

## Head 7 — PROPERTIES AND INVESTMENTS

### 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 Government land licences, Government rents (other than those charged at 3% of rateable values in accordance with the Government Rent (Assessment and Collection) Ordinance (Cap. 515)) and rents from short term tenancies.....	1,681,995	1,962,698	2,229,052	<b>2,633,632</b>
020 Rents from government quarters.....	1,033,994	1,039,330	1,080,484	<b>1,107,065</b>
030 Rents from government properties.....	646,755	847,817	886,046	<b>1,248,324</b>
040 Investment income and interest.....	15,436,448	5,786,000	6,357,014	<b>5,931,000</b>
060 Returns on equity investments in statutory agencies/corporations .....	8,673,210	7,885,401	8,070,768	<b>11,070,768</b>
080 Recovery from Housing Authority under current financial arrangement.....	1,414,197	842,818	1,357,442	<b>2,688,366</b>
090 Government rents charged at 3% of rateable values in accordance with the Government Rent (Assessment and Collection) Ordinance (Cap. 515) .....	12