

Head 7 — PROPERTIES AND INVESTMENTS

Details of Revenue

Sub-head (Code)	Actual revenue 2011–12	Original estimate 2012–13	Revised estimate 2012–13	Estimate 2013–14
	\$'000	\$'000	\$'000	\$'000
010 Government land licences, government rents (other than those charged at 3% of rateable values in accordance with the Government Rent (Assessment and Collection) Ordinance (Cap. 515)) and rents from short term tenancies.....	2,008,048	1,775,312	1,718,302	1,776,103
020 Rents from government quarters.....	756,774	737,151	789,996	783,469
030 Rents from government properties.....	1,531,845	1,328,537	1,354,135	1,348,360
040 Investment income and interest.....	20,105,273	19,171,000	20,053,468	19,365,000
060 Returns on equity investments in statutory agencies/corporations.....	6,204,186	6,404,187	7,270,260	7,270,260
080 Recovery from Housing Authority under current financial arrangement.....	162,375	204,533	229,973	67,106
090 Government rents charged at 3% of rateable values in accordance with the Government Rent (Assessment and Collection) Ordinance (Cap. 515).....	6,470,471	7,289,000	7,784,000	7,915,000
Total.....	<u>37,238,972</u>	<u>36,909,720</u>	<u>39,200,134</u>	<u>38,525,298</u>

Description of Revenue Sources

This revenue head covers the yields from government land licences; government rents including those charged at 3% of rateable values in accordance with the Government Rent (Assessment and Collection) Ordinance (Cap. 515); and rents from short term tenancies, government quarters and properties. Investment income earned on the balances of the General Revenue Account and other interest receipts arising from the General Revenue Account, returns from equity investments in statutory agencies and corporations other than those credited to the Capital Investment Fund, and recovery from the Housing Authority of the land costs of Home Ownership Scheme and Tenants Purchase Scheme flats are also included in this head.

Revenue from properties and investments generated 11.1% of total revenue in 2012–13.

Underlying Changes in Revenue Yield

The 2012–13 revised estimate of \$39,200,134,000 reflects a net increase of \$2,290,414,000 (6.2%) over the original estimate.

Under *Subhead 060 Returns on equity investments in statutory agencies/corporations*, the increase of \$866,073,000 (13.5%) is mainly due to the higher than expected total cash dividends from statutory corporations.

Under *Subhead 080 Recovery from Housing Authority under current financial arrangement*, the increase of \$25,440,000 (12.4%) is mainly due to the expected increase in payment by the Housing Authority of the land costs for flats sold under Home Ownership Scheme and Tenants Purchase Scheme.

The 2013–14 estimate of \$38,525,298,000 reflects a net decrease of \$674,836,000 (1.7%) against the revised estimate for 2012–13.

Under *Subhead 080 Recovery from Housing Authority under current financial arrangement*, the decrease of \$162,867,000 (70.8%) is mainly due to the expected decrease in payment by the Housing Authority of the land costs for flats sold under Home Ownership Scheme.