

## Head 5 — FINES, FORFEITURES AND PENALTIES

### Details of Revenue

Sub-head (Code)	Actual revenue 2008–09	Original estimate 2009–10	Revised estimate 2009–10	Estimate 2010–11
	\$'000	\$'000	\$'000	\$'000
010 Court fines and statutory penalties .....	500,033	513,573	457,066	528,959
020 Forfeitures .....	52,450	30,670	36,872	28,684
030 Fixed penalty system (Traffic Contraventions) ..	238,864	231,775	239,725	246,888
040 Fixed penalty system (Criminal Proceedings) ....	212,188	234,165	200,548	206,564
050 Payments by civil servants .....	2,856	2,316	2,665	2,100
Total .....	<u>1,006,391</u>	<u>1,012,499</u>	<u>936,876</u>	<u>1,013,195</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 0.4% of total revenue in 2009–10.

### Underlying Changes in Revenue Yield

The 2009–10 revised estimate of \$936,876,000 is a net decrease of \$75,623,000 (7.5%) against the original estimate.

Under *Subhead 010 Court fines and statutory penalties*, the decrease of \$56,507,000 (11.0%) is mainly due to the lower than expected revenue from court cases involving imposition of fines.

Under *Subhead 020 Forfeitures*, the increase of \$6,202,000 (20.2%) is mainly due to the higher than expected revenue from forfeiture cases and the sales of confiscated goods.

Under *Subhead 040 Fixed penalty system (Criminal Proceedings)*, the decrease of \$33,617,000 (14.4%) is mainly due to the lower than expected number of fixed penalty tickets issued for traffic offences.

Under *Subhead 050 Payments by civil servants*, the increase of \$349,000 (15.1%) 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.

The 2010–11 estimate of \$1,013,195,000 is a net increase of \$76,319,000 (8.1%) over the revised estimate for 2009–10.

Under *Subhead 010 Court fines and statutory penalties*, the increase of \$71,893,000 (15.7%) is mainly due to expected increase in the amount of fines imposed on some cases.

Under *Subhead 020 Forfeitures*, the decrease of \$8,188,000 (22.2%) is mainly due to anticipated decrease in revenue from forfeiture cases.

Under *Subhead 050 Payments by civil servants*, the decrease of \$565,000 (21.2%) is mainly due to expected decrease in payment by civil servants resigning from the civil service who choose to pay salary in lieu of observing the prescribed notice period.