

**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

	2018–19 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	628,253	462,777	440,389	57,400	79,788	708,041
Capital Works Reserve Fund	182,754	124,916	85,130	(80,000)	(40,214)	142,540
Capital Investment Fund	2,918	1,405	3,988	—	(2,583)	335
Civil Service Pension Reserve Fund	35,129	1,656	—	1,530	3,186	38,315
Disaster Relief Fund	16	3	65	70	8	24
Innovation and Technology Fund	6,796	710	1,984	20,000	18,726	25,522
Land Fund	219,730	—	—	—	—	219,730
Loan Fund	4,095	2,662	4,636	1,000	(974)	3,121
Lotteries Fund	23,243	2,290	1,561	—	729	23,972
Total	1,102,934	596,419	537,753	—	58,666	1,161,600

	2019–20 Estimate						
	Opening Balance	Revenue	Expenditure	Repayment of Bonds and Notes	Net Transfer between Funds	Surplus/ (Deficit) after Transfer	Closing Balance
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
General Revenue Account	708,041	470,223	508,721	—	47,926	9,428	717,469
Capital Works Reserve Fund	142,540	148,287	85,157	1,500	(55,000)	6,630	149,170
Capital Investment Fund	335	1,425	4,133	—	6,000	3,292	3,627
Civil Service Pension Reserve Fund	38,315	1,111	—	—	—	1,111	39,426
Disaster Relief Fund	24	2	—	—	74	76	100
Innovation and Technology Fund	25,522	706	3,968	—	—	(3,262)	22,260
Land Fund	219,730	—	—	—	—	—	219,730
Loan Fund	3,121	2,398	2,774	—	1,000	624	3,745
Lotteries Fund	23,972	1,907	3,005	—	—	(1,098)	22,874
Total	1,161,600	626,059	607,758	1,500	—	16,801	1,178,401

CONSOLIDATED SUMMARY OF ESTIMATES

Totals for General Revenue Account and the eight Funds

	Actual				Revised Estimate	Estimate
	2014–15	2015–16	2016–17	2017–18	2018–19	2019–20
	\$m	\$m	\$m	\$m	\$m	\$m
Opening Balance	755,717	828,514	842,888	953,960	1,102,934	1,161,600
Revenue#	478,668	450,007	573,124	619,837	596,419	626,059
Expenditure#	396,183	435,633	462,052	470,863	537,753	607,758
Consolidated Surplus before Repayment of Bonds and Notes	82,485	14,374	111,072	148,974	58,666	18,301
Repayment of Bonds and Notes issued in July 2004	9,688	—	—	—	—	1,500
Consolidated Surplus after Repayment of Bonds and Notes	72,797	14,374	111,072	148,974	58,666	16,801
Closing Balance	828,514	842,888	953,960	1,102,934	1,161,600	1,178,401

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

Summary of Estimated Outstanding Commitments at the beginning of 2019–20

	\$m
General Revenue Account	321,174@
Capital Works Reserve Fund	393,984
Capital Investment Fund	19,570
Civil Service Pension Reserve Fund^	—
Disaster Relief Fund^	—
Innovation and Technology Fund	12,010
Land Fund^	—
Loan Fund	16,761
Lotteries Fund	8,690
Total	772,189

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

^ There is no estimated outstanding commitment at the beginning of 2019–20.

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 2019–20 and set these estimates in a historical context.

Movement of the Account

	Actual				Revised Estimate	Estimate
	2014–15	2015–16	2016–17	2017–18	2018–19	2019–20
	\$m	\$m	\$m	\$m	\$m	\$m
Opening Balance	402,786	478,856	508,486	563,395	628,253	708,041
Revenue	395,761	384,021	436,026	444,331	462,777	470,223
Expenditure	319,162	351,211	357,253	375,123	440,389	508,721
Surplus/(Deficit) before Fund Transfers	76,599	32,810	78,773	69,208	22,388	(38,498)
Net Transfers (to)/from Funds	(529)	(3,180)	(23,864)	(4,350)	57,400	47,926
Surplus/(Deficit) after Fund Transfers	76,070	29,630	54,909	64,858	79,788	9,428
Closing Balance	478,856	508,486	563,395	628,253	708,041	717,469

SUMMARY

Revenue Analysis

	Actual								Revised Estimate		Estimate	
	2014-15		2015-16		2016-17		2017-18		2018-19		2019-20	
	\$m	%	\$m	%	\$m	%	\$m	%	\$m	%	\$m	%
Operating Revenue												
Internal Revenue												
Earnings and profits tax	204,950	52	205,883	54	206,907	47	208,729	47	235,400	51	235,900	50
Stamp duties	74,845	19	62,680	16	61,899	14	95,173	21	80,000	17	76,000	16
Bets and sweeps tax	19,479	5	20,127	5	21,119	5	21,959	5	21,934	5	22,230	5
Air passenger departure tax	2,347	—	2,516	1	2,598	1	2,737	1	2,922	1	2,990	1
	301,621	76	291,206	76	292,523	67	328,598	74	340,256	74	337,120	72
Utilities, Fees and Charges	18,551	5	19,159	5	16,975	4	20,266	5	21,033	4	18,680	4
General Rates	22,272	6	22,733	6	21,250	5	22,203	5	16,974	4	19,875	4
Duties	10,010	3	10,712	3	10,254	2	10,701	2	10,683	2	10,766	2
Motor Vehicle Taxes	9,549	2	9,311	2	7,814	2	8,594	2	9,197	2	9,198	2
Other Revenue	31,931	8	28,411	7	62,911	14	52,397	12	54,011	12	71,361	15
Total Operating Revenue	393,934	100	381,532	99	411,727	94	442,759	100	452,154	98	467,000	99
Capital Revenue	1,827	—	2,489	1	24,299	6	1,572	—	10,623	2	3,223	1
Total Revenue	395,761	100	384,021	100	436,026	100	444,331	100	462,777	100	470,223	100
Transfers from Funds	2,000		—		—		—		80,000		55,000	
Total including Transfers from Funds	397,761		384,021		436,026		444,331		542,777		525,223	

