

**CONSOLIDATED SUMMARY OF
ESTIMATES**

CONSOLIDATED SUMMARY OF ESTIMATES

Background

The Government's financial activities are undertaken through a variety of accounts and funds. The General Revenue Account acts as the main funding device with resources being transferred to or from the other funds as appropriate. The tables below indicate the consolidated position of the General Revenue Account and the following eight 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. They exclude the Bond Fund which does not form part of the fiscal reserves and is managed separately.

Summary of Estimated Financial Position

	2017–18 Revised Estimate					
	Opening Balance	Revenue	Expenditure	Net Transfer between Funds	Surplus/ (Deficit) after Transfer	Closing Balance
	\$m	\$m	\$m	\$m	\$m	\$m
General Revenue Account	563,395	438,275	377,395	(4,350)	56,530	619,925
Capital Works Reserve Fund	100,873	167,520	87,815	—	79,705	180,578
Capital Investment Fund	3,078	897	1,058	—	(161)	2,917
Civil Service Pension Reserve Fund	31,899	930	—	2,300	3,230	35,129
Disaster Relief Fund	28	2	63	50	(11)	17
Innovation and Technology Fund	7,991	269	1,484	—	(1,215)	6,776
Land Fund	219,730	—	—	—	—	219,730
Loan Fund	4,184	2,690	5,148	2,000	(458)	3,726
Lotteries Fund	22,782	1,802	1,443	—	359	23,141
Total	953,960	612,385	474,406	—	137,979	1,091,939

	2018–19 Estimate					
	Opening Balance	Revenue	Expenditure	Net Transfer between Funds	Surplus/ (Deficit) after Transfer	Closing Balance
	\$m	\$m	\$m	\$m	\$m	\$m
General Revenue Account	619,925	466,323	447,888	77,410	95,845	715,770
Capital Works Reserve Fund	180,578	129,909	98,293	(80,000)	(48,384)	132,194
Capital Investment Fund	2,917	1,360	1,694	—	(334)	2,583
Civil Service Pension Reserve Fund	35,129	1,657	—	1,530	3,187	38,316
Disaster Relief Fund	17	3	—	60	63	80
Innovation and Technology Fund	6,776	288	2,085	—	(1,797)	4,979
Land Fund	219,730	—	—	—	—	219,730
Loan Fund	3,726	2,778	4,947	1,000	(1,169)	2,557
Lotteries Fund	23,141	2,191	2,981	—	(790)	22,351
Total	1,091,939	604,509	557,888	—	46,621	1,138,560

CONSOLIDATED SUMMARY OF ESTIMATES

Totals for General Revenue Account and the eight Funds

	Actual				Revised Estimate	Estimate
	2013–14	2014–15	2015–16	2016–17	2017–18	2018–19
	\$m	\$m	\$m	\$m	\$m	\$m
Opening Balance	733,914	755,717	828,514	842,888	953,960	1,091,939
Revenue#	455,346	478,668	450,007	573,124	612,385	604,509
Expenditure#	433,543	396,183	435,633	462,052	474,406	557,888
Consolidated Surplus before Repayment of Bonds and Notes	21,803	82,485	14,374	111,072	137,979	46,621
Repayment of Bonds and Notes issued in July 2004	—	9,688	—	—	—	—
Consolidated Surplus after Repayment of Bonds and Notes	21,803	72,797	14,374	111,072	137,979	46,621
Closing Balance	755,717	828,514	842,888	953,960	1,091,939	1,138,560

Excluding transfers between the General Revenue Account and the eight Funds.

Summary of Estimated Outstanding Commitments at the beginning of 2018–19

	\$m
General Revenue Account	281,701@
Capital Works Reserve Fund	363,854
Capital Investment Fund	13,984
Civil Service Pension Reserve Fund^	—
Disaster Relief Fund^	—
Innovation and Technology Fund	2,587
Land Fund^	—
Loan Fund	19,103
Lotteries Fund	7,063
Total	688,292

@ Relates to commitments for non-recurrent or capital account items only.

^ There is no estimated outstanding commitment at the beginning of 2018–19.

SUMMARY

Background

The General Revenue Account is the main operating account through which the Government's finances are controlled. The following tables summarise the estimates for 2018–19 and set these estimates in a historical context.

Movement of the Account

	Actual				Revised Estimate	Estimate
	2013–14	2014–15	2015–16	2016–17	2017–18	2018–19
	\$m	\$m	\$m	\$m	\$m	\$m
Opening Balance	404,720	402,786	478,856	508,486	563,395	619,925
Revenue	348,234	395,761	384,021	436,026	438,275	466,323
Expenditure	340,275	319,162	351,211	357,253	377,395	447,888
Surplus/(Deficit) before Fund Transfers	7,959	76,599	32,810	78,773	60,880	18,435
Net Transfers (to)/from Funds	(9,893)	(529)	(3,180)	(23,864)	(4,350)	77,410
Surplus/(Deficit) after Fund Transfers	(1,934)	76,070	29,630	54,909	56,530	95,845
Closing Balance	402,786	478,856	508,486	563,395	619,925	715,770

SUMMARY

Revenue Analysis

	Actual								Revised Estimate		Estimate	
	2013-14		2014-15		2015-16		2016-17		2017-18		2018-19	
	\$m	%	\$m	%	\$m	%	\$m	%	\$m	%	\$m	%
Operating Revenue												
Internal Revenue												
Earnings and profits tax	183,506	52	204,950	52	205,883	54	206,907	47	206,055	47	218,448	47
Stamp duties	41,515	12	74,845	19	62,680	16	61,899	14	92,700	21	100,000	21
Bets and sweeps tax	18,066	5	19,479	5	20,127	5	21,119	5	21,439	5	21,212	5
Air passenger departure tax	2,244	1	2,347	—	2,516	1	2,598	1	2,748	1	2,849	1
	245,331	70	301,621	76	291,206	76	292,523	67	322,942	74	342,509	74
Utilities, Fees and Charges	15,849	5	18,551	5	19,159	5	16,975	4	20,461	5	20,619	4
General Rates	14,911	4	22,272	6	22,733	6	21,250	5	22,282	5	15,014	3
Duties	9,720	3	10,010	3	10,712	3	10,254	2	10,780	2	11,165	2
Motor Vehicle Taxes	8,338	2	9,549	2	9,311	2	7,814	2	8,746	2	8,911	2
Other Revenue	50,679	15	31,931	8	28,411	7	62,911	14	51,674	12	57,921	13
Total Operating Revenue	344,828	99	393,934	100	381,532	99	411,727	94	436,885	100	456,139	98
Capital Revenue	3,406	1	1,827	—	2,489	1	24,299	6	1,390	—	10,184	2
Total Revenue	348,234	100	395,761	100	384,021	100	436,026	100	438,275	100	466,323	100
Transfers from Funds	1,000		2,000		—		—		—		80,000	
Total including Transfers from Funds	349,234		397,761		384,021		436,026		438,275		546,323	

