

## Head 5 — FINES, FORFEITURES AND PENALTIES

### Details of Revenue

| Sub-head<br>(Code)                                   | Actual<br>revenue<br>2005–06 | Original<br>estimate<br>2006–07 | Revised<br>estimate<br>2006–07 | <b>Estimate<br/>2007–08</b> |
|--|------------------------------|---------------------------------|--------------------------------|-----------------------------|
|  | \$'000                       | \$'000                          | \$'000                         | <b>\$'000</b>               |
| 010 Court fines and statutory penalties .....        | 534,315                      | 502,729                         | 525,727                        | <b>525,727</b>              |
| 020 Forfeitures .....                                | 56,137                       | 47,336                          | 42,428                         | <b>40,644</b>               |
| 030 Fixed penalty system (Traffic Contraventions) .. | 195,920                      | 190,655                         | 206,837                        | <b>217,179</b>              |
| 040 Fixed penalty system (Criminal Proceedings) ...  | 198,711                      | 198,921                         | 202,896                        | <b>206,954</b>              |
| 050 Payments by civil servants .....                 | 2,786                        | 2,301                           | 3,225                          | <b>2,549</b>                |
| Total .....  | <u>987,869</u>               | <u>941,942</u>                  | <u>981,113</u>                 | <b><u>993,053</u></b>       |

### Description of Revenue Sources

To this revenue head are credited 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 traffic offences under the Fixed Penalty (Traffic Contraventions) Ordinance (Cap. 237) and the Fixed Penalty (Criminal Proceedings) Ordinance (Cap. 240), 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 contract.

Revenue from fines, forfeitures and penalties generated 0.4% of total revenue in 2006–07.

### Underlying Changes in Revenue Yield

The **2006–07** revised estimate of \$981,113,000 is a net increase of \$39,171,000 (4.2%) over the original estimate.

Under *Subhead 020 Forfeitures*, the decrease of \$4,908,000 (10.4%) is mainly due to the lower than expected revenue from the sale of confiscated goods.

Under *Subhead 050 Payments by civil servants*, the increase of \$924,000 (40.2%) is mainly due to the higher than expected payment by civil servants resigning from the civil service who choose to pay salary in lieu of observing the prescribed notice period.

The **2007–08** estimate of \$993,053,000 is a net increase of \$11,940,000 (1.2%) over the revised estimate for 2006–07.

Under *Subhead 050 Payments by civil servants*, the decrease of \$676,000 (21.0%) is mainly due to an anticipated decrease in payment by civil servants resigning from the civil service who choose to pay salary in lieu of observing the prescribed notice period.