

Head 1 — DUTIES

Details of Revenue

Sub-head (Code)	Actual revenue 2002–03	Original estimate 2003–04	Revised estimate 2003–04	Estimate 2004–05
	\$'000	\$'000	\$'000	\$'000
010 Hydrocarbon oils	3,604,759	3,447,250	3,554,000	3,772,969†
020 Alcoholic beverages	819,032	782,264	725,254	761,210
030 Other alcohol products	3,330	2,807	6,701	6,031
050 Tobacco	2,192,560	2,036,869	2,253,183	2,210,528
Total	6,619,681	6,269,190	6,539,138	6,750,738

† After Budget revenue measure but subject to the passage by the Legislative Council of a resolution to extend the concessionary duty rate of \$1.11 per litre for ultra-low-sulphur diesel from 1 April 2004 to 31 December 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 2.2% of general revenue in 2003–04.

Underlying Changes in Revenue Yield

The 2003–04 revised estimate of \$6,539,138,000 is a net increase of \$269,948,000 (4.3%) over the original estimate.

Under *Subhead 030 Other alcohol products* the increase of \$3,894,000 (138.7%) is mainly due to the higher than expected demand for such products.

Under *Subhead 050 Tobacco* the increase of \$216,314,000 (10.6%) is mainly due to the higher than expected demand for such products.

The 2004–05 estimate of \$6,750,738,000 is a net increase of \$211,600,000 (3.2%) over the revised estimate for 2003–04.

Under *Subhead 030 Other alcohol products* the decrease of \$670,000 (10.0%) is mainly due to an expected lower demand for such products.