

Head 5 — FINES, FORFEITURES AND PENALTIES

Details of Revenue

Sub-head (Code)	Actual revenue 2021–22	Original estimate 2022–23	Revised estimate 2022–23	Estimate 2023–24
	\$'000	\$'000	\$'000	\$'000
010 Court fines and statutory penalties.....	1,069,098	531,000	756,000	466,000
020 Forfeitures.....	217,896	67,000	248,000	140,000
030 Fixed penalty system (Traffic Contraventions)..	1,056,180	1,179,000	1,161,000	1,269,000
040 Fixed penalty system (Criminal Proceedings) ...	229,357	240,900	256,000	262,000
050 Payments by civil servants.....	21,539	11,190	17,040	16,080
060 Fixed penalty system (Motor Vehicle Idling)	7	8	8	8
Total.....	<u>2,594,077</u>	<u>2,029,098</u>	<u>2,438,048</u>	<u>2,153,088</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 (e.g. in respect of disciplinary proceedings and breaches of contracts).

Revenue from fines, forfeitures and penalties generated 0.5% of total revenue in 2022–23.

Underlying Changes in Revenue Yield

The **2022–23** revised estimate of \$2,438,048,000 reflects a net increase of \$408,950,000 (20.2%) over the original estimate.

Under *Subhead 010 Court fines and statutory penalties*, the increase of \$225 million (42.4%) is mainly due to the higher-than-expected revenue from fixed penalties imposed for prevention and control of disease, and fines ordered by the Securities and Futures Commission and Hong Kong Monetary Authority.

Under *Subhead 020 Forfeitures*, the increase of \$181 million (270.1%) is mainly due to the higher-than-expected revenue from forfeiture cases.

Under *Subhead 050 Payments by civil servants*, the increase of \$5,850,000 (52.3%) 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.

The **2023–24** estimate of \$2,153,088,000 reflects a net decrease of \$284,960,000 (11.7%) against the revised estimate for 2022–23.

Under *Subhead 010 Court fines and statutory penalties*, a decrease of \$290 million (38.4%) is expected mainly due to an anticipated decrease in revenue from fines.

Under *Subhead 020 Forfeitures*, a decrease of \$108 million (43.5%) is expected mainly because the revenue from forfeiture cases is expected to drop.