SUMMARY

Expenditure Analysis

	Actual								Revised Estimate		Estimate	
	2014-15		2015-16		2016-17		2017-18		2018-19		2019-20	
	\$m	%	\$m	%	\$m	%	\$m	%	\$m	%	\$m	%
Operating Expenditure												
Recurrent Expenditure												
Personal Emoluments	64,581	20	68,152	19	71,775	20	74,567	20	79,547	18	84,690	17
Personnel Related Expenses	31,781	10	35,412	10	38,673	11	41,855	11	45,531	10	49,523	10
Departmental Expenses	27,355	9	28,567	8	30,163	9	31,366	8	35,121	8	41,411	8
Other Charges	59,482	19	63,565	18	69,052	19	69,307	19	84,132	19	92,294	18
Subventions	121,891	38	128,836	37	134,975	38	144,717	39	160,415	37	172,971	34
Additional Commitments	—	—	—	—	—	—	—	—	—	—	100	—
Total Recurrent Expenditure	305,090	96	324,532	92	344,638	97	361,812	97	404,746	92	440,989	87
Non-Recurrent Expenditure	11,227	3	22,833	7	8,618	2	9,085	2	29,860	7	29,149	6
Additional Commitments	—	—	—	—	—	—	—	—	—	—	31,362	6
Total Non-Recurrent Expenditure	11,227	3	22,833	7	8,618	2	9,085	2	29,860	7	60,511	12
Total Operating Expenditure	316,317	99	347,365	99	353,256	99	370,897	99	434,606	99	501,500	99
Capital Expenditure												
Plant, Equipment and Works	1,316	—	2,240	1	2,215	1	2,319	1	3,406	1	4,514	1
Subventions	1,529	1	1,606	—	1,782	—	1,907	—	2,377	—	2,607	—
Additional Commitments	—	—	—	—	—	—	—	—	—	—	100	—
Total Capital Expenditure	2,845	1	3,846	1	3,997	1	4,226	1	5,783	1	7,221	1
Total Expenditure	319,162	100	351,211	100	357,253	100	375,123	100	440,389	100	508,721	100
Transfers to Funds	2,529		3,180		23,864		4,350		22,600		7,074	
Total including Transfers to Funds	321,691		354,391		381,117		379,473		462,989		515,795	

REVENUE ANALYSIS BY HEAD

SUMMARY OF REVENUE ESTIMATES

HEAD OF REVENUE	Actual revenue 2017–18	Original estimate 2018–19	Revised estimate 2018–19	Estimate† 2019–20
	\$'000	\$'000	\$'000	\$'000
1 Duties.....	10,700,965	11,164,740	10,682,856	10,765,768
2 General Rates.....	22,203,177	15,014,000	16,974,000	19,875,000
3 Internal Revenue.....	328,629,319	342,524,000	340,299,411	337,135,000
4 Motor Vehicle Taxes	8,594,290	8,910,747	9,197,256	9,198,140
5 Fines, Forfeitures and Penalties	2,327,192	1,435,211	2,073,362	1,539,831
6 Royalties and Concessions	3,241,957	3,677,033	3,403,848	3,503,244
7 Properties and Investments	43,271,275	50,147,593	45,769,823	64,646,833
9 Loans, Reimbursements, Contributions and Other Receipts#	5,097,517	12,830,230	13,343,165	4,878,316
10 Utilities	4,372,380	4,407,347	4,436,677	4,421,316
11 Fees and Charges.....	15,892,998	16,212,275	16,595,965	14,259,108
	<u>444,331,070</u>	<u>466,323,176</u>	<u>462,776,363</u>	<u>470,222,556</u>
Transfers from Funds.....	—	80,000,000	80,000,000	55,000,000
Total	<u><u>444,331,070</u></u>	<u><u>546,323,176</u></u>	<u><u>542,776,363</u></u>	<u><u>525,222,556</u></u>

† After Budget revenue measures.

Excluding Transfers from Funds.

Head 1 — DUTIES

Details of Revenue

Sub-head (Code)	Actual revenue 2017–18	Original estimate 2018–19	Revised estimate 2018–19	Estimate 2019–20
	\$'000	\$'000	\$'000	\$'000
010 Hydrocarbon oils.....	3,747,272	3,902,955	3,769,738	3,815,787
020 Alcoholic beverages.....	523,286	448,613	523,286	523,286
030 Other alcohol products.....	4,769	4,277	4,769	4,769
050 Tobacco.....	6,425,638	6,808,895	6,385,063	6,421,926
Total.....	<u>10,700,965</u>	<u>11,164,740</u>	<u>10,682,856</u>	<u>10,765,768</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 2.3% of total revenue in 2018–19.

Underlying Changes in Revenue Yield

The **2018–19** revised estimate of \$10,682,856,000 reflects a net decrease of \$481,884,000 (4.3%) against the original estimate.

Under *Subhead 020 Alcoholic beverages*, the increase of \$74,673,000 (16.6%) is mainly due to the higher-than-expected consumption of such products.

Under *Subhead 030 Other alcoholic products*, the increase of \$492,000 (11.5%) is mainly due to the higher-than-expected demand for such products.

The **2019–20** estimate of \$10,765,768,000 reflects a net increase of \$82,912,000 (0.8%) over the revised estimate for 2018–19.

