

Head 9 — LOANS, REIMBURSEMENTS, CONTRIBUTIONS AND OTHER RECEIPTS

Details of Revenue

Sub-head (Code)	Actual revenue 1998–99	Original estimate 1999–2000	Revised estimate 1999–2000	Estimate 2000–01
	\$'000	\$'000	\$'000	\$'000
010 Repayments of loans and advances	116,390	690,598	842,380	354,902
020 Pension contributions	32,093	32,220	30,784	30,444
030 Recovery of salaries and staff on-costs	5,192,445	5,348,623	4,817,092	3,417,931
040 Light and fuel in government buildings	3,589	3,353	6,686	8,797
050 Recovery of overpayments and losses.....	956,196	416,055	504,025	436,517
080 Transfers from Funds	8,750,000	—	5,000,000	10,000,000
090 Other receipts	964,478	260,308	588,619	98,120
110 Payments made by Trading Funds -				
(001) Payments in lieu of profits tax	230,017	65,388	91,176	86,560
(002) Payments for “insurance” premium	3,985	1,900	3,592	2,368
(003) Reimbursements by trading funds arising from policy on “insurance”	—	200	200	200
Total.....	<u>16,249,193</u>	<u>6,818,645</u>	<u>11,884,554</u>	<u>14,435,839</u>

Description of Revenue Sources

To this revenue head are credited 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 Pensions Scheme), recovery of salaries and 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), transfers from Government Funds, and payments made by Trading Funds.

Revenue from loans, reimbursements, contributions and other receipts generated 7.5% of general revenue in 1999–2000.

Underlying Changes in Revenue Yield

The **1999–2000** revised estimate of \$11,884,554,000 is a net increase of \$5,065,909,000 (74.3%) on the original estimate.

Under *Subhead 010 Repayments of loans and advances* the increase of \$151,782,000 (22.0%) is mainly due to the higher than expected repayments in respect of the Sandwich Class Housing Purchase Loan Scheme.

Under *Subhead 040 Light and fuel in government buildings* the increase of \$3,333,000 (99.4%) is mainly due to the higher than expected electricity charges collected from the tenants of government premises and the crediting of such charges previously collected by the two Provisional Municipal Councils to this revenue subhead starting from 1 January 2000.

Under *Subhead 050 Recovery of overpayments and losses* the increase of \$87,970,000 (21.1%) is mainly due to the higher than expected reimbursement of the cost of repair of government properties arising from traffic accidents, and recovery of contract gratuity payment from officers changing their conditions of appointment from agreement terms to permanent and pensionable establishment terms.

Under *Subhead 080 Transfers from Funds* the increase of \$5,000,000,000 is due to the transfer of revenue from the Capital Works Reserve Fund.

Under *Subhead 090 Other receipts* the increase of \$328,311,000 (126.1%) is mainly due to the return of the residual amount from the dissolved Provisional Municipal Councils.

Under *Subhead 110 Payments made by Trading Funds* the net increase of \$27,480,000 (40.7%) is mainly due to the higher than expected payments in lieu of profits tax from Trading Funds.

The **2000–01** estimate of \$14,435,839,000 is a net increase of \$2,551,285,000 (21.5%) on the revised estimate of 1999–2000.

Under *Subhead 010 Repayments of loans and advances* the decrease of \$487,478,000 (57.9%) is mainly due to the anticipated reduction in repayments in respect of the Sandwich Class Housing Purchase Loan Scheme.

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Under *Subhead 030 Recovery of salaries and staff on-costs* the decrease of \$1,399,161,000 (29.0%) is mainly due to no recovery of staff on-costs from the Provisional Urban and Regional Councils after their dissolution on 1 January 2000.

Under *Subhead 040 Light and fuel in government buildings* the increase of \$2,111,000 (31.6%) is mainly due to the expected increase in electricity charges collected from the tenants of government premises.

Under *Subhead 050 Recovery of overpayments and losses* the decrease of \$67,508,000 (13.4%) is mainly due to the expected reduction in receipts from the recovery of contract gratuity payment from officers changing their conditions of appointment from agreement terms to permanent and pensionable establishment terms.

Under *Subhead 080 Transfers from Funds* the increase of \$5,000,000,000 (100.0%) all comes from the transfer of revenue from the Capital Works Reserve Fund.

Under *Subhead 090 Other receipts* the decrease of \$490,499,000 (83.3%) is mainly due to the discounting of the return of the residual amount from the dissolved Provisional Municipal Councils in 1999–2000.