

Head 9 — LOANS, REIMBURSEMENTS, CONTRIBUTIONS AND OTHER RECEIPTS

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 Repayments of loans and advances.....	344	—	290	—
020 Pension contributions.....	12,642	11,163	10,408	9,684
030 Recovery of salaries and staff on-costs.....	2,313,090	2,357,509	2,518,332	2,608,233
040 Light and fuel in government buildings.....	24,856	22,887	26,490	26,499
050 Recovery of overpayments and losses	842,863	382,701	635,901	595,655
080 Transfers from Funds	1,800,000	500,000	500,000	1,000,000
090 Other receipts.....	2,358,767	5,878,129	16,171,319	5,227,920
110 Payments made by Trading Funds—				
(001) Payments in lieu of profits tax	227,574	125,749	195,543	123,149
(002) Payments for “insurance” premium.....	3,078	3,174	3,174	3,280
(003) Reimbursements by trading funds arising from policy on “insurance”	309	234	508	256
Total.....	<u>7,583,523</u>	<u>9,281,546</u>	<u>20,061,965</u>	<u>9,594,676</u>

Description of Revenue Sources

This revenue head covers 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 staff 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 5.5% of total revenue in 2012–13.

Underlying Changes in Revenue Yield

The 2012–13 revised estimate of \$20,061,965,000 reflects a net increase of \$10,780,419,000 (116.1%) over the original estimate.

Under *Subhead 010 Repayments of loans and advances*, the increase of \$290,000 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 increase of \$3,603,000 (15.7%) is due to the higher than expected electricity charges collected from the tenants of government premises.

Under *Subhead 050 Recovery of overpayments and losses*, the increase of \$253,200,000 (66.2%) is mainly due to the higher than expected refunds of unspent balance of grants from aided schools and non-government organisations, and the higher than expected number of uncollected cheques issued under the Scheme \$6,000.

Under *Subhead 090 Other receipts*, the increase of \$10,293,190,000 (175.1%) reflects dividend receipts from West Rail Property Development Limited relating to the tender programme of the Tsuen Wan West Cityside site and the Tsuen Wan West Bayside site.

Under *Subhead 110 Payments made by Trading Funds*, the increase of \$70,068,000 (54.3%) 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, Post Office Trading Fund and Office of the Communications Authority. (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 2013–14 estimate of \$9,594,676,000 reflects a net decrease of \$10,467,289,000 (52.2%) against the revised estimate of 2012–13.

Under *Subhead 010 Repayments of loans and advances*, a decrease of \$290,000 (100.0%) is expected because there will be no repayment of loans and advances under the Sandwich Class Housing Purchase Loan Scheme.

Under *Subhead 080 Transfers from Funds*, the increase of \$500,000,000 (100.0%) is attributed to the proposed transfer from Capital Investment Fund to the general revenue in 2013–14.

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Under *Subhead 090 Other receipts*, the decrease of \$10,943,399,000 (67.7%) is mainly due to the expected decrease in the distribution of dividends from West Rail Property Development Limited generated from the tender programme of their sites.

Under *Subhead 110 Payments made by Trading Funds*, a decrease of \$72,540,000 (36.4%) is expected because the revenue boost for 2012–13 would not be repeated and the number of company incorporations, and hence the profits-tax-equivalent contribution from the Companies Registry, is expected to drop in 2013–14.