 024 | 3 008 | 2 873 |
| provision per assessment (\$)..... | 156.3 | 160.2 | 173.5 |
| <i>Objections and appeals</i> | | | |
| objections and appeals processed..... | 810 | 810 | 810 |
| objections and appeals per post..... | 32 | 32 | 32 |
| provision per objection or appeal (\$)..... | 30,988 | 31,975 | 33,086 |
| <i>Business registration</i> | | | |
| business registration certificates (new and renewal) | | | |
| certificates issued..... | 1 531 000 | 1 440 000 [^] | 1 440 000 |
| certificates per post..... | 12 347 | 11 613 | 11 613 |
| provision per certificate (\$)..... | 39.5 | 43.0 | 44.5 |
| extracts of information | | | |
| extracts issued..... | 432 000 | 390 000 [‡] | 390 000 |
| extracts per post..... | 14 897 | 13 448 | 13 448 |
| provision per extract (\$)..... | 29.4 | 33.3 | 34.6 |
| <i>Stamp duty</i> | | | |
| documents stamped..... | 1 592 000 | 1 760 000 [§] | 1 760 000 |
| stamped documents per post..... | 13 607 | 15 043 | 13 538 |
| provision per stamped document (\$)..... | 35.6 | 33.3 | 37.2 |
| <i>Estate duty</i> | | | |
| cases finalised..... | 566 | 600 | 600 |
| cases per post..... | 189 | 200 | 200 |
| provision per case (\$)..... | 3,357 | 3,333 | 3,500 |
| <i>Betting duty</i> | | | |
| returns processed..... | 274 | 279 | 278 |
| returns per post..... | 137 | 140 | 139 |
| provision per return (\$)..... | 2,920 | 2,867 | 2,878 |
| <i>Tax reserve certificates</i> | | | |
| purchase/redemption transactions..... | 178 000 | 178 000 | 178 000 |
| transactions per post..... | 17 800 | 17 800 | 17 800 |
| provision per transaction (\$)..... | 23.6 | 25.8 | 27.0 |

[^] The lower number of business registration applications and renewals is due to the expiration of waiver of business registration fee after 31 March 2017.

[‡] The decrease in the number of extracts of information issued is due to anticipated decrease in demand for services.

[§] The increase in the number of documents stamped is due to the rising trend of property and stock transactions.

Matters Requiring Special Attention in 2018–19

7 During 2018–19, the maintenance of yield from taxes and the development of IT opportunities remain matters of high priority. The Department will:

- continue to promote taxpayers' compliance through publicity programmes and enhanced services,
- continue to promote the use of electronic services and encourage taxpayers to make greater use of eTAX services,
- prepare for the implementation of the two-tiered profits tax rates regime,
- strive to expand Hong Kong's network of automatic exchange of financial account information,
- prepare for the implementation of automatic exchange of CbC reports and other measures to take forward the Base Erosion and Profit Shifting package promulgated by the Organisation for Economic Co-operation and Development, and
- put in place the portals for exchanging financial account information and CbC reports with the designated tax authorities.

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Programme (2): Collection

| | 2016–17 (Actual) | 2017–18 (Original) | 2017–18 (Revised) | 2018–19 (Estimate) |
|---------------------------|---------------------|-----------------------|----------------------|-----------------------------------|
| Financial provision (\$m) | 168.7 | 172.6 | 171.8 (–0.5%) | 177.8 (+3.5%) |
| | | | | (or +3.0% on 2017–18 Original) |

Aim

8 The aim is to collect taxes due under the relevant ordinances in a cost-effective manner.

Brief Description

9 This programme involves processing tax payments and refunds, and taking recovery actions in relation to default cases.

10 During 2017–18, the Department continued to promote the use of electronic services for tax payment.

11 The key performance measures are:

Targets

| | Target | 2016–17 (Actual) | 2017–18 (Revised Estimate) | 2018–19 (Plan) |
|---|--------|---------------------|----------------------------------|---------------------------|
| <i>Tax payment</i> | | | | |
| receipts issued for tax payments made by electronic means within four working days (%) | 99 | 100 | 99 | 99 |
| <i>Refund of tax</i> | | | | |
| arising from overpayment of tax in excess of the amount demanded within 18 working days (%) | 98.0 | 99.9 | 98.0 | 98.0 |
| arising from revision of assessment within ten working days (%) | 98 | 100 | 99 | 99 |

