

Head 1 — DUTIES

Details of Revenue

Sub-head (Code)	Actual revenue 2001–02	Original estimate 2002–03	Revised estimate 2002–03	Estimate 2003–04
	\$'000	\$'000	\$'000	\$'000
010 Hydrocarbon oils	3,772,972	3,672,073	3,628,623	3,447,250 †
020 Alcoholic beverages	791,751	783,380	790,108	782,264
030 Other alcohol products	2,821	3,598	2,893	2,807
050 Tobacco	2,413,639	2,501,657	2,171,171	2,036,869
Total	<u>6,981,183</u>	<u>6,960,708</u>	<u>6,592,795</u>	<u>6,269,190</u>

† After Budget revenue measure but subject to the passing by the Legislative Council of the relevant resolution to extend the concessionary rate of \$1.11 per litre for ultra-low-sulphur diesel from 1 April 2003 to 31 March 2004.

Description of Revenue Sources

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

Revenue from duties generated 4.5% of general revenue in 2002–03.

Underlying Changes in Revenue Yield

The 2002–03 revised estimate of \$6,592,795,000 is a net decrease of \$367,913,000 (5.3%) against the original estimate.

Under *Subhead 030 Other alcohol products* the decrease of \$705,000 (19.6%) is mainly due to the lower than expected demand for such products.

Under *Subhead 050 Tobacco* the decrease of \$330,486,000 (13.2%) is mainly due to the lower than expected demand for such products.

The 2003–04 estimate of \$6,269,190,000 is a net decrease of \$323,605,000 (4.9%) against the revised estimate for 2002–03.