

Head 5 — FINES, FORFEITURES AND PENALTIES

Details of Revenue

Sub-head (Code)	Actual revenue 2015–16	Original estimate 2016–17	Revised estimate 2016–17	Estimate 2017–18
	\$'000	\$'000	\$'000	\$'000
010 Court fines and statutory penalties.....	572,029	494,663	571,303	571,888
020 Forfeitures.....	186,459	90,916	116,065	106,404
030 Fixed penalty system (Traffic Contraventions)..	447,676	439,401	528,803	544,672
040 Fixed penalty system (Criminal Proceedings) ...	198,611	200,785	200,537	206,553
050 Payments by civil servants.....	4,175	3,340	3,715	3,490
060 Fixed penalty system (Motor Vehicle Idling)	17	20	17	17
Total.....	<u>1,408,967</u>	<u>1,229,125</u>	<u>1,420,440</u>	<u>1,433,024</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 0.3% of total revenue in 2016–17.

Underlying Changes in Revenue Yield

The 2016–17 revised estimate of \$1,420,440,000 reflects a net increase of \$191,315,000 (15.6%) over the original estimate.

Under *Subhead 010 Court fines and statutory penalties*, the increase of \$76,640,000 (15.5%) 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 \$25,149,000 (27.7%) is mainly due to the higher-than-expected revenue from forfeiture cases.

Under *Subhead 030 Fixed penalty system (Traffic Contravention)*, the increase of \$89,402,000 (20.3%) is due to the higher-than-expected number of fixed penalty tickets issued for traffic offences.

Under *Subhead 050 Payments by civil servants*, the increase of \$375,000 (11.2%) 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.

Under *Subhead 060 Fixed penalty system (Motor Vehicle Idling)*, the decrease of \$3,000 (15.0%) is due to the lower-than-expected number of fixed penalty tickets issued for motor vehicle idling offences.

The 2017–18 estimate of \$1,433,024,000 reflects a net increase of \$12,584,000 (0.9%) over the revised estimate for 2016–17.