SUMMARY

Expenditure Analysis

	Actual								Revised Estimate		Estimate	
	2013-14		2014-15		2015-16		2016-17		2017-18		2018-19	
	\$m	%	\$m	%	\$m	%	\$m	%	\$m	%	\$m	%
Operating Expenditure												
Recurrent Expenditure												
Personal Emoluments	60,710	18	64,581	20	68,152	19	71,775	20	74,716	20	79,630	18
Personnel Related Expenses	28,702	8	31,781	10	35,412	10	38,673	11	42,408	11	46,676	11
Departmental Expenses	25,268	7	27,355	9	28,567	8	30,163	9	31,499	8	36,646	8
Other Charges	56,720	17	59,482	19	63,565	18	69,052	19	70,440	19	86,664	19
Subventions	112,989	33	121,891	38	128,836	37	134,975	38	144,629	38	156,778	35
Additional Commitments	—	—	—	—	—	—	—	—	—	—	100	—
Total Recurrent Expenditure	284,389	83	305,090	96	324,532	92	344,638	97	363,692	96	406,494	91
Non-Recurrent Expenditure	53,325	16	11,227	3	22,833	7	8,618	2	9,178	3	19,086	4
Additional Commitments	—	—	—	—	—	—	—	—	—	—	15,920	4
Total Non-Recurrent Expenditure	53,325	16	11,227	3	22,833	7	8,618	2	9,178	3	35,006	8
Total Operating Expenditure	337,714	99	316,317	99	347,365	99	353,256	99	372,870	99	441,500	99
Capital Expenditure												
Plant, Equipment and Works	1,205	—	1,316	—	2,240	1	2,215	1	2,604	1	3,914	1
Subventions	1,356	1	1,529	1	1,606	—	1,782	—	1,921	—	2,374	—
Additional Commitments	—	—	—	—	—	—	—	—	—	—	100	—
Total Capital Expenditure	2,561	1	2,845	1	3,846	1	3,997	1	4,525	1	6,388	1
Total Expenditure	340,275	100	319,162	100	351,211	100	357,253	100	377,395	100	447,888	100
Transfers to Funds	10,893		2,529		3,180		23,864		4,350		2,590	
Total including Transfers to Funds	351,168		321,691		354,391		381,117		381,745		450,478	

REVENUE ANALYSIS BY HEAD

SUMMARY OF REVENUE ESTIMATES

HEAD OF REVENUE	Actual revenue 2016–17	Original estimate 2017–18	Revised estimate 2017–18	Estimate† 2018–19
	\$'000	\$'000	\$'000	\$'000
1 Duties.....	10,254,359	10,933,456	10,780,247	11,164,740
2 General Rates.....	21,250,102	21,427,000	22,282,000	15,014,000
3 Internal Revenue.....	292,541,950	286,142,263	322,957,362	342,524,000
4 Motor Vehicle Taxes	7,813,679	7,705,656	8,745,867	8,910,747
5 Fines, Forfeitures and Penalties	1,496,411	1,433,024	1,869,845	1,435,211
6 Royalties and Concessions	10,686,400	3,195,186	3,205,989	3,677,033
7 Properties and Investments	46,964,168	41,047,102	42,855,697	50,147,593
9 Loans, Reimbursements, Contributions and Other Receipts#	28,044,154	4,811,977	5,116,787	12,830,230
10 Utilities	4,256,150	4,232,551	4,425,797	4,407,347
11 Fees and Charges	12,719,120	15,816,572	16,034,676	16,212,275
	<u>436,026,493</u>	<u>396,744,787</u>	<u>438,274,267</u>	<u>466,323,176</u>
Transfers from Funds.....	—	—	—	80,000,000
Total	<u><u>436,026,493</u></u>	<u><u>396,744,787</u></u>	<u><u>438,274,267</u></u>	<u><u>546,323,176</u></u>

† After Budget revenue measures.

Excluding Transfers from Funds.

Head 1 — DUTIES

Details of Revenue

Sub-head (Code)	Actual revenue 2016–17	Original estimate 2017–18	Revised estimate 2017–18	Estimate 2018–19
	\$'000	\$'000	\$'000	\$'000
010 Hydrocarbon oils.....	3,820,445	3,999,224	3,815,202	3,902,955
020 Alcoholic beverages.....	448,613	430,579	448,613	448,613
030 Other alcohol products.....	4,277	4,038	4,277	4,277
050 Tobacco.....	5,981,024	6,499,615	6,512,155	6,808,895
Total.....	<u>10,254,359</u>	<u>10,933,456</u>	<u>10,780,247</u>	<u>11,164,740</u>

Description of Revenue Sources

This revenue head covers duties paid on hydrocarbon oils, alcoholic beverages, other alcohol products and tobacco under the Dutiable Commodities Ordinance (Cap. 109).

Revenue from duties generated 2.5% of total revenue in 2017–18.

Underlying Changes in Revenue Yield

The **2017–18** revised estimate of \$10,780,247,000 reflects a net decrease of \$153,209,000 (1.4%) against the original estimate.

The **2018–19** estimate of \$11,164,740,000 reflects a net increase of \$384,493,000 (3.6%) over the revised estimate for 2017–18.

Head 2 — GENERAL RATES

Details of Revenue

Sub-head (Code)	Actual revenue 2016–17	Original estimate 2017–18	Revised estimate 2017–18	Estimate 2018–19
	\$'000	\$'000	\$'000	\$'000
030 General Rates.....	21,250,102	21,427,000	22,282,000	15,014,000 †
Total.....	<u>21,250,102</u>	<u>21,427,000</u>	<u>22,282,000</u>	<u>15,014,000</u>

† After Budget revenue measures but subject to the passage of the relevant legislation by the Legislative Council.

Description of Revenue Source

This revenue head covers the yield from General Rates levied on occupiers of all rateable premises under the Rating Ordinance (Cap. 116).

Revenue from General Rates generated 5.1% of total revenue in 2017–18.

Underlying Changes in Revenue Yield

The 2017–18 revised estimate of \$22,282 million reflects an increase of \$855 million (4.0%) over the original estimate.

The 2018–19 estimate of \$15,014 million reflects a decrease of \$7,268 million (32.6%) against the revised estimate for 2017–18. This is mainly due to the proposed rates concession in the 2018–19 Budget.

Head 3 — INTERNAL REVENUE

Details of Revenue

Sub-head (Code)	Actual revenue 2016–17	Original estimate 2017–18	Revised estimate 2017–18	Estimate 2018–19
	\$'000	\$'000	\$'000	\$'000
010 Bets and sweeps tax	21,118,983	21,552,423	21,439,208	21,212,000
030 Earnings and profits tax—				
(020) Profits tax	139,238,084	139,000,000	135,600,000	155,143,000 †
(030) Personal assessment	5,219,954	4,800,000	5,200,000	4,870,000 †
(040) Property tax	3,371,739	3,200,000	3,400,000	3,600,000
(050) Salaries tax	59,077,484	61,855,000	61,855,000	54,835,000 †
Sub-total	206,907,261	208,855,000	206,055,000	218,448,000
050 Estate duty	18,833	15,000	15,000	15,000
070 Stamp duties.....	61,898,965	53,000,000	92,700,000	100,000,000
080 Air passenger departure tax	2,597,908	2,719,840	2,748,154	2,849,000
Total.....	292,541,950	286,142,263	322,957,362	342,524,000

† After Budget revenue measures but subject to the passage of the relevant legislation by the Legislative Council.