Head 2 — GENERAL RATES

Details of Revenue

Sub-head (Code)	Actual revenue 2017–18	Original estimate 2018–19	Revised estimate 2018–19	Estimate 2019–20
	\$'000	\$'000	\$'000	\$'000
030 General Rates.....	22,203,177	15,014,000	16,974,000	19,875,000 †
Total.....	<u>22,203,177</u>	<u>15,014,000</u>	<u>16,974,000</u>	<u>19,875,000</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 3.7% of total revenue in 2018–19.

Underlying Changes in Revenue Yield

The **2018–19** revised estimate of \$16,974 million reflects an increase of \$1,960 million (13.1%) over the original estimate. This is mainly due to the longer-than-expected time taken to settle the refund of overcharged rates arising from rating appeals.

The **2019–20** estimate of \$19,875 million reflects an increase of \$2,901 million (17.1%) over the revised estimate for 2018–19. This is mainly due to expiry of rates concession in 2018–19, partly offset by the effect of the proposed rates concession in the 2019–20 Budget.

Head 3 — INTERNAL REVENUE

Details of Revenue

Sub-head (Code)	Actual revenue 2017–18	Original estimate 2018–19	Revised estimate 2018–19	Estimate 2019–20
	\$'000	\$'000	\$'000	\$'000
010 Bets and sweeps tax	21,959,119	21,212,000	21,933,973	22,230,000
030 Earnings and profits tax—				
(020) Profits tax	139,100,219	155,143,000	166,000,000	159,600,000 †
(030) Personal assessment	5,342,499	4,870,000	5,800,000	6,100,000 †
(040) Property tax	3,447,839	3,600,000	3,600,000	3,600,000
(050) Salaries tax	60,838,782	54,835,000	60,000,000	66,600,000 †
Sub-total	208,729,339	218,448,000	235,400,000	235,900,000
050 Estate duty	31,289	15,000	43,000	15,000
070 Stamp duties.....	95,172,761	100,000,000	80,000,000	76,000,000
080 Air passenger departure tax	2,736,811	2,849,000	2,922,438	2,990,000
Total.....	<u>328,629,319</u>	<u>342,524,000</u>	<u>340,299,411</u>	<u>337,135,000</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 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 two-tiered profits tax regime has taken effect from the year of assessment 2018/19. The tax rate for the first \$2 million of profits of corporations is lowered from 16.5% to 8.25%. Profits above that amount will continue to be subject to the tax rate of 16.5%. For unincorporated businesses, the two-tiered tax rates are correspondingly set at 7.5% and 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.

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. Estates duty in respect of persons dying on or after 15 July 2005 and before 11 February 2006 is reduced to a nominal amount of \$100.

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 20%. 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 (Part 2 of 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% (Part 1 of Scale 1 rate). The Government also introduced the tightening of the 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

Head 3 — INTERNAL REVENUE

of acquisition. 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 73.5% of total revenue in 2018–19.

Underlying Changes in Revenue Yield

The **2018–19** revised estimate of \$340,299,411,000 reflects a net decrease of \$2,224,589,000 (0.6%) against the original estimate.

Under *Subhead 050 Estate duty*, the increase of \$28 million (186.7%) is mainly due to the higher-than-expected amount of duty receipt in 2018–19.

Under *Subhead 070 Stamp duties*, the decrease of \$20 billion (20%) is mainly due to the lower-than-expected turnover in the property and stock market.

The **2019–20** estimate of \$337,135 million reflects a net decrease of \$3,164,411,000 (0.9%) against the revised estimate for 2018–19.

Under *Subhead 050 Estate duty*, the decrease of \$28 million (65.1%) is mainly due to the anticipated lower amount of duty receipt in 2019–20 in respect of the estates of persons who died before 11 February 2006.

Head 4 — MOTOR VEHICLE TAXES

Details of Revenue

Sub-head (Code)	Actual revenue 2017–18	Original estimate 2018–19	Revised estimate 2018–19	Estimate 2019–20
	\$'000	\$'000	\$'000	\$'000
010 First registration.....	8,594,290	8,910,747	9,197,256	9,198,140
Total.....	<u>8,594,290</u>	<u>8,910,747</u>	<u>9,197,256</u>	<u>9,198,140</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 2018–19.

Underlying Changes in Revenue Yield

The **2018–19** revised estimate of \$9,197,256,000 reflects an increase of \$286,509,000 (3.2%) over the original estimate.

The **2019–20** estimate of \$9,198,140,000 reflects an increase of \$884,000 (0.01%) over the revised estimate for 2018–19.

Head 5 — FINES, FORFEITURES AND PENALTIES

Details of Revenue

Sub-head (Code)	Actual revenue 2017–18	Original estimate 2018–19	Revised estimate 2018–19	Estimate 2019–20
	\$'000	\$'000	\$'000	\$'000
010 Court fines and statutory penalties	971,133	482,098	678,723	527,067
020 Forfeitures	528,202	112,014	516,356	83,884
030 Fixed penalty system (Traffic Contraventions) ..	607,015	615,893	648,579	693,810
040 Fixed penalty system (Criminal Proceedings) ...	214,876	220,710	223,394	230,095
050 Payments by civil servants	5,954	4,480	6,293	4,958
060 Fixed penalty system (Motor Vehicle Idling)	12	16	17	17
Total	<u>2,327,192</u>	<u>1,435,211</u>	<u>2,073,362</u>	<u>1,539,831</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 2018–19.

Underlying Changes in Revenue Yield

The **2018–19** revised estimate of \$2,073,362,000 reflects a net increase of \$638,151,000 (44.5%) over the original estimate.

Under *Subhead 010 Court fines and statutory penalties*, the increase of \$196,625,000 (40.8%) is mainly due to the higher-than-expected revenue from court fines and fines ordered by the Securities and Futures Commission.

Under *Subhead 020 Forfeitures*, the increase of \$404,342,000 (361.0%) is mainly due to the higher-than-expected revenue from forfeiture cases.