Indicators

| | 2016–17 (Actual) | 2017–18 (Revised Estimate) | 2018–19 (Estimate) |
|--|----------------------|----------------------------------|-------------------------------|
| <i>Collection of tax</i> | | | |
| payments processed | 3 326 000 | 3 300 000 | 3 300 000 |
| payments per post | 65 216 | 67 347 | 67 347 |
| provision per payment (\$) | 8.9 | 9.2 | 9.5 |
| <i>Refund of tax</i> | | | |
| refunds made | 774 000 ^ψ | 690 000 | 580 000 |
| refunds per post | 29 769 | 22 258 | 18 125 |
| provision per refund (\$) | 14.9 | 17.5 | 21.4 |
| <i>Recovery of tax</i> | | | |
| completed recovery cases | 251 000 | 268 000 | 268 000 |
| completed recovery cases per post | 842 | 908 | 912 |
| provision per completed recovery case (\$) | 503.6 | 477.2 | 494.4 |

^ψ The higher number of refund cases is due to the one-off tax reduction and other budget measures.

Matters Requiring Special Attention in 2018–19

12 During 2018–19, the Department will continue to promote the use of electronic payment services for tax payment.

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Programme (3): Investigation and Field Audit

| | 2016–17 (Actual) | 2017–18 (Original) | 2017–18 (Revised) | 2018–19 (Estimate) |
|---------------------------|---------------------|-----------------------|----------------------|-----------------------------------|
| Financial provision (\$m) | 229.6 | 235.2 | 233.4 (–0.8%) | 241.8 (+3.6%) |
| | | | | (or +2.8% on 2017–18 Original) |

Aim

13 The aim is to counter tax evasion, minimise opportunities for tax avoidance and promote compliance by taxpayers.

Brief Description

14 This programme involves:

- tax investigation, imposition of penalties and institution of prosecution proceedings to deter tax evasion;
- field audit, including site visits and examination of accounting records of taxpayers, and promotion of compliance with taxation requirements; and
- audit on tax avoidance cases and rejection of unacceptable avoidance schemes so as to uphold the tax base of Hong Kong.

15 In 2017–18, the Department continued its determined efforts in combating tax evasion and countering tax avoidance schemes. The computer-assisted risk-based case selection programme was used to facilitate the identification of high-risk cases for audit and investigation.

16 The key performance measures are:

Target

| | Target | 2016–17 (Actual) | 2017–18 (Revised Estimate) | 2018–19 (Plan) |
|--|--------|---------------------|----------------------------------|---------------------------|
| <i>Tax audit and investigation</i> | | | | |
| field audit and tax investigation cases processed within two years (%)..... | 80.0 | 90.5 | 85.0 | 85.0 |

Indicators

| | 2016–17 (Actual) | 2017–18 (Revised Estimate) | 2018–19 (Estimate) |
|--|---------------------|----------------------------------|-------------------------------|
| <i>Field audit and tax investigation</i> | | | |
| cases completed..... | 1 801 | 1 800 | 1 800 |
| back tax and penalty assessed (\$m) | 2,528.4 | 2,500.0 | 2,500.0 |
| cases per post | 6.7 | 6.8 | 6.7 |
| provision per case (\$)..... | 126,652 | 128,722 | 133,333 |
| back tax and penalty per case (\$m)..... | 1.4 | 1.4 | 1.4 |
| back tax and penalty per post (\$m) | 9.5 | 9.4 | 9.3 |
| back tax and penalty per dollar of provision (\$)..... | 11.1 | 10.8 | 10.4 |
| <i>Property tax compliance check</i> | | | |
| cases completed..... | 209 000 | 230 000@ | 230 000 |
| back tax assessed (\$m)..... | 102.1 | 117.0 | 117.0 |
| cases per post | 41 800 | 46 000 | 46 000 |
| provision per case (\$)..... | 7.2 | 7.4 | 7.8 |
| back tax per case (\$)..... | 489 | 509 | 509 |
| back tax per post (\$m)..... | 20.4 | 23.4 | 23.4 |
| back tax per dollar of provision (\$)..... | 68.1 | 68.8 | 65.0 |

@ The increase in the number of property tax compliance check cases is due to the anticipated increase in the number of tenancy agreements.

