

Head 5 — FINES, FORFEITURES AND PENALTIES

Details of Revenue

Sub-head (Code)	Actual revenue 2022–23	Original estimate 2023–24	Revised estimate 2023–24	Estimate 2024–25
	\$'000	\$'000	\$'000	\$'000
010 Court fines and statutory penalties.....	722,643	466,000	554,000	540,000
020 Forfeitures.....	246,524	140,000	262,000	81,000
030 Fixed penalty system (Traffic Contraventions)..	1,127,625	1,269,000	988,000	988,000
040 Fixed penalty system (Criminal Proceedings) ...	254,603	262,000	242,000	242,000
050 Payments by civil servants.....	18,160	16,080	13,070	13,200
060 Fixed penalty system (Motor Vehicle Idling)	15	8	14	14
Total.....	<u>2,369,570</u>	<u>2,153,088</u>	<u>2,059,084</u>	<u>1,864,214</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 0.4% of total revenue in 2023–24.

Underlying Changes in Revenue Yield

The 2023–24 revised estimate of \$2,059,084,000 reflects a net decrease of \$94,004,000 (4.4%) against the original estimate.

Under *Subhead 010 Court fines and statutory penalties*, the increase of \$88,000,000 (18.9%) 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 \$122,000,000 (87.1%) is mainly due to the higher-than-expected revenue from forfeiture cases.

Under *Subhead 030 Fixed penalty system (Traffic Contraventions)*, the decrease of \$281,000,000 (22.1%) is mainly due to the lower-than-expected number of fixed penalty tickets issued for traffic offences.

Under *Subhead 050 Payments by civil servants*, the decrease of \$3,010,000 (18.7%) is mainly due to the lower-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 increase of \$6,000 (75%) is due to the higher-than-expected number of fixed penalty tickets issued for motor vehicle idling offences.

The 2024–25 estimate of \$1,864,214,000 reflects a net decrease of \$194,870,000 (9.5%) against the revised estimate for 2023–24.

Under *Subhead 020 Forfeitures*, a decrease of \$181,000,000 (69.1%) is expected mainly because the revenue from forfeiture cases is expected to drop.