Under *Subhead 050 Payments by civil servants*, the increase of \$1,813,000 (40.5%) 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 **2019–20** estimate of \$1,539,831,000 reflects a net decrease of \$533,531,000 (25.7%) against the revised estimate for 2018–19.

Under *Subhead 010 Court fines and statutory penalties*, the decrease of \$151,656,000 (22.3%) is mainly due to anticipated decrease in revenue from fines.

Under *Subhead 020 Forfeitures*, a decrease of \$432,472,000 (83.8%) is expected mainly because the revenue from forfeiture cases is expected to drop.

Under *Subhead 050 Payments by civil servants*, a decrease of \$1,335,000 (21.2%) 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 2017–18	Original estimate 2018–19	Revised estimate 2018–19	Estimate 2019–20
	\$'000	\$'000	\$'000	\$'000
020 Quarries and mining.....	129,433	95,813	98,146	94,133
030 Bridges and tunnels.....	2,301,464	2,775,043	2,466,554	2,512,884
070 Petrol filling.....	2,126	2,104	2,353	2,376
100 Parking.....	434,075	425,890	453,202	468,498
170 Vehicle examination.....	50,044	53,391	51,431	51,431
201 Slaughterhouse concessions.....	29,001	28,300	28,447	28,447
202 Other royalties and concessions.....	295,814	296,492	303,715	345,475
Total.....	<u>3,241,957</u>	<u>3,677,033</u>	<u>3,403,848</u>	<u>3,503,244</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 on or before 10 July 2018 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 11 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 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 2018–19.

Underlying Changes in Revenue Yield

The 2018–19 revised estimate of \$3,403,848,000 reflects a net decrease of \$273,185,000 (7.4%) over the original estimate.

Under *Subhead 030 Bridges and tunnels*, the decrease of \$308,489,000 (11.1%) is mainly due to the netting-off of the management fee from toll revenue for the Tate's Cairn Tunnel, the lower-than-expected traffic flow leading to a decrease in toll revenue from the Tate's Cairn Tunnel, Lantau Link and Eastern Harbour Crossing, and the waiving of tolls charged on franchised buses for using government tunnels and roads as proposed in the 2018 Policy Address.

Under *Subhead 070 Petrol filling*, the increase of \$249,000 (11.8%) is mainly due to the increase in sales of petroleum products.

The 2019–20 estimate of \$3,503,244,000 reflects a net increase of \$99,396,000 (2.9%) over the revised estimate for 2018–19.

Under *Subhead 202 Other royalties and concessions*, the increase of \$41,760,000 (13.7%) is mainly due to the collection of fees for the operation of the Hung Hom Public Funeral Parlour which is expected to commence in March 2019.

Head 7 — PROPERTIES AND INVESTMENTS

Details of Revenue

Sub-head (Code)	Actual revenue 2017–18	Original estimate 2018–19	Revised estimate 2018–19	Estimate 2019–20
	\$'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.....	2,471,898	2,225,270	2,360,941	2,384,169
020 Rents from government quarters.....	886,862	852,991	866,557	846,989
030 Rents from government properties.....	1,657,376	1,683,046	1,574,896	1,524,915
040 Investment income and interest.....	15,625,529	27,669,000	27,739,935	39,998,000
060 Returns on equity investments in statutory agencies/corporations.....	10,885,314	4,833,400	—	5,190,275
080 Recovery from Housing Authority under current financial arrangement.....	242,898	1,191,886	1,233,494	2,185,485
090 Government rents charged at 3% of rateable values in accordance with the Government Rent (Assessment and Collection) Ordinance (Cap. 515).....	11,501,398	11,692,000	11,994,000	12,517,000
Total.....	<u>43,271,275</u>	<u>50,147,593</u>	<u>45,769,823</u>	<u>64,646,833</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 9.9% of total revenue in 2018–19.

Underlying Changes in Revenue Yield

The **2018–19** revised estimate of \$45,769,823,000 reflects a net decrease of \$4,377,770,000 (8.7%) against the original estimate.

Under *Subhead 060 Returns on equity investments in statutory agencies/corporations*, the decrease of \$4,833,400,000 (100%) is due to the receipt of dividends from MTR Corporation Limited in scrip instead of in cash.

The **2019–20** estimate of \$64,646,833,000 reflects a net increase of \$18,877,010,000 (41.2%) over the revised estimate for 2018–19.

Under *Subhead 040 Investment income and interest*, the increase of \$12,258,065,000 (44.2%) is mainly due to the investment income from the Housing Reserve, partly offset by the anticipated decrease 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*, the increase of \$5,190,275,000 is due to the anticipated receipt of cash dividends from MTR Corporation Limited.

Under *Subhead 080 Recovery from the Housing Authority under current financial arrangement*, the increase of \$951,991,000 (77.2%) 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 2017–18	Original estimate 2018–19	Revised estimate 2018–19	Estimate 2019–20
	\$'000	\$'000	\$'000	\$'000
010 Repayments of loans and advances.....	23	—	—	—
020 Pension contributions.....	4,349	3,556	3,784	3,186
030 Recovery of salaries and staff on-costs.....	2,844,887	3,191,644	3,121,445	3,183,851
040 Light and fuel in government buildings.....	21,223	19,357	19,901	20,279
050 Recovery of overpayments and losses.....	891,792	634,656	848,457	644,913
080 Transfers from Funds.....	—	80,000,000	80,000,000	55,000,000
090 Other receipts.....	1,298,497	8,977,136	9,345,904	1,022,100
110 Payments made by Trading Funds—				
(001) Payments of notional profits tax.....	32,791	—	—	—
(002) Payments for “insurance” premium.....	3,533	3,595	3,595	3,777
(003) Reimbursements by trading funds arising from policy on “insurance”.....	422	286	79	210
Total.....	<u>5,097,517</u>	<u>92,830,230</u>	<u>93,343,165</u>	<u>59,878,316</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 (excluding transfers from funds) generated 2.9% of total revenue in 2018–19.

