

Head 5 — FINES, FORFEITURES AND PENALTIES

Details of Revenue

Sub-head (Code)	Actual revenue 2019–20	Original estimate 2020–21	Revised estimate 2020–21	Estimate 2021–22
	\$'000	\$'000	\$'000	\$'000
010 Court fines and statutory penalties.....	1,004,492	551,000	3,250,000	449,000
020 Forfeitures.....	127,009	110,000	308,000	63,000
030 Fixed penalty system (Traffic Contraventions) ..	480,748	679,900	898,000	1,024,000
040 Fixed penalty system (Criminal Proceedings) ...	182,027	231,800	213,700	246,400
050 Payments by civil servants.....	6,485	5,850	8,310	6,430
060 Fixed penalty system (Motor Vehicle Idling)	9	17	6	16
Total.....	1,800,770	1,578,567	4,678,016	1,788,846

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 1.1% of total revenue in 2020–21.

Underlying Changes in Revenue Yield

The **2020–21** revised estimate of \$4,678,016,000 reflects a net increase of \$3,099,449,000 (196.3%) over the original estimate.

Under *Subhead 010 Court fines and statutory penalties*, the increase of \$2,699,000,000 (489.8%) is mainly due to the higher-than-expected revenue from fines ordered by the Securities and Futures Commission.

Under *Subhead 020 Forfeitures*, the increase of \$198,000,000 (180.0%) is mainly due to the higher-than-expected revenue from forfeiture cases.

Under *Subhead 030 Fixed penalty system (Traffic Contraventions)*, the increase of \$218,100,000 (32.1%) is mainly due to the higher-than-expected number of fixed penalty tickets issued for traffic offences.

Under *Subhead 050 Payments by civil servants*, the increase of \$2,460,000 (42.1%) is mainly due to the higher-than-expected payments by civil servants resigning from the civil service who paid salary in lieu of observing the prescribed notice period.

Under *Subhead 060 Fixed penalty system (Motor Vehicle Idling)*, the decrease of \$11,000 (64.7%) is due to the lower-than-expected number of fixed penalty tickets issued for motor vehicle idling offences.

The **2021–22** estimate of \$1,788,846,000 reflects a net decrease of \$2,889,170,000 (61.8%) against the revised estimate for 2020–21.

Under *Subhead 010 Court fines and statutory penalties*, a decrease of \$2,801,000,000 (86.2%) is expected mainly due to an anticipated decrease in revenue from fines.

Under *Subhead 020 Forfeitures*, a decrease of \$245,000,000 (79.5%) is expected mainly because the revenue from forfeiture cases is expected to drop.

Under *Subhead 030 Fixed penalty system (Traffic Contraventions)*, an increase of \$126,000,000 (14.0%) is expected mainly because the number of fixed penalty tickets issued for traffic offences is expected to rise.

Under *Subhead 040 Fixed penalty system (Criminal Proceedings)*, an increase of \$32,700,000 (15.3%) is expected mainly because the number of fixed penalty tickets issued for traffic offences is expected to rise.

Under *Subhead 050 Payments by civil servants*, a decrease of \$1,880,000 (22.6%) is expected mainly because the payments by civil servants resigning from the civil service who choose to pay salary in lieu of observing the prescribed notice period are expected to drop.

Head 5 — FINES, FORFEITURES AND PENALTIES

Under *Subhead 060 Fixed penalty system (Motor Vehicle Idling)*, an increase of \$10,000 (166.7%) is expected mainly because the number of fixed penalty tickets issued for motor vehicle idling offences is expected to rise.