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Matters Requiring Special Attention in 2018–19

17 During 2018–19, the Department will continue to exert determined efforts in combating tax evasion and countering tax avoidance schemes.

Programme (4): Taxpayer Services

| | 2016–17 (Actual) | 2017–18 (Original) | 2017–18 (Revised) | 2018–19 (Estimate) |
|---------------------------|---------------------|-----------------------|----------------------|-----------------------------------|
| Financial provision (\$m) | 27.9 | 28.6 | 28.6 (—) | 29.6 (+3.5%) |
| | | | | (or +3.5% on 2017–18 Original) |

Aim

18 The aim is to provide quality service to the public through the provision of timely and accurate tax information, thereby promoting tax compliance.

Brief Description

19 This programme involves the provision of telephone and over-the-counter enquiry services as well as personalised electronic services through the Internet, and investigation of complaints received from members of the public.

20 To assist the public in completing tax returns, the Department extended the service hours of telephone enquiry services in May 2017. Service hours from Monday to Friday were extended by one and a half hours till 7:00 p.m. and additional service was also provided on Saturday from 9:00 a.m. till 1:00 p.m. During peak periods, the Department also redeployed manpower resources and employed part-time staff to strengthen the daytime telephone enquiry services.

21 The key performance measures are:

Targets

| | Target | 2016–17 (Actual) | 2017–18 (Revised Estimate) | 2018–19 (Plan) |
|---|--------|---------------------|----------------------------------|---------------------------|
| <i>Enquiry service centre</i> | | | | |
| waiting time for over-the-counter enquiry service not to exceed ten minutes | | | | |
| during peak hours (%)..... | 95.0 | 98.2 | 98.0 | 98.0 |
| outside peak hours (%)..... | 99.0 | 99.9 | 99.0 | 99.0 |
| connected telephone calls answered within three minutes | | | | |
| July to April (%)..... | 90.0 | 94.8 | 95.0 | 95.0 |
| May to June (%)..... | 80.0 | 88.4 | 87.3 | 87.0 |
| <i>Complaints</i> | | | | |
| interim reply within seven working days (%)..... | 99 | 100 | 99 | 99 |
| substantial reply within 15 working days (%)..... | 99 | 100 | 99 | 99 |
| <i>eTAX Account</i> | | | | |
| access code notices issued for applications through GovHK within two working days (%)..... | 98 | 100 | 98 | 98 |
| electronic receipts issued for tax payments made by electronic means within two working days (%)..... | 99 | 100 | 99 | 99 |

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Indicators

| | 2016–17 (Actual) | 2017–18 (Revised Estimate) | 2018–19 (Estimate) |
|---|---------------------|----------------------------------|-------------------------------|
| <i>Over-the-counter enquiry service</i> | | | |
| enquiries | 386 000 | 390 000 | 390 000 |
| enquiries processed per post | 13 786 | 13 929 | 13 929 |
| <i>Telephone enquiry service</i> | | | |
| enquiries | 1 525 000 | 1 550 000 | 1 550 000 |
| enquiries processed per post | 41 216 | 41 892 | 41 892 |
| <i>Complaints</i> | | | |
| complaints processed | 254 | 300 | 300 |
| complaints processed per post..... | 85 | 100 | 100 |

Matters Requiring Special Attention in 2018–19

22 During 2018–19, the Department will continue to deliver quality customer service and promote the wider use of electronic services through which taxpayers can file tax returns, obtain their personal tax information and documents, notify changes of personal particulars and lodge requests for holdover of provisional tax and revision of assessment.

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ANALYSIS OF FINANCIAL PROVISION

| | 2016-17 (Actual) (\$m) | 2017-18 (Original) (\$m) | 2017-18 (Revised) (\$m) | 2018-19 (Estimate) (\$m) |
|--|------------------------------|--------------------------------|-------------------------------|---|
| Programme | | | | |
| (1) Assessing Functions | 1,077.5 | 1,130.1 | 1,120.4 | 1,184.7 |
| (2) Collection | 168.7 | 172.6 | 171.8 | 177.8 |
| (3) Investigation and Field Audit..... | 229.6 | 235.2 | 233.4 | 241.8 |
| (4) Taxpayer Services | 27.9 | 28.6 | 28.6 | 29.6 |
| | 1,503.7 | 1,566.5 | 1,554.2 (-0.8%) | 1,633.9 (+5.1%) |
| | | | | (or +4.3% on 2017-18 Original) |

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2018-19 is \$64.3 million (5.7%) higher than the revised estimate for 2017-18. The increase is mainly due to the salary increments for staff, filling of vacancies, increase of 35 posts and the increased operating expenses.