Underlying Changes in Revenue Yield

The **2018–19** revised estimate of \$93,343,165,000 reflects a net increase of \$512,935,000 (0.6%) over the original estimate.

Under *Subhead 050 Recovery of overpayments and losses*, the increase of \$213,801,000 (33.7%) is mainly due to the higher-than-expected refunds of unspent subventions from Non-governmental Organisations (NGOs) and other subvented organisations, the unexpected refunds from the Electrical and Mechanical Services Trading Fund, and the unexpected refunds of unspent balance from the Scheme for Subsidy on Exchange for Post-secondary Students (SSE).

The **2019–20** estimate of \$59,878,316,000 reflects a net decrease of \$33,464,849,000 (35.9%) against the revised estimate for 2018–19.

Under *Subhead 020 Pension contributions*, a decrease of \$598,000 (15.8%) 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 \$203,544,000 (24.0%) is expected mainly because the refunds of unspent subventions from NGOs and subvented organisations are expected to drop, and no refunds from the SSE are expected.

Under *Subhead 080 Transfers from Funds*, the decrease of \$25,000,000,000 (31.3%) is due to the expected decrease in transfer from Capital Works Reserve Fund to the general revenue in 2019–20.

Under *Subhead 090 Other receipts*, a decrease of \$8,323,804,000 (89.1%) is expected mainly because no receipt of dividend from the West Rail Property Development Limited and the Cyberport Project is expected.

Head 10 — UTILITIES

Details of Revenue

Sub-head (Code)	Actual revenue 2017–18	Original estimate 2018–19	Revised estimate 2018–19	Estimate 2019–20
	\$'000	\$'000	\$'000	\$'000
040 Marine ferry terminals—				
(010) Berthing fee	43,812	34,786	39,264	30,833
(020) Embarkation fee.....	153,680	117,254	139,194	108,990
(030) Others	5,984	6,118	6,118	6,118
Sub-total	203,476	158,158	184,576	145,941
070 Waterworks—				
(010) Chargeable water	2,692,069	2,738,900	2,721,000	2,738,400
(020) Fees and licences	21,214	24,000	22,230	22,000
(040) Others	12,230	12,000	11,620	9,670
Sub-total	2,725,513	2,774,900	2,754,850	2,770,070
080 Sewage services—				
(010) Sewage charge	1,196,331	1,223,800	1,248,600	1,256,100
(020) Trade effluent surcharge	241,446	245,300	243,300	243,800
(030) Others	5,614	5,189	5,351	5,405
Sub-total	1,443,391	1,474,289	1,497,251	1,505,305
Total.....	4,372,380	4,407,347	4,436,677	4,421,316

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 2018–19.

Underlying Changes in Revenue Yield

The 2018–19 revised estimate of \$4,436,677,000 reflects a net increase of \$29,330,000 (0.7%) over the original estimate.

Under Subhead 040 Marine ferry terminals, the increase of \$26,418,000 (16.7%) is mainly due to the updated forecast on the diversion effect of Hong Kong–Zhuhai–Macao Bridge (HZMB) based on the actual commissioning date.

The 2019–20 estimate of \$4,421,316,000 reflects a net decrease of \$15,361,000 (0.3%) against the revised estimate for 2018–19.

Under Subhead 040 Marine ferry terminals, the decrease of \$38,635,000 (20.9%) is mainly due to full year diversion effect of the HZMB.

Head 11 — FEES AND CHARGES

Details of Revenue

Sub-head (Code)	Actual revenue 2017–18	Original estimate 2018–19	Revised estimate 2018–19	Estimate 2019–20
	\$'000	\$'000	\$'000	\$'000
022 Agriculture, Fisheries and Conservation Department—				
(010) Markets	89,155	94,022	94,287	93,989
(020) Agricultural services and products	2,934	300	547	541
(030) Others	42,448	50,622	47,764	48,811
Sub-total	134,537	144,944	142,598	143,341
024 Audit Commission	11,473	11,474	11,498	11,498
025 Architectural Services Department—				
(025) Services to trading funds and subvented projects	1,475	988	463	463
(030) Others	455	384	601	601
Sub-total	1,930	1,372	1,064	1,064
026 Census and Statistics Department	7,198	1,099	1,211	501
027 Civil Aid Service	30	72	27	30
028 Civil Aviation Department—				
(010) Services to the Airport Authority.....	675,166	801,260	693,780	723,180
(020) Aircraft en route navigation charges.....	374,560	400,083	423,516	487,012
(030) Licences	67,761	90,277	96,396	80,987
(040) Others	672	855	474	490
Sub-total	1,118,159	1,292,475	1,214,166	1,291,669
030 Correctional Services Department—				
(010) Recovery other than cost of raw materials for correctional services industries.....	117	163	130	130
(015) Laundry charges	3,252	3,280	3,210	3,210
(020) Others	148	163	160	160
Sub-total	3,517	3,606	3,500	3,500
031 Customs and Excise Department—				
(010) Import and export declarations	970,708	725,742	716,548	569,664
(020) Bonded warehouse supervision charges.....	476	493	434	434
(030) Clothing industry training levy service charges.....	52	49	54	57
(040) Denaturing fees.....	278	266	226	226
(071) Import and export licences.....	2,899	2,789	3,312	3,312
(072) Warehouse licences	856	852	755	755
(080) Miscellaneous licences	1,784	1,773	1,809	1,810
(090) Storage fees	—	1	1	1
(100) Others	39,732	18,328	19,804	18,214
Sub-total	1,016,785	750,293	742,943	594,473