Description of Revenue Sources

This revenue head covers direct taxes on earnings and profits, which include profits tax, property tax and salaries tax. A number of indirect taxes are also included.

Bets and sweeps tax is charged on horse racing bets, lotteries and football betting.

Profits tax is levied on individuals, corporations, bodies of persons and partnerships in respect of assessable profits arising in or derived from Hong Kong. The rate is 16.5% for corporations. The rate for non-corporate persons is 15%.

Property tax is charged on the owner of land and/or buildings at the standard rate of 15% on the net assessable value of the property for each year of assessment.

Salaries tax is charged on all income arising in or derived from Hong Kong from any office or employment or any pension. The total salaries tax payable by an individual is restricted to an amount not exceeding the standard rate of 15% on his total income.

An individual may elect for *personal assessment* of his total income which provides for the deduction of all probable personal allowances, and would, in appropriate circumstances, reduce the total tax liability of the individual.

The Government has proposed in the 2018-19 Budget some adjustments in salaries tax and tax under personal assessment with effect from the year of assessment 2018/19, including an increase in the number of tax bands from four to five with marginal rates at 2%/6%/10%/14%/17% respectively and widening of tax bands from \$45,000 to \$50,000 each; an increase in child allowance from \$100,000 to \$120,000, dependent parent/grandparent allowance and additional dependent parent/grandparent allowance from \$46,000 to \$50,000 (for aged 60 or above, or disabled) and from \$23,000 to \$25,000 (for aged 55 or above but below 60), and deduction ceiling for elderly residential care expenses from \$92,000 to \$100,000; and the introduction of a new personal disability allowance of \$75,000.

Estate duty is charged on assets situated in Hong Kong valued at more than \$7.5 million according to a schedule scaled from 5% on estates of value up to \$9 million to 15% on estates of value over \$10.5 million. The duty was abolished on 11 February 2006 with retrospective effect to estates of persons who passed away on or after 15 July 2005.

Stamp duties are charged at a fixed rate on certain documents, and *ad valorem* on others. Fixed duties vary from \$3 to \$100, whereas *ad valorem* duties range from 0.1% to 15%. The *ad valorem* duties on stock transactions are 0.1% for each side per transaction. The Government introduced a special stamp duty on residential properties at the point of resale if the properties are acquired on or after 20 November 2010 and resold within 24 months (for the properties acquired between 20 November 2010 and 26 October 2012) or 36 months (for the properties acquired on or after 27 October 2012) after acquisition. The Government also introduced a buyer's stamp duty on residential properties acquired on or after 27 October 2012 by any person, except a Hong Kong permanent resident ("HKPR") acting on his or her own behalf. Besides, immovable properties acquired on or after 23 February 2013 are subject to *ad valorem* stamp duty at the higher (Scale 1) rates, unless the property is a residential property and the buyer is a HKPR acting on his or her own behalf and not a beneficial owner of any another residential property in Hong Kong at the time of acquisition. The Government introduced a new residential stamp duty to increase the *ad valorem* stamp duty chargeable on instruments of acquiring residential property executed on or after 5 November 2016 to a flat rate of 15%, in lieu of the existing rates at Scale 1. The Government also announced on 11 April 2017 the tightening of the

Head 3 — INTERNAL REVENUE

exemption arrangement for HKPR buyers under the new residential stamp duty regime, where acquisition of more than one residential property under a single instrument executed on or after 12 April 2017 is subject to the flat rate at 15%, even if the buyer is a HKPR who is acting on his or her own behalf and not a beneficial owner of any other residential property in Hong Kong at the time of acquisition. The Stamp Duty (Amendment) (No.2) Bill 2017, which seeks to tighten the exemption arrangement for HKPR buyers, is still under the scrutiny of the Legislative Council. Further, the stamping of *ad valorem* stamp duty for non-residential property transactions carried out on or after 23 February 2013 is advanced from the conveyance on sale to the agreement for sale.

Air passenger departure tax is charged at a fixed rate of \$120 for a passenger 12 years of age or above departing from the Hong Kong International Airport, or by helicopter from Hong Kong at the Hong Kong Macau Ferry Terminal Heliport.

Revenue from internal revenue generated 73.7% of total revenue in 2017–18.

Underlying Changes in Revenue Yield

The **2017–18** revised estimate of \$322,957,362,000 reflects a net increase of \$36,815,099,000 (12.9%) over the original estimate.

Under *Subhead 070 Stamp duties*, the increase of \$39.7 billion (74.9%) is mainly due to the higher-than-expected turnover in the property and stock market, and the additional receipts to be collected after the enactment of the Stamp Duty (Amendment) Ordinance 2018.

The **2018–19** estimate of \$342,524 million reflects a net increase of \$19,566,638,000 (6.1%) over the revised estimate for 2017–18.

Head 4 — MOTOR VEHICLE TAXES

Details of Revenue

Sub-head (Code)	Actual revenue 2016–17	Original estimate 2017–18	Revised estimate 2017–18	Estimate 2018–19
	\$'000	\$'000	\$'000	\$'000
010 First registration.....	7,813,679	7,705,656	8,745,867	8,910,747
Total.....	<u>7,813,679</u>	<u>7,705,656</u>	<u>8,745,867</u>	<u>8,910,747</u>

Description of Revenue Source

This revenue head covers the taxes for the registration of motor vehicles under the Motor Vehicles (First Registration Tax) Ordinance (Cap. 330). Motor vehicle taxes are imposed on the first registration of certain classes of motor vehicles set out in the Schedule to the Motor Vehicles (First Registration Tax) Ordinance, including private cars, motor cycles, motor tricycles, goods vehicles, taxis, buses, light buses and special purpose vehicles. The tax rate is expressed as a percentage of the value of the vehicle and varies according to the class of motor vehicle specified in the Schedule.

Revenue from motor vehicle taxes generated 2.0% of total revenue in 2017–18.

Underlying Changes in Revenue Yield

The **2017–18** revised estimate of \$8,745,867,000 reflects an increase of \$1,040,211,000 (13.5%) over the original estimate. This is mainly due to the higher-than-expected number of vehicles subject to first registration.

The **2018–19** estimate of \$8,910,747,000 reflects an increase of \$164,880,000 (1.9%) over the revised estimate for 2017–18.

