

Head 5 — FINES, FORFEITURES AND PENALTIES

Details of Revenue

Sub-head (Code)	Actual revenue 2013–14	Original estimate 2014–15	Revised estimate 2014–15	Estimate 2015–16
	\$'000	\$'000	\$'000	\$'000
010 Court fines and statutory penalties.....	573,791	479,360	592,946	487,249
020 Forfeitures.....	815,017	71,153	90,813	50,490
030 Fixed penalty system (Traffic Contraventions)..	347,649	352,900	373,447	384,632
040 Fixed penalty system (Criminal Proceedings) ...	216,366	217,183	195,688	201,559
050 Payments by civil servants.....	3,970	2,615	4,068	2,803
060 Fixed penalty system (Motor Vehicle Idling)	28	23	19	19
Total.....	<u>1,956,821</u>	<u>1,123,234</u>	<u>1,256,981</u>	<u>1,126,752</u>

Description of Revenue Sources

This revenue head covers 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 offences under the Fixed Penalty (Traffic Contraventions) Ordinance (Cap. 237), the Fixed Penalty (Criminal Proceedings) Ordinance (Cap. 240) and the Motor Vehicle Idling (Fixed Penalty) Ordinance (Cap. 611), 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 contracts.

Revenue from fines, forfeitures and penalties generated 0.3% of total revenue in 2014–15.

Underlying Changes in Revenue Yield

The 2014–15 revised estimate of \$1,256,981,000 reflects a net increase of \$133,747,000 (11.9%) over the original estimate.

Under *Subhead 010 Court fines and statutory penalties*, the increase of \$113,586,000 (23.7%) is mainly due to the higher-than-expected revenue from fines imposed on some cases.

Under *Subhead 020 Forfeitures*, the increase of \$19,660,000 (27.6%) is mainly due to the higher-than-expected revenue from forfeiture cases.

Under *Subhead 050 Payments by civil servants*, the increase of \$1,453,000 (55.6%) 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.

Under *Subhead 060 Fixed penalty system (Motor Vehicle Idling)*, the decrease of \$4,000 (17.4%) is due to the lower-than-expected number of fixed penalty notices issued for motor vehicle idling offences.

The 2015–16 estimate of \$1,126,752,000 reflects a net decrease of \$130,229,000 (10.4%) against the revised estimate for 2014–15.

Under *Subhead 010 Court fines and statutory penalties*, the decrease of \$105,697,000 (17.8%) is mainly due to anticipated decrease in revenue from fines imposed on some cases.

Under *Subhead 020 Forfeitures*, the decrease of \$40,323,000 (44.4%) is mainly due to anticipated decrease in forfeiture cases.

Under *Subhead 050 Payments by civil servants*, the decrease of \$1,265,000 (31.1%) 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.