Head 11 — FEES AND CHARGES

Sub-head (Code)	Actual revenue 2017–18	Original estimate 2018–19	Revised estimate 2018–19	Estimate 2019–20
	\$'000	\$'000	\$'000	\$'000
032 Companies Registry—				
(010) Licence and other fees	19,460	21,857	33,875	22,988
033 Civil Engineering and Development Department—				
(010) Works executed on private account	6,677	317	9,829	366
(011) Dangerous goods, mining and prospecting licences	1,817	2,104	1,900	1,813
(012) Explosives permit and storage fees	15,388	13,710	20,329	20,931
(013) Mud disposal	9,250	6,220	11,980	10,880
(014) Disposal of construction waste	793,358	962,000	1,097,000	1,139,000
(030) Others	343	279	333	334
Sub-total	826,833	984,630	1,141,371	1,173,324
037 Department of Health—				
(010) Dangerous drugs, pharmacy, poisons and other licences	24,265	24,941	25,002	24,727
(030) Out-patient charges	38,107	40,980	40,483	40,597
(040) Dental charges	8,598	8,721	12,277	12,594
(050) Medical and health charges other than hospital, out-patient and dental charges	33,958	30,972	37,308	37,754
(060) Registrations and certificates of medical and supplementary medical professionals	37,385	39,962	40,815	41,836
(070) Others	1,387	995	1,410	1,409
Sub-total	143,700	146,571	157,295	158,917
039 Drainage Services Department—				
(010) Works executed on private account	181	8	8	8
(030) Others	2,225	1,320	2,177	1,891
Sub-total	2,406	1,328	2,185	1,899
042 Electrical and Mechanical Services Department—				
(025) Services to Electrical and Mechanical Services Trading Fund	41,577	43,173	43,407	44,926
(027) Registration, certification and permit fees	50,655	49,270	49,737	60,275
(030) Others	7	14	14	14
Sub-total	92,239	92,457	93,158	105,215
044 Environmental Protection Department—				
(010) Chemical waste charging scheme	36,545	35,000	35,000	35,000
(015) MARPOL waste charging scheme	6,091	6,900	5,500	5,500
(017) Waste disposal charges	228,687	219,420	235,281	244,560
(020) Licence and permit fees	18,438	18,829	17,648	17,507
(025) Producer Responsibility Scheme	—	123,741	129,984	314,562
(030) Others	1,331	1,229	1,584	1,538
Sub-total	291,092	405,119	424,997	618,667

Head 11 — FEES AND CHARGES

Sub-head (Code)	Actual revenue 2017–18	Original estimate 2018–19	Revised estimate 2018–19	Estimate 2019–20
	\$'000	\$'000	\$'000	\$'000
045 Fire Services Department—				
(010) Dangerous goods licences.....	12,620	12,552	13,716	13,716
(012) Official certificates and fire reports	9,618	9,578	10,029	10,029
(020) Others	2,223	1,992	1,699	1,699
Sub-total	<u>24,461</u>	<u>24,122</u>	<u>25,444</u>	<u>25,444</u>
047 Government Secretariat: Office of the Government Chief Information Officer.....	9,151	9,722	13,903	14,169
048 Government Laboratory—				
(015) Services to the Hospital Authority.....	1,825	1,701	1,701	1,847
(020) Others	4,740	4,037	4,037	3,771
Sub-total	<u>6,565</u>	<u>5,738</u>	<u>5,738</u>	<u>5,618</u>
049 Food and Environmental Hygiene Department—				
(010) Licences and permits	126,647	214,628	226,686	263,992
(020) Meat inspection.....	20,780	20,691	21,124	20,915
(030) Cemeteries and crematoria	68,901	70,272	71,585	133,127
(040) Others	5,562	4,566	6,081	5,986
Sub-total	<u>221,890</u>	<u>310,157</u>	<u>325,476</u>	<u>424,020</u>
051 Government Property Agency—				
(010) Management and air conditioning charges.....	65,646	65,307	67,224	67,552
(020) Others	6,836	10,449	7,928	9,707
Sub-total	<u>72,482</u>	<u>75,756</u>	<u>75,152</u>	<u>77,259</u>
055 Government Secretariat: Commerce and Economic Development Bureau (Communications and Creative Industries Branch).....	993	1,140	1,140	1,160
059 Government Logistics Department—				
(010) Printing services	263,318	247,293	259,061	284,424
(020) Advertisements	21,715	22,139	21,171	21,171
(030) Government transport	24,496	25,368	23,800	23,800
(040) Others	10,227	11,509	8,957	8,957
Sub-total	<u>319,756</u>	<u>306,309</u>	<u>312,989</u>	<u>338,352</u>
060 Highways Department—				
(010) Works executed on private account.....	501	850	1,060	850
(020) Excavation permits	169,282	201,941	179,601	179,601
(030) Others	1,696	2,002	2,368	2,871
Sub-total	<u>171,479</u>	<u>204,793</u>	<u>183,029</u>	<u>183,322</u>