Programme (2)

Provision for 2018-19 is \$6.0 million (3.5%) higher than the revised estimate for 2017-18. The increase is mainly due to the salary increments for staff, filling of vacancies and the increased operating expenses.

Programme (3)

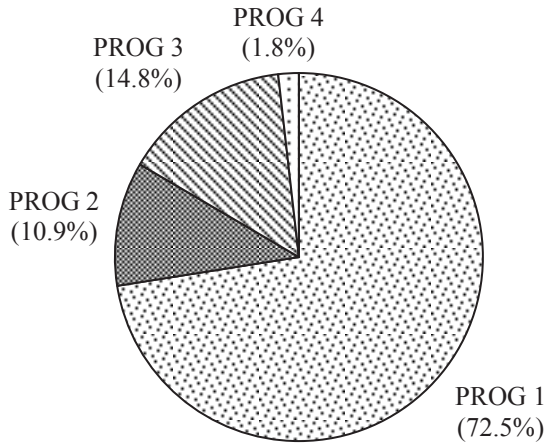
Provision for 2018-19 is \$8.4 million (3.6%) higher than the revised estimate for 2017-18. The increase is mainly due to the salary increments for staff, filling of vacancies, increase of two posts and the increased operating expenses.

Programme (4)

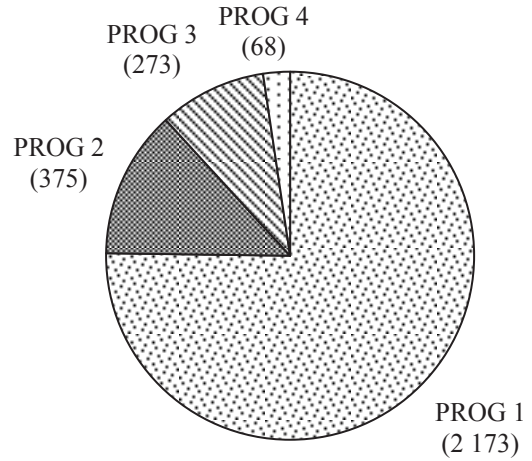
Provision for 2018-19 is \$1.0 million (3.5%) higher than the revised estimate for 2017-18. The increase is mainly due to the salary increments for staff, filling of vacancies and the increased operating expenses.

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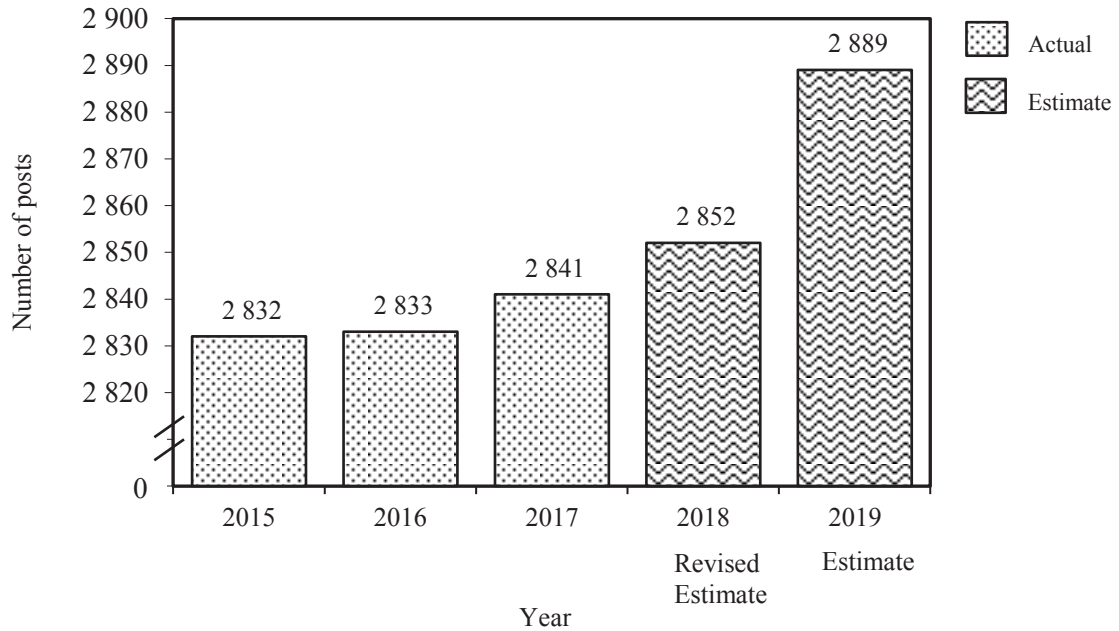
*Allocation of provision
to programmes
(2018-19)*