Head 5 — FINES, FORFEITURES AND PENALTIES

Details of Revenue

Sub-head (Code)	Actual revenue 2016–17	Original estimate 2017–18	Revised estimate 2017–18	Estimate 2018–19
	\$'000	\$'000	\$'000	\$'000
010 Court fines and statutory penalties	603,756	571,888	505,268	482,098
020 Forfeitures	121,735	106,404	563,721	112,014
030 Fixed penalty system (Traffic Contraventions) ..	554,845	544,672	581,131	615,893
040 Fixed penalty system (Criminal Proceedings) ...	211,310	206,553	214,282	220,710
050 Payments by civil servants	4,747	3,490	5,427	4,480
060 Fixed penalty system (Motor Vehicle Idling)	18	17	16	16
Total	<u>1,496,411</u>	<u>1,433,024</u>	<u>1,869,845</u>	<u>1,435,211</u>

Description of Revenue Sources

This revenue head covers fines imposed by the courts and penalties imposed by statute, forfeitures resulting from court orders or from breaches of contracts and agreements with the Government, penalties arising from the fixed penalty system for offences under the Fixed Penalty (Traffic Contraventions) Ordinance (Cap. 237), the Fixed Penalty (Criminal Proceedings) Ordinance (Cap. 240) and the Motor Vehicle Idling (Fixed Penalty) Ordinance (Cap. 611), the fixed penalty ticket system for parking offences in public housing estates and payments by civil servants in respect of disciplinary proceedings and breaches of contracts.

Revenue from fines, forfeitures and penalties generated 0.4% of total revenue in 2017–18.

Underlying Changes in Revenue Yield

The 2017–18 revised estimate of \$1,869,845,000 reflects a net increase of \$436,821,000 (30.5%) over the original estimate.

Under *Subhead 010 Court fines and statutory penalties*, the decrease of \$66,620,000 (11.6%) is mainly due to the lower-than-expected revenue from court fines and fines ordered by the Securities and Futures Commission and the Hong Kong Monetary Authority.

Under *Subhead 020 Forfeitures*, the increase of \$457,317,000 (429.8%) is mainly due to the higher-than-expected revenue from forfeiture cases.

Under *Subhead 050 Payments by civil servants*, the increase of \$1,937,000 (55.5%) is mainly due to the higher-than-expected payments by civil servants resigning from the civil service who choose to pay salary in lieu of observing the prescribed notice period.

The 2018–19 estimate of \$1,435,211,000 reflects a net decrease of \$434,634,000 (23.2%) against the revised estimate for 2017–18.

Under *Subhead 020 Forfeitures*, a decrease of \$451,707,000 (80.1%) is expected mainly because the revenue from forfeiture cases is expected to drop.

Under *Subhead 050 Payments by civil servants*, a decrease of \$947,000 (17.4%) is expected mainly because the payments by civil servants resigning from the civil service who choose to pay salary in lieu of observing the prescribed notice period are expected to drop.

Head 6 — ROYALTIES AND CONCESSIONS

Details of Revenue

Sub-head (Code)	Actual revenue 2016–17	Original estimate 2017–18	Revised estimate 2017–18	Estimate 2018–19
	\$'000	\$'000	\$'000	\$'000
020 Quarries and mining.....	112,461	101,762	106,266	95,813
030 Bridges and tunnels.....	1,989,105	2,299,888	2,295,621	2,775,043
070 Petrol filling.....	1,758	2,094	2,069	2,104
080 Taxi concessions.....	141,076	—	—	—
100 Parking.....	433,717	418,046	424,936	425,890
170 Vehicle examination.....	33,670	49,871	53,391	53,391
201 Slaughterhouse concessions.....	28,087	28,009	28,300	28,300
202 Other royalties and concessions.....	7,946,526	295,516	295,406	296,492
Total.....	<u>10,686,400</u>	<u>3,195,186</u>	<u>3,205,989</u>	<u>3,677,033</u>

Description of Revenue Sources

This revenue head covers royalties payable by franchised companies, revenue from government car parks, bridges and tunnels, petrol filling stations and various other royalties and concessions.

Subhead 020 Quarries and mining covers royalties from quarry contracts and mining leases.

Subhead 030 Bridges and tunnels covers royalties from the Tate's Cairn Tunnel and Discovery Bay Tunnel; revenue from Route 8 between Cheung Sha Wan and Sha Tin; and concessions payable by contractors assuming management responsibilities for the Aberdeen Tunnel, Kai Tak Tunnel, Lion Rock Tunnel, Shing Mun Tunnels, Tseung Kwan O Tunnel, the Tsing Ma Control Area, the Cross-Harbour Tunnel, the Eastern Harbour Crossing, and with effect from July 2018, the Tate's Cairn Tunnel.

Subhead 070 Petrol filling covers royalties from three petrol filling stations of oil companies in Hong Kong.

Subhead 080 Taxi concessions covers the premia generated from the issue of Urban, New Territories and Lantau taxi licences.

Subhead 100 Parking covers concessions payable by contractors who manage and operate government car parks, the Austin Road Cross Boundary Coach Terminus and on-street parking meters.

Subhead 170 Vehicle examination covers concessions payable by the contractor who manages and operates the New Kowloon Bay Vehicle Examination Centre.

Subhead 201 Slaughterhouse concessions covers concessions payable by the contractor who manages and operates the Sheung Shui Slaughterhouse.

Subhead 202 Other royalties and concessions covers miscellaneous royalties and concessions.

Revenue from royalties and concessions generated 0.7% of total revenue in 2017–18.

Underlying Changes in Revenue Yield

The 2017–18 revised estimate of \$3,205,989,000 reflects a net increase of \$10,803,000 (0.3%) over the original estimate.

The 2018–19 estimate of \$3,677,033,000 reflects a net increase of \$471,044,000 (14.7%) over the revised estimate for 2017–18.

Under *Subhead 030 Bridges and tunnels*, the increase of \$479,422,000 (20.9%) is mainly due to the toll revenue receivable from Tate's Cairn Tunnel after the expiry of the Build-Operate-Transfer arrangement in July 2018, and the anticipated increase in traffic flow leading to an increase in toll revenue from the Tsing Ma Control Area and the Eastern Harbour Crossing.

Head 7 — PROPERTIES AND INVESTMENTS

Details of Revenue

Sub-head (Code)	Actual revenue 2016–17	Original estimate 2017–18	Revised estimate 2017–18	Estimate 2018–19
	\$'000	\$'000	\$'000	\$'000
010 Government land licences, government rents (other than those charged at 3% of rateable values in accordance with the Government Rent (Assessment and Collection) Ordinance (Cap. 515)) and rents from short term tenancies.....	2,387,902	2,104,814	2,199,896	2,225,270
020 Rents from government quarters.....	899,318	876,650	889,865	852,991
030 Rents from government properties.....	1,714,124	1,612,701	1,664,127	1,683,046
040 Investment income and interest.....	16,762,584	15,124,000	15,622,597	27,669,000
060 Returns on equity investments in statutory agencies/corporations.....	14,456,640	9,756,015	10,885,314	4,833,400
080 Recovery from Housing Authority under current financial arrangement.....	89,413	578,922	242,898	1,191,886
090 Government rents charged at 3% of rateable values in accordance with the Government Rent (Assessment and Collection) Ordinance (Cap. 515).....	10,654,187	10,994,000	11,351,000	11,692,000
Total.....	<u>46,964,168</u>	<u>41,047,102</u>	<u>42,855,697</u>	<u>50,147,593</u>

Description of Revenue Sources

This revenue head covers the yields from government land licences; government rents including those charged at 3% of rateable values in accordance with the Government Rent (Assessment and Collection) Ordinance (Cap. 515); and rents from short term tenancies, government quarters and properties. Investment income earned on the balances of the General Revenue Account and other interest receipts arising from the General Revenue Account, returns from equity investments in statutory agencies and corporations other than those credited to the Capital Investment Fund, and recovery from the Housing Authority of the land costs of subsidised sale flats are also included in this head.