Head 11 — FEES AND CHARGES

Sub-head (Code)	Actual revenue 2017–18	Original estimate 2018–19	Revised estimate 2018–19	Estimate 2019–20
	\$'000	\$'000	\$'000	\$'000
063 Home Affairs Department—				
(015) Guesthouse licences.....	5,695	5,126	9,162	5,444
(016) Clubhouse certificates.....	12,920	13,450	13,465	12,697
(020) Karaoke establishments licences and permits	23	19	17	14
(021) Entertainment licences.....	13,574	12,632	12,799	12,539
(030) Others	3,139	2,889	2,790	2,790
Sub-total	35,351	34,116	38,233	33,484
070 Immigration Department—				
(012) Chinese nationality applications	4,755	5,260	6,483	6,484
(020) Travel documents	268,965	276,848	265,019	281,779
(030) Visas, entry permits and extension of stay.....	130,539	141,826	143,779	151,046
(040) Certification fees.....	11,478	11,931	12,756	12,117
(060) Replacement of identity cards.....	48,790	49,372	48,763	49,237
(070) Births and deaths registration fees	38,574	38,574	40,835	41,983
(080) Marriage registration fees	61,448	63,451	62,650	63,021
(090) Others	15,183	16,501	16,616	16,057
Sub-total	579,732	603,763	596,901	621,724
074 Information Services Department—				
(010) Sale of publications	3,324	3,210	2,788	2,788
(020) Others	4,423	1,790	1,773	1,773
Sub-total	7,747	5,000	4,561	4,561
076 Inland Revenue Department—				
(010) Business registration fees	2,726,743	2,650,000	2,900,000	190,000 †
(020) Others	29,161	28,000	34,000	33,000
Sub-total	2,755,904	2,678,000	2,934,000	223,000
078 Intellectual Property Department—				
(010) Patents fees	25,519	23,435	26,317	24,449
(020) Trade marks fees.....	186,483	177,214	191,447	184,149
(030) Registered designs fees.....	8,074	7,851	7,868	8,170
(040) Others	80	54	35	54
Sub-total	220,156	208,554	225,667	216,822
080 Judiciary—				
(010) Commission.....	16,411	7,138	5,519	5,674
(020) Court fees.....	176,377	162,637	157,125	157,125
(030) Possession.....	411	457	563	563
(040) Others	17,935	17,242	18,626	18,626
Sub-total	211,134	187,474	181,833	181,988

Head 11 — FEES AND CHARGES

Sub-head (Code)	Actual revenue 2017–18	Original estimate 2018–19	Revised estimate 2018–19	Estimate 2019–20
	\$'000	\$'000	\$'000	\$'000
082 Buildings Department—				
(010) Buildings Ordinance fees.....	282,877	299,280	225,976	224,725
(020) Works executed on private account.....	64	36	66	66
(030) Others.....	1,483	3,597	2,581	4,105
Sub-total.....	284,424	302,913	228,623	228,896
090 Labour Department.....	31,891	33,407	31,211	31,808
091 Lands Department—				
(010) Administrative and legal land services.....	60,195	68,335	66,440	66,664
(012) Lands Department consent fees and Government lease fees.....	7,700	6,450	7,673	7,828
(013) Administrative fees for conveyancing services for FSI.....	318	196	200	200
(020) Excavation permits.....	11,944	12,109	13,243	13,489
(040) Works executed on private account.....	677	146	75	55
(042) Services to KCRC.....	22,426	23,137	55,510	21,562
(046) Services to MTRCL.....	31,277	38,797	37,002	43,393
(050) Others.....	27,061	28,526	28,712	27,272
Sub-total.....	161,598	177,696	208,855	180,463
092 Department of Justice.....	2,254	3,866	2,127	1,929
094 Legal Aid Department.....	323,991	333,495	376,724	391,165
095 Leisure and Cultural Services Department—				
(010) Admission and hire charges.....	790,734	748,202	795,157	803,076
(020) Programme entry fees for recreational and sports activities.....	40,275	40,590	41,700	42,083
(030) Licences.....	347	315	310	275
(040) Others.....	34,592	27,093	27,859	27,771
Sub-total.....	865,948	816,200	865,026	873,205
100 Marine Department—				
(010) Anchorage.....	37,076	20,000	14,918	14,918
(020) Buoy.....	22,555	22,619	21,058	20,958
(030) Permit fees.....	118,282	120,663	107,881	107,881
(040) Cargo working area charges.....	119,010	121,054	116,880	116,778
(050) Examination and registration fees.....	123,215	128,713	128,674	130,493
(070) Vessel licences.....	43,437	45,064	45,592	45,592
(080) Port and light dues.....	112,467	210,158	184,216	184,216
(090) Port clearance fees.....	11,010	11,148	10,638	10,638
(100) Survey fees.....	24,423	23,227	23,494	23,917
(110) Others.....	6,556	6,933	8,517	7,314
Sub-total.....	618,031	709,579	661,868	662,705

Head 11 — FEES AND CHARGES

Sub-head (Code)	Actual revenue 2017–18	Original estimate 2018–19	Revised estimate 2018–19	Estimate 2019–20
	\$'000	\$'000	\$'000	\$'000
116 Official Receiver's Office—				
(010) Bankruptcy	228,962	113,589	117,434	105,738
(020) Liquidation	27,494	26,935	34,244	29,702
Sub-total	<u>256,456</u>	<u>140,524</u>	<u>151,678</u>	<u>135,440</u>
122 Hong Kong Police Force—				
(010) Confirmation of criminal record	11,814	10,589	13,377	11,255
(020) Establishments and trades licences	1,992	1,985	1,905	2,123
(025) Security personnel permits	10,155	10,967	11,048	11,048
(030) Others	7,674	7,593	8,713	9,277
Sub-total	<u>31,635</u>	<u>31,134</u>	<u>35,043</u>	<u>33,703</u>
143 Government Secretariat: Civil Service Bureau—				
(010) Translation and interpretation services ...	8,371	8,736	7,548	7,548
(020) Training and development services	6,558	6,576	6,870	6,870
(030) Others	694	691	669	669
Sub-total	<u>15,623</u>	<u>16,003</u>	<u>15,087</u>	<u>15,087</u>
148 Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch)—				
(010) Insurance companies	7,048	—	—	—
(030) Others	6	4	4	4
Sub-total	<u>7,054</u>	<u>4</u>	<u>4</u>	<u>4</u>
151 Government Secretariat: Security Bureau—				
(010) Security companies	18,351	18,991	19,908	20,519
(090) Others	49	49	55	55
Sub-total	<u>18,400</u>	<u>19,040</u>	<u>19,963</u>	<u>20,574</u>
152 Government Secretariat: Commerce and Economic Development Bureau (Commerce, Industry and Tourism Branch) ..	206	3,602	3,682	10,819
155 Government Secretariat: Innovation and Technology Commission	13,822	13,134	18,130	18,952
156 Government Secretariat: Education Bureau—				
(020) Grant and subsidised schools provident funds—supervision fees	5,813	6,093	6,008	6,271
(030) Others	3,976	4,482	4,085	4,458
Sub-total	<u>9,789</u>	<u>10,575</u>	<u>10,093</u>	<u>10,729</u>
160 Radio Television Hong Kong	1,490	1,599	1,741	1,492

