

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

### Details of Revenue

Sub-head (Code)	Actual revenue 2017–18	Original estimate 2018–19	Revised estimate 2018–19	Estimate 2019–20
	\$'000	\$'000	\$'000	\$'000
010 Repayments of loans and advances.....	23	—	—	—
020 Pension contributions.....	4,349	3,556	3,784	3,186
030 Recovery of salaries and staff on-costs.....	2,844,887	3,191,644	3,121,445	3,183,851
040 Light and fuel in government buildings.....	21,223	19,357	19,901	20,279
050 Recovery of overpayments and losses.....	891,792	634,656	848,457	644,913
080 Transfers from Funds.....	—	80,000,000	80,000,000	55,000,000
090 Other receipts.....	1,298,497	8,977,136	9,345,904	1,022,100
110 Payments made by Trading Funds—				
(001) Payments of notional profits tax.....	32,791	—	—	—
(002) Payments for “insurance” premium.....	3,533	3,595	3,595	3,777
(003) Reimbursements by trading funds arising from policy on “insurance”.....	422	286	79	210
Total.....	<u>5,097,517</u>	<u>92,830,230</u>	<u>93,343,165</u>	<u>59,878,316</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), transfer from Government Funds, and payments made by Trading Funds.

Revenue from loans, reimbursements, contributions and other receipts (excluding transfers from funds) generated 2.9% of total revenue in 2018–19.

### Underlying Changes in Revenue Yield

The **2018–19** revised estimate of \$93,343,165,000 reflects a net increase of \$512,935,000 (0.6%) over the original estimate.

Under *Subhead 050 Recovery of overpayments and losses*, the increase of \$213,801,000 (33.7%) is mainly due to the higher-than-expected refunds of unspent subventions from Non-governmental Organisations (NGOs) and other subvented organisations, the unexpected refunds from the Electrical and Mechanical Services Trading Fund, and the unexpected refunds of unspent balance from the Scheme for Subsidy on Exchange for Post-secondary Students (SSE).

The **2019–20** estimate of \$59,878,316,000 reflects a net decrease of \$33,464,849,000 (35.9%) against the revised estimate for 2018–19.

Under *Subhead 020 Pension contributions*, a decrease of \$598,000 (15.8%) is expected because the pension contributions under the Surviving Spouses’ and Children’s Pension Schemes are expected to drop.

Under *Subhead 050 Recovery of overpayments and losses*, a decrease of \$203,544,000 (24.0%) is expected mainly because the refunds of unspent subventions from NGOs and subvented organisations are expected to drop, and no refunds from the SSE are expected.

Under *Subhead 080 Transfers from Funds*, the decrease of \$25,000,000,000 (31.3%) is due to the expected decrease in transfer from Capital Works Reserve Fund to the general revenue in 2019–20.

Under *Subhead 090 Other receipts*, a decrease of \$8,323,804,000 (89.1%) is expected mainly because no receipt of dividend from the West Rail Property Development Limited and the Cyberport Project is expected.