Revenue from properties and investments generated 9.8% of total revenue in 2017–18.

Underlying Changes in Revenue Yield

The 2017–18 revised estimate of \$42,855,697,000 reflects a net increase of \$1,808,595,000 (4.4%) over the original estimate.

Under Subhead 060 Returns on equity investments in statutory agencies/corporations, the increase of \$1,129,299,000 (11.6%) is mainly due to the higher-than-expected cash dividends from statutory corporations.

Under Subhead 080 Recovery from the Housing Authority under current financial arrangement, the decrease of \$336,024,000 (58.0%) is mainly due to the lower-than-expected number of subsidised sale flats sold.

The 2018–19 estimate of \$50,147,593,000 reflects a net increase of \$7,291,896,000 (17.0%) over the revised estimate for 2017–18.

Under *Subhead 040 Investment income and interest*, the increase of \$12,046,403,000 (77.1%) is mainly due to the anticipated increase in rate of return on the fund balance placed with the Exchange Fund for investment purpose.

Under *Subhead 060 Returns on equity investments in statutory agencies/corporations*, a decrease of \$6,051,914,000 (55.6%) is expected mainly because no receipt of special dividend from MTR Corporation Limited is expected.

Under *Subhead 080 Recovery from the Housing Authority under current financial arrangement*, the increase of \$948,988,000 (390.7%) is mainly due to the anticipated increase in the number of subsidised sale flats sold.

Head 9 — LOANS, REIMBURSEMENTS, CONTRIBUTIONS AND OTHER RECEIPTS

Details of Revenue

Sub-head (Code)	Actual revenue 2016–17	Original estimate 2017–18	Revised estimate 2017–18	Estimate 2018–19
	\$'000	\$'000	\$'000	\$'000
010 Repayments of loans and advances.....	66	—	—	—
020 Pension contributions.....	5,298	4,637	4,166	3,556
030 Recovery of salaries and staff on-costs.....	2,866,749	3,227,063	3,080,957	3,191,644
040 Light and fuel in government buildings.....	24,884	23,498	21,114	19,357
050 Recovery of overpayments and losses.....	891,475	532,020	842,791	634,656
080 Transfers from Funds.....	—	—	—	80,000,000
090 Other receipts.....	24,049,259	894,301	1,131,259	8,977,136
110 Payments made by Trading Funds—				
(001) Payments of notional profits tax.....	204,786	126,790	32,791	—
(002) Payments for “insurance” premium.....	1,231	3,401	3,401	3,595
(003) Reimbursements by trading funds arising from policy on “insurance”.....	406	267	308	286
Total.....	<u>28,044,154</u>	<u>4,811,977</u>	<u>5,116,787</u>	<u>92,830,230</u>

Description of Revenue Sources

This revenue head covers repayments of loans and advances, such as loans under the Sandwich Class Housing Purchase Loan Scheme, pension contributions (e.g. to the Widows and Orphans Pension Scheme and the Surviving Spouses’ and Children’s Pension Scheme), recovery of salaries and staff on-costs from organisations including the Hong Kong Housing Authority and the Hospital Authority, charges for light and fuel in government buildings, recovery of overpayments and losses (including surcharges on public officers), transfer from Government Funds, and payments made by Trading Funds.

Revenue from loans, reimbursements, contributions and other receipts generated 1.2% of total revenue in 2017–18.

Underlying Changes in Revenue Yield

The 2017–18 revised estimate of \$5,116,787,000 reflects a net increase of \$304,810,000 (6.3%) over the original estimate.

Under *Subhead 020 Pension contributions*, the decrease of \$471,000 (10.2%) is due to the lower-than-expected pension contributions under the Surviving Spouses’ and Children’s Pension Schemes.

Under *Subhead 040 Light and fuel in government buildings*, the decrease of \$2,384,000 (10.1%) is due to the lower-than-expected electricity charges collected from the tenants of government premises.

Under *Subhead 050 Recovery of overpayments and losses*, the increase of \$310,771,000 (58.4%) is mainly due to the higher-than-expected refunds of unspent subventions from Non-governmental Organisations (NGOs) and aided schools, and the unexpected refunds of unspent balance from the Scheme for Subsidy on Exchange for Post-secondary Students (SSE).

Under *Subhead 090 Other receipts*, the increase of \$236,958,000 (26.5%) is mainly due to the higher-than-expected sale proceeds of surplus quarters and properties.

Under *Subhead 110 Payments made by Trading Funds*, the decrease of \$93,958,000 (72.0%) is mainly because no payment of notional profits tax is expected from Trading Funds starting from December 2017 as a result of the judgment of the Court of Final Appeal delivered in December 2017.

The 2018–19 estimate of \$92,830,230,000 reflects a net increase of \$87,713,443,000 (1 714.2%) over the revised estimate for 2017–18.

Under *Subhead 020 Pension contributions*, a decrease of \$610,000 (14.6%) is expected because the pension contributions under the Surviving Spouses’ and Children’s Pension Schemes are expected to drop.

Under *Subhead 050 Recovery of overpayments and losses*, a decrease of \$208,135,000 (24.7%) is expected mainly because the refunds of unspent subventions from NGOs and aided schools are expected to drop, and no refunds from the SSE are expected.

Head 9 — LOANS, REIMBURSEMENTS, CONTRIBUTIONS AND OTHER RECEIPTS

Under *Subhead 080 Transfers from Funds*, the increase of \$80 billion is due to the expected transfer from Capital Works Reserve Fund to the general revenue in 2018–19.

Under *Subhead 090 Other receipts*, an increase of \$7,845,877,000 (693.6%) is expected mainly because receipt of dividend from the West Rail Property Development Limited is expected.

Under *Subhead 110 Payments made by Trading Funds*, a decrease of \$32,619,000 (89.4%) is expected mainly because no payment of notional profits tax is expected from Trading Funds as a result of the judgment of the Court of Final Appeal delivered in December 2017.