Head 11 — FEES AND CHARGES

Sub-head (Code)	Actual revenue 2017–18	Original estimate 2018–19	Revised estimate 2018–19	Estimate 2019–20
	\$'000	\$'000	\$'000	\$'000
162 Rating and Valuation Department.....	4,302	4,087	4,646	4,646
168 Hong Kong Observatory—				
(010) Services to the Airport Authority.....	108,331	121,883	122,173	126,751
(020) Others	1,065	1,057	991	987
Sub-total	109,396	122,940	123,164	127,738
170 Social Welfare Department—				
(010) Traffic Accident Victims Assistance Scheme administration fee.....	23,278	23,159	25,818	25,800
(020) Others	906	635	866	688
Sub-total	24,184	23,794	26,684	26,488
173 Working Family and Student Financial Assistance Agency	31,891	34,929	34,439	34,681
180 Office for Film, Newspaper and Article Administration—				
(020) Film censorship fees	4,098	3,950	3,682	3,682
(030) Others	717	711	638	637
Sub-total	4,815	4,661	4,320	4,319
181 Trade and Industry Department—				
(010) Application fees for certificates of origin.....	177	170	237	237
(040) Others	5,174	4,739	4,258	4,253
Sub-total	5,351	4,909	4,495	4,490
186 Transport Department—				
(010) Vehicle and driving licences.....	4,158,215	4,278,448	4,268,656	4,347,712
(030) Transfer of vehicle and registration mark, driving test and permits	370,742	387,359	377,737	382,841
(040) Traffic Accident Victims Assistance Scheme administration fee.....	2,369	2,050	2,377	2,451
(050) Vehicle examination fees.....	63,859	65,368	67,480	67,560
(055) Personalized vehicle registration mark ...	41,282	31,304	27,973	27,973
(060) Others	17,784	18,060	19,149	19,093
Sub-total	4,654,251	4,782,589	4,763,372	4,847,630
188 Treasury—				
(040) Others	62,517	65,347	64,997	68,042
200 Other bureaux/departments	47,519	44,307	46,039	46,094
Total.....	15,892,998	16,212,275	16,595,965	14,259,108

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

Head 11 — FEES AND CHARGES

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 3.6% of total revenue in 2018–19.

Underlying Changes in Revenue Yield

The **2018–19** revised estimate of \$16,595,965,000 reflects a net increase of \$383,690,000 (2.4%) over the original estimate.

Under *Subhead 032 Companies Registry*, the increase of \$12,018,000 (55.0%) is mainly due to higher-than-expected receipts from licence and other fees.

Under *Subhead 033 Civil Engineering and Development Department*, the increase of \$156,741,000 (15.9%) is mainly due to higher-than-expected receipts from disposal of construction waste.

Under *Subhead 060 Highways Department*, the decrease of \$21,764,000 (10.6%) is mainly due to lower-than-expected receipts from excavation permits.

Under *Subhead 082 Buildings Department*, the decrease of \$74,290,000 (24.5%) is mainly due to lower-than-expected receipts from building plan submission fees.

Under *Subhead 091 Lands Department*, the increase of \$31,159,000 (17.5%) is mainly due to higher-than-expected receipts from services to Kowloon–Canton Railway Corporation.

Under *Subhead 094 Legal Aid Department*, the increase of \$43,229,000 (13.0%) is mainly due to higher-than-expected legal costs recovered.

The **2019–20** estimate of \$14,259,108,000 reflects a net decrease of \$2,336,857,000 (14.1%) against the revised estimate for 2018–19.

Under *Subhead 031 Customs and Excise Department*, the decrease of \$148,470,000 (20.0%) is mainly due to the full-year effect of the concession on import and export declaration charges implemented since August 2018.

Under *Subhead 032 Companies Registry*, the decrease of \$10,887,000 (32.1%) is mainly due to projected decrease in receipts from licence and other fees.

Under *Subhead 042 Electrical and Mechanical Services Department*, the increase of \$12,057,000 (12.9%) is mainly due to projected increase in number of applications for renewal of certificates for electrical workers and contractors.

Under *Subhead 044 Environmental Protection Department*, the increase of \$193,670,000 (45.6%) is mainly due to the full-year effect of receipts from recycling levy for regulated electrical and electronic equipment implemented since August 2018.

Under *Subhead 049 Food and Environmental Hygiene Department*, the increase of \$98,544,000 (30.3%) is mainly due to projected increase in receipts from sales of niches and the full-year effect of cessation of waiver on fees for restaurant licences, restricted food permits and hawker licences from 1 July 2018.

Under *Subhead 076 Inland Revenue Department*, the decrease of \$2,711,000,000 (92.4%) is mainly due to the proposed one-year waiver of business registration fees in the 2019–20 Budget.

Under *Subhead 091 Lands Department*, the decrease of \$28,392,000 (13.6%) is mainly due to projected decrease in receipts from services to Kowloon–Canton Railway Corporation.

Under *Subhead 116 Official Receiver's Office*, the decrease of \$16,238,000 (10.7%) is mainly due to projected decrease in receipts from bankruptcy and liquidation cases.