*Staff by programme
(as at 31 March 2019)*



*Changes in the size of the establishment
(as at 31 March)*



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| Sub-head (Code) | Actual expenditure 2016-17 | Approved estimate 2017-18 | Revised estimate 2017-18 | Estimate 2018-19 | |
|----------------------------|--|---------------------------------|--------------------------------|-------------------------|-------------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | |
| Operating Account | | | | | |
| Recurrent | | | | | |
| 000 | Operational expenses | 1,495,788 | 1,539,928 | 1,530,529 | 1,614,397 |
| 189 | Interest on tax reserve certificates..... | 6,738 | 22,000 | 19,000 | 18,000 |
| 209 | Special legal expenses..... | 1,184 | 1,400 | 1,500 | 1,500 |
| | Total, Recurrent..... | <u>1,503,710</u> | <u>1,563,328</u> | <u>1,551,029</u> | <u>1,633,897</u> |
| | Total, Operating Account | 1,503,710 | 1,563,328 | 1,551,029 | 1,633,897 |
| Capital Account | | | | | |
| Plant, Equipment and Works | | | | | |
| | Minor plant, vehicles and equipment (block vote)..... | — | 3,220 | 3,220 | — |
| | Total, Plant, Equipment and Works..... | <u>—</u> | <u>3,220</u> | <u>3,220</u> | <u>—</u> |
| | Total, Capital Account..... | — | 3,220 | 3,220 | — |
| | Total Expenditure | <u><u>1,503,710</u></u> | <u><u>1,566,548</u></u> | <u><u>1,554,249</u></u> | <u><u>1,633,897</u></u> |

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Details of Expenditure by Subhead

The estimate of the amount required in 2018–19 for the salaries and expenses of the Inland Revenue Department is \$1,633,897,000. This represents an increase of \$79,648,000 over the revised estimate for 2017–18 and \$130,187,000 over the actual expenditure in 2016–17.

Operating Account

Recurrent

2 Provision of \$1,614,397,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Inland Revenue Department.

3 The establishment as at 31 March 2018 will be 2 852 permanent posts. It is expected that there will be an increase of 37 posts in 2018–19. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2018–19, but the notional annual mid-point salary value of all such posts must not exceed \$1,177,549,000.

4 An analysis of the financial provision under *Subhead 000 Operational expenses* is as follows:

| | 2016–17 (Actual) (\$'000) | 2017–18 (Original) (\$'000) | 2017–18 (Revised) (\$'000) | 2018–19 (Estimate) (\$'000) |
|---|---------------------------------|-----------------------------------|----------------------------------|-----------------------------------|
| Personal Emoluments | | | | |
| - Salaries..... | 1,245,688 | 1,285,044 | 1,274,485 | 1,319,725 |
| - Allowances..... | 21,444 | 22,523 | 25,173 | 26,954 |
| - Job-related allowances..... | 43 | 49 | 81 | 34 |
| Personnel Related Expenses | | | | |
| - Mandatory Provident Fund contribution..... | 4,195 | 5,149 | 4,556 | 6,339 |
| - Civil Service Provident Fund contribution..... | 30,271 | 40,474 | 37,521 | 47,344 |
| Departmental Expenses | | | | |
| - General departmental expenses | 194,147 | 186,689 | 188,713 | 214,001 |
| | 1,495,788 | 1,539,928 | 1,530,529 | 1,614,397 |

5 Provision of \$18 million under *Subhead 189 Interest on tax reserve certificates* is for the payment of interest on tax reserve certificates by the Commissioner of Inland Revenue under the Tax Reserve Certificates Ordinance (Cap. 289).

6 Provision of \$1,500,000 under *Subhead 209 Special legal expenses* is for expenditure on court fees in connection with the registration of writs for tax recovery.