Head 10 — UTILITIES

Details of Revenue

Sub-head (Code)	Actual revenue 2016–17	Original estimate 2017–18	Revised estimate 2017–18	Estimate 2018–19
	\$'000	\$'000	\$'000	\$'000
040 Marine ferry terminals—				
(010) Berthing fee	43,162	42,228	44,423	34,786
(020) Embarkation fee.....	144,025	143,890	149,907	117,254
(030) Others	7,085	6,191	6,118	6,118
Sub-total	194,272	192,309	200,448	158,158
070 Waterworks—				
(010) Chargeable water	2,687,849	2,600,800	2,731,100	2,738,900
(020) Fees and licences	30,003	23,600	24,000	24,000
(040) Others	16,092	13,940	14,060	12,000
Sub-total	2,733,944	2,638,340	2,769,160	2,774,900
080 Sewage services—				
(010) Sewage charge	1,089,163	1,167,200	1,209,900	1,223,800
(020) Trade effluent surcharge	233,862	229,700	241,100	245,300
(030) Others	4,909	5,002	5,189	5,189
Sub-total	1,327,934	1,401,902	1,456,189	1,474,289
Total.....	4,256,150	4,232,551	4,425,797	4,407,347

Description of Revenue Sources

This revenue head covers all income generated by government-operated public utilities except government toll-tunnels and bridges.

Revenue from utilities generated 1.0% of total revenue in 2017–18.

Underlying Changes in Revenue Yield

The **2017–18** revised estimate of \$4,425,797,000 reflects a net increase of \$193,246,000 (4.6%) over the original estimate.

The **2018–19** estimate of \$4,407,347,000 reflects a net decrease of \$18,450,000 (0.4%) against the revised estimate for 2017–18.

Under Subhead 040 Marine ferry terminals, the decrease of \$42,290,000 (21.1%) is mainly due to the forecast diversion effect arising from commissioning of the Hong Kong-Zhuhai-Macao Bridge.

Head 11 — FEES AND CHARGES

Details of Revenue

Sub-head (Code)	Actual revenue 2016–17	Original estimate 2017–18	Revised estimate 2017–18	Estimate 2018–19
	\$'000	\$'000	\$'000	\$'000
022 Agriculture, Fisheries and Conservation Department—				
(010) Markets	90,131	89,375	89,341	94,022
(020) Agricultural services and products	276	316	309	300
(030) Others	37,433	37,413	46,522	50,622
Sub-total	127,840	127,104	136,172	144,944
024 Audit Commission	12,274	12,274	11,474	11,474
025 Architectural Services Department—				
(025) Services to trading funds and subvented projects	380	395	988	988
(030) Others	420	455	384	384
Sub-total	800	850	1,372	1,372
026 Census and Statistics Department	9,090	7,164	6,242	1,099
027 Civil Aid Service	31	37	30	72
028 Civil Aviation Department—				
(010) Services to the Airport Authority.....	807,867	840,210	763,210	801,260
(020) Aircraft en route navigation charges.....	308,082	346,087	351,176	400,083
(030) Licences	80,097	75,956	82,878	90,277
(040) Others	904	919	928	855
Sub-total	1,196,950	1,263,172	1,198,192	1,292,475
030 Correctional Services Department—				
(010) Recovery other than cost of raw materials for correctional services industries.....	189	447	163	163
(015) Laundry charges	3,242	3,244	3,280	3,280
(020) Others	191	195	163	163
Sub-total	3,622	3,886	3,606	3,606
031 Customs and Excise Department—				
(010) Import and export declarations	893,383	851,400	954,903	725,742 †
(020) Bonded warehouse supervision charges.....	480	487	493	493
(030) Clothing industry training levy service charges.....	56	56	51	49
(040) Denaturing fees.....	297	291	266	266
(071) Import and export licences.....	2,547	2,136	2,789	2,789
(072) Warehouse licences	852	828	852	852
(080) Miscellaneous licences	1,761	1,745	1,774	1,773
(090) Storage fees	1	1	1	1
(100) Others	41,374	16,541	31,857	18,328
Sub-total	940,751	873,485	992,986	750,293

Head 11 — FEES AND CHARGES

Sub-head (Code)	Actual revenue 2016–17	Original estimate 2017–18	Revised estimate 2017–18	Estimate 2018–19
	\$'000	\$'000	\$'000	\$'000
032 Companies Registry—				
(010) Licence and other fees	17,406	22,817	19,172	21,857
033 Civil Engineering and Development Department—				
(010) Works executed on private account	9,008	484	6,694	317
(011) Dangerous goods, mining and prospecting licences	1,864	1,945	2,042	2,104
(012) Explosives permit and storage fees	13,316	24,110	13,672	13,710
(013) Mud disposal	12,178	6,465	8,799	6,220
(014) Disposal of construction waste at public fill reception facilities	405,799	1,108,000	942,000	962,000
(030) Others	382	286	296	279
Sub-total	442,547	1,141,290	973,503	984,630
037 Department of Health—				
(010) Dangerous drugs, pharmacy, poisons and other licences	24,149	24,818	24,169	24,941
(030) Out-patient charges	36,071	37,534	40,339	40,980
(040) Dental charges	8,561	8,598	8,645	8,721
(050) Medical and health charges other than hospital, out-patient and dental charges	28,831	28,257	30,487	30,972
(060) Registrations and certificates of medical and supplementary medical professionals	35,536	35,906	36,680	39,962
(070) Others	675	549	1,157	995
Sub-total	133,823	135,662	141,477	146,571
039 Drainage Services Department—				
(010) Works executed on private account	—	8	8	8
(030) Others	1,349	1,175	1,320	1,320
Sub-total	1,349	1,183	1,328	1,328
042 Electrical and Mechanical Services Department—				
(025) Services to Electrical and Mechanical Services Trading Fund	44,513	44,120	41,713	43,173
(027) Registration, certification and permit fees	57,368	52,908	51,897	49,270
(030) Others	10	14	14	14
Sub-total	101,891	97,042	93,624	92,457

Head 11 — FEES AND CHARGES

Sub-head (Code)	Actual revenue 2016–17	Original estimate 2017–18	Revised estimate 2017–18	Estimate 2018–19
	\$'000	\$'000	\$'000	\$'000
044 Environmental Protection Department—				
(010) Chemical waste charging scheme	30,337	28,000	35,000	35,000
(015) MARPOL waste charging scheme	5,928	5,200	6,900	6,900
(017) Waste disposal charges	165,863	236,300	211,200	219,420
(020) Licence and permit fees	18,061	18,918	18,776	18,829
(025) Producer Responsibility Scheme	—	—	—	123,741
(030) Others	954	686	1,211	1,229
Sub-total	221,143	289,104	273,087	405,119
045 Fire Services Department—				
(010) Dangerous goods licences	12,833	12,544	12,552	12,552
(012) Official certificates and fire reports	9,088	8,982	9,578	9,578
(020) Others	1,433	1,573	1,992	1,992
Sub-total	23,354	23,099	24,122	24,122
047 Government Secretariat: Office of the Government Chief Information Officer	7,849	7,866	9,139	9,722
048 Government Laboratory—				
(015) Services to the Hospital Authority	1,669	1,976	1,976	1,701
(020) Others	5,576	4,891	4,368	4,037
Sub-total	7,245	6,867	6,344	5,738
049 Food and Environmental Hygiene Department—				
(010) Licences and permits	133,769	131,889	123,927	214,628
(020) Meat inspection	20,005	19,945	20,864	20,691
(030) Cemeteries and crematoria	64,418	65,518	67,805	70,272
(040) Others	4,533	3,966	4,965	4,566
Sub-total	222,725	221,318	217,561	310,157
051 Government Property Agency—				
(010) Management and air conditioning charges	66,114	65,534	66,588	65,307
(020) Others	8,404	8,793	7,403	10,449
Sub-total	74,518	74,327	73,991	75,756
055 Government Secretariat: Commerce and Economic Development Bureau (Communications and Creative Industries Branch)	956	1,040	1,040	1,140
059 Government Logistics Department—				
(010) Printing services	303,337	256,675	254,293	247,293
(020) Advertisements	20,455	21,492	22,139	22,139
(030) Government transport	23,112	22,824	25,368	25,368
(040) Others	15,326	12,929	10,206	11,509
Sub-total	362,230	313,920	312,006	306,309

