

## Head 9 — LOANS, REIMBURSEMENTS, CONTRIBUTIONS AND OTHER RECEIPTS

### Details of Revenue

Sub-head (Code)	Actual revenue 2010–11	Original estimate 2011–12	Revised estimate 2011–12	Estimate 2012–13
	\$'000	\$'000	\$'000	\$'000
010 Repayments of loans and advances .....	254	—	206	—
020 Pension contributions .....	12,641	11,405	11,946	11,163
030 Recovery of salaries and staff on-costs .....	2,144,530	2,191,708	2,315,488	2,357,509
040 Light and fuel in government buildings.....	28,575	27,086	22,866	22,887
050 Recovery of overpayments and losses.....	464,888	355,698	805,856	382,701
080 Transfers from Funds .....	—	1,800,000	1,800,000	500,000
090 Other receipts .....	1,212,139	1,323,310	2,609,053	5,878,129
110 Payments made by Trading Funds—				
(001) Payments in lieu of profits tax.....	232,671	122,205	227,575	125,749
(002) Payments for “insurance” premium .....	3,082	3,078	3,078	3,174
(003) Reimbursements by trading funds arising from policy on “insurance” .....	100	191	248	234
Total .....	<u>4,098,880</u>	<u>5,834,681</u>	<u>7,796,316</u>	<u>9,281,546</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 Pension 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 (excluding transfer from funds) generated 1.8% of total revenue in 2011–12.

### Underlying Changes in Revenue Yield

The 2011–12 revised estimate of \$7,796,316,000 is a net increase of \$1,961,635,000 (33.6%) over the original estimate.

Under *Subhead 010 Repayments of loans and advances*, the increase of \$206,000 is due to unexpected repayment of loans and advances under the Sandwich Class Housing Purchase Loan Scheme.

Under *Subhead 040 Light and fuel in government buildings*, the decrease of \$4,220,000 (15.6%) is due to the lower than expected electricity charges collected from the tenants of government premises.

Under *Subhead 050 Recovery of overpayments and losses*, the increase of \$450,158,000 (126.6%) is mainly due to the unexpected one-off recovery of residual funds in the Government-to-pay Rent exercises for years 2008 and 2009, the higher than expected refunds of respend balance of grants from aided schools and non-government organisations, the unexpected one-off recovery of interest payment, and the unexpected one-off refund from the liquidator of the 2009 East Asian Games (HK) Limited under the Tripartite Agreement.

Under *Subhead 090 Other receipts*, the increase of \$1,285,743,000 (97.2%) is mainly due to resumption of the distribution of dividends from Hong Kong Cyberport Development Holdings Limited generated from the sale of private units in the Cyberport Project, partly offset by the lower than expected proceeds from the sale of government properties.

Under *Subhead 110 Payments made by Trading Funds*, the increase of \$105,427,000 (84.0%) is mainly due to the settlement of under-recovery of payments in lieu of profits tax and the increase in the provisional profits tax from Electrical and Mechanical Services Trading Fund, Companies Registry, Land Registry and Post Office Trading Fund. (As Trading Funds remain part of Government, they are not liable to profits tax but will instead make a payment of an equivalent amount to the general revenue.)

The 2012–13 estimate of \$9,281,546,000 is a net increase of \$1,485,230,000 (19.1%) over the revised estimate of 2011–12.

Under *Subhead 010 Repayments of loans and advances*, the decrease of \$206,000 (100.0%) is due to no receipt expected from repayments of loans and advances under the Sandwich Class Housing Purchase Loan Scheme.

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Under *Subhead 050 Recovery of overpayments and losses*, the decrease of \$423,155,000 (52.5%) is mainly due to the exclusion of the recovery of residual funds in the Government-to-pay Rent exercises for years 2008 and 2009 and the anticipated reduction in recoveries of unspent balance of subventions to aided schools and non-government organisations, partly offset by the expected recovery of residual funds in the Government-to-pay Rent exercise for year 2010.

Under *Subhead 080 Transfers from Funds*, the decrease of \$1,300,000,000 (72.2%) is due to the expected decrease in transfer from Capital Investment Fund to the general revenue in 2012–13.

Under *Subhead 090 Other receipts*, the increase of \$3,269,076,000 (125.3%) is mainly due to the distribution of dividends from West Rail Property Development Limited as a result of the successful tendering of Nam Cheong West Rail site and the anticipated proceeds from the sale of government properties, partly offset by the expected decrease in the distribution of dividends from Hong Kong Cyberport Development Holdings Limited generated from the sale of private units in the Cyberport Project.

Under *Subhead 110 Payments made by Trading Funds*, the decrease of \$101,744,000 (44.1%) is mainly due to the exclusion of the settlement of under-recovery of payment in lieu of profits tax from Electrical and Mechanical Services Trading Fund, Companies Registry, Land Registry and Post Office Trading Fund and the expected decrease in payments in lieu of profits tax made by Trading Funds arising from expected lower assessable profits for 2011–12. (As Trading Funds remain part of Government, they are not liable to profits tax but will instead make a payment of an equivalent amount to the general revenue.)