

Head 5 — FINES, FORFEITURES AND PENALTIES

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 Court fines and statutory penalties	430,086	441,438	428,657	538,366
020 Forfeitures	67,601	29,760	55,336	48,523
030 Fixed penalty system (Traffic Contraventions) ..	170,794	169,597	171,058	171,047
040 Fixed penalty system (Criminal Proceedings) ...	171,155	172,986	164,316	164,316
050 Payments by civil servants	2,905	2,223	2,586	2,418
Total	<u>842,541</u>	<u>816,004</u>	<u>821,953</u>	<u>924,670</u>

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 0.3% of general revenue in 2003–04.

Underlying Changes in Revenue Yield

The **2003–04** revised estimate of \$821,953,000 is a net increase of \$5,949,000 (0.7%) over the original estimate.

Under *Subhead 020 Forfeitures* the increase of \$25,576,000 (85.9%) is mainly due to the increase in the number of cases attracting large amounts of forfeitures.

Under *Subhead 050 Payments by civil servants* the increase of \$363,000 (16.3%) is mainly due to the higher than expected increase in the number of cases in which civil servants resigning from the civil service choose to pay salary in lieu of observing the prescribed notice period.

The **2004–05** estimate of \$924,670,000 is a net increase of \$102,717,000 (12.5%) over the revised estimate for 2003–04.

Under *Subhead 010 Court fines and statutory penalties* the increase of \$109,709,000 (25.6%) is mainly due to the anticipated increase in fines and penalties imposed.

Under *Subhead 020 Forfeitures* the decrease of \$6,813,000 (12.3%) is mainly due to the anticipated decrease in revenue from forfeiture cases.