Head 11 — FEES AND CHARGES

Sub-head (Code)	Actual revenue 2016–17	Original estimate 2017–18	Revised estimate 2017–18	Estimate 2018–19
	\$'000	\$'000	\$'000	\$'000
060 Highways Department—				
(010) Works executed on private account	597	1,021	950	850
(020) Excavation permits	179,908	167,671	201,941	201,941
(030) Others	2,105	2,128	2,012	2,002
Sub-total	182,610	170,820	204,903	204,793
063 Home Affairs Department—				
(015) Guesthouse licences	3,321	1,462	6,573	5,126
(016) Clubhouse certificates	12,863	13,120	13,717	13,450
(020) Karaoke establishments licences and permits	17	19	26	19
(021) Entertainment licences	15,482	13,637	13,275	12,632
(030) Others	2,901	2,759	2,889	2,889
Sub-total	34,584	30,997	36,480	34,116
070 Immigration Department—				
(012) Chinese nationality applications	5,097	5,858	5,088	5,260
(020) Travel documents	276,807	302,786	283,716	276,848
(030) Visas, entry permits and extension of stay	130,056	140,595	138,167	141,826
(040) Certification fees	11,772	11,519	12,091	11,931
(060) Replacement of identity cards	50,937	49,099	47,805	49,372
(070) Births and deaths registration fees	38,651	40,008	38,390	38,574
(080) Marriage registration fees	63,083	71,283	62,690	63,451
(090) Others	14,180	13,003	15,980	16,501
Sub-total	590,583	634,151	603,927	603,763
074 Information Services Department—				
(010) Sale of publications	4,134	4,050	3,210	3,210
(020) Others	914	943	1,790	1,790
Sub-total	5,048	4,993	5,000	5,000
076 Inland Revenue Department—				
(010) Business registration fees	227,738	2,600,000	2,600,000	2,650,000
(020) Others	23,655	22,000	27,000	28,000
Sub-total	251,393	2,622,000	2,627,000	2,678,000
078 Intellectual Property Department—				
(010) Patents fees	25,105	22,712	24,847	23,435
(020) Trade marks fees	188,272	178,554	184,774	177,214
(030) Registered designs fees	8,123	7,783	7,896	7,851
(040) Others	43	88	33	54
Sub-total	221,543	209,137	217,550	208,554

Head 11 — FEES AND CHARGES

Sub-head (Code)	Actual revenue 2016–17	Original estimate 2017–18	Revised estimate 2017–18	Estimate 2018–19
	\$'000	\$'000	\$'000	\$'000
080 Judiciary—				
(010) Commission.....	51,573	7,132	17,461	7,138
(020) Court fees.....	156,650	151,212	162,637	162,637
(030) Possession.....	285	214	457	457
(040) Others	17,164	16,901	17,242	17,242
Sub-total	225,672	175,459	197,797	187,474
082 Buildings Department—				
(010) Buildings Ordinance fees.....	262,837	251,523	297,596	299,280
(020) Works executed on private account	41	78	36	36
(030) Others	2,158	2,259	2,196	3,597
Sub-total	265,036	253,860	299,828	302,913
090 Labour Department	29,204	31,729	32,715	33,407
091 Lands Department—				
(010) Administrative and legal land services	69,398	68,416	67,403	68,335
(012) Lands Department consent fees and Government lease fees.....	6,880	4,406	6,013	6,450
(013) Administrative fees for conveyancing services for FSI.....	248	210	196	196
(020) Excavation permits	11,267	11,146	12,163	12,109
(040) Works executed on private account	312	53	718	146
(042) Services to KCRC.....	14,362	26,811	28,665	23,137
(046) Services to MTRCL.....	34,388	28,452	33,350	38,797
(050) Others	33,914	26,416	28,786	28,526
Sub-total	170,769	165,910	177,294	177,696
092 Department of Justice	2,654	2,463	2,351	3,866
094 Legal Aid Department.....	345,148	346,785	335,188	333,495
095 Leisure and Cultural Services Department—				
(010) Admission and hire charges.....	759,792	733,833	767,254	748,202
(020) Programme entry fees for recreational and sports activities	39,523	40,828	41,379	40,590
(030) Licences.....	361	340	315	315
(040) Others	32,886	28,079	27,395	27,093
Sub-total	832,562	803,080	836,343	816,200

Head 11 — FEES AND CHARGES

Sub-head (Code)	Actual revenue 2016–17	Original estimate 2017–18	Revised estimate 2017–18	Estimate 2018–19
	\$'000	\$'000	\$'000	\$'000
100 Marine Department—				
(010) Anchorage.....	37,422	20,087	38,593	20,000
(020) Buoy	22,658	22,600	22,619	22,619
(030) Permit fees	119,029	117,394	120,687	120,663
(040) Cargo working area charges	122,182	124,819	121,054	121,054
(050) Examination and registration fees.....	131,908	127,608	126,028	128,713
(070) Vessel licences.....	42,274	42,992	45,064	45,064
(080) Port and light dues	119,180	120,210	116,922	210,158
(090) Port clearance fees	11,083	11,154	11,148	11,148
(100) Survey fees	25,739	23,289	23,300	23,227
(110) Others	6,748	5,544	7,067	6,933
Sub-total	638,223	615,697	632,482	709,579
116 Official Receiver's Office—				
(010) Bankruptcy	128,968	114,511	226,679	113,589
(020) Liquidation	32,765	27,725	32,312	26,935
Sub-total	161,733	142,236	258,991	140,524
122 Hong Kong Police Force—				
(010) Confirmation of criminal record.....	10,567	10,425	12,605	10,589
(020) Establishments and trades licences.....	1,891	1,844	1,985	1,985
(025) Security personnel permits	11,703	12,831	10,967	10,967
(030) Others	8,255	8,225	7,585	7,593
Sub-total	32,416	33,325	33,142	31,134
143 Government Secretariat: Civil Service Bureau—				
(010) Translation and interpretation services ...	7,458	7,688	8,736	8,736
(020) Training and development services	6,513	4,704	6,576	6,576
(030) Others	681	712	691	691
Sub-total	14,652	13,104	16,003	16,003
148 Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)—				
(010) Insurance companies.....	40,692	18,825	7,048	—
(030) Others	3	4	4	4
Sub-total	40,695	18,829	7,052	4
151 Government Secretariat: Security Bureau—				
(010) Security companies.....	17,972	18,455	18,752	18,991
(090) Others	48	50	48	49
Sub-total	18,020	18,505	18,800	19,040

Head 11 — FEES AND CHARGES

Sub-head (Code)	Actual revenue 2016–17	Original estimate 2017–18	Revised estimate 2017–18	Estimate 2018–19
	\$'000	\$'000	\$'000	\$'000
152 Government Secretariat: Commerce and Economic Development Bureau (Commerce, Industry and Tourism Branch)..	3,292	—	219	3,602
155 Government Secretariat: Innovation and Technology Commission.....	12,828	12,534	13,055	13,134
156 Government Secretariat: Education Bureau— (020) Grant and subsidised schools provident funds—supervision fees.....	5,625	5,900	5,813	6,093
(030) Others	3,888	3,700	4,119	4,482
Sub-total	9,513	9,600	9,932	10,575
160 Radio Television Hong Kong	1,480	1,360	1,491	1,599
162 Rating and Valuation Department.....	3,988	3,899	4,087	4,087
168 Hong Kong Observatory— (010) Services to the Airport Authority.....	103,137	114,208	108,331	121,883
(020) Others	1,135	1,019	1,055	1,057
Sub-total	104,272	115,227	109,386	122,940
170 Social Welfare Department— (010) Traffic Accident Victims Assistance Scheme administration fee.....	21,694	22,066	22,624	23,159
(020) Others	722	802	722	635
Sub-total	22,416	22,868	23,346	23,794
173 Working Family and Student Financial Assistance Agency	30,357	34,020	34,438	34,929
180 Office for Film, Newspaper and Article Administration— (020) Film censorship fees	4,185	4,246	3,950	3,950
(030) Others	643	713	711	711
Sub-total	4,828	4,959	4,661	4,661
181 Trade and Industry Department— (010) Application fees for certificates of origin.....	186	170	170	170
(040) Others	4,505	4,474	4,732	4,739
Sub-total	4,691	4,644	4,902	4,909

Head 11 — FEES AND CHARGES

Sub-head (Code)	Actual revenue 2016–17	Original estimate 2017–18	Revised estimate 2017–18	Estimate 2018–19
	\$'000	\$'000	\$'000	\$'000
186 Transport Department—				
(010) Vehicle and driving licences.....	3,997,577	4,133,359	4,181,991	4,278,448
(030) Transfer of vehicle and registration mark, driving test and permits	352,406	341,885	385,512	387,359
(040) Traffic Accident Victims Assistance Scheme administration fee.....	1,940	2,003	1,988	2,050
(050) Vehicle examination fees.....	53,167	62,057	64,915	65,368
(055) Personalized vehicle registration mark ...	32,398	26,013	31,304	31,304
(060) Others	17,114	16,687	17,762	18,060
Sub-total	4,454,602	4,582,004	4,683,472	4,782,589
188 Treasury—				
(040) Others	58,123	64,518	62,503	65,347
200 Other bureaux/departments	37,791	44,352	43,870	44,307
Total.....	<u>12,719,120</u>	<u>15,816,572</u>	<u>16,034,676</u>	<u>16,212,275</u>

† After Budget revenue measures but subject to the passage of the relevant legislation by the Legislative Council.

Description of Revenue Sources

This revenue head covers all fees and charges received by the Government, except fees charged by government utilities which are credited to Head 10—Utilities and Head 6—Royalties and Concessions (in respect of government toll-tunnels and bridges). Fees and charges are payable for services provided by bureaux, departments and government agencies, or are levied for certain policy objectives. It is Government's general policy that the cost of services provided by the Government should be fully recovered from the fees imposed or the charges made. Certain essential services are subsidised by the Government or provided free.

Revenue from fees and charges generated 3.7% of total revenue in 2017–18.

Underlying Changes in Revenue Yield

The 2017–18 revised estimate of \$16,034,676,000 reflects a net increase of \$218,104,000 (1.4%) over the original estimate.

Under *Subhead 031 Customs and Excise Department*, the increase of \$119,501,000 (13.7%) is mainly due to higher-than-expected receipts from import and export declarations.

Under *Subhead 033 Civil Engineering and Development Department*, the decrease of \$167,787,000 (14.7%) is mainly due to lower-than-expected receipts from disposal of construction waste at public fill reception facilities.

Under *Subhead 060 Highways Department*, the increase of \$34,083,000 (20.0%) is mainly due to higher-than-expected receipts from extension of excavation permits.

Under *Subhead 080 Judiciary*, the increase of \$22,338,000 (12.7%) is mainly due to higher-than-expected receipts from court fees and commission.

Under *Subhead 082 Buildings Department*, the increase of \$45,968,000 (18.1%) is mainly due to higher-than-expected receipts from building plan submission fees.

Under *Subhead 116 Official Receiver's Office*, the increase of \$116,755,000 (82.1%) is mainly due to higher-than-expected receipts from bankruptcy and liquidation cases.

Under *Subhead 148 Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)*, the decrease of \$11,777,000 (62.5%) is mainly due to lower-than-expected receipts from insurance companies due to disbandment of the Office of the Commissioner of Insurance on 26 June 2017 upon establishment of the Insurance Authority.

Head 11 — FEES AND CHARGES

The **2018–19** estimate of \$16,212,275,000 reflects a net increase of \$177,599,000 (1.1%) over the revised estimate for 2017–18.

Under *Subhead 031 Customs and Excise Department*, the decrease of \$242,693,000 (24.4%) is mainly due to the proposed concession for import and export declaration charges in the 2018–19 Budget.

Under *Subhead 044 Environmental Protection Department*, the increase of \$132,032,000 (48.3%) is mainly due to collection of recycling levy for regulated electrical and electronic equipment in 2018–19 upon commencement of the Product Eco-responsibility (Regulated Electrical Equipment) Regulation.

Under *Subhead 049 Food and Environmental Hygiene Department*, the increase of \$92,596,000 (42.6%) is mainly due to cessation of the waiver of the fees for restaurant licences, restricted food permits and hawker licences from 1 July 2018.

Under *Subhead 100 Marine Department*, the increase of \$77,097,000 (12.2%) is mainly due to cessation of the Port Facilities and Light Dues Incentive Scheme from 1 April 2018.

Under *Subhead 116 Official Receiver's Office*, the decrease of \$118,467,000 (45.7%) is mainly due to projected decrease in receipts from bankruptcy and liquidation cases.

Under *Subhead 168 Hong Kong Observatory*, the increase of \$13,554,000 (12.4%) is mainly due to projected increase in receipts from services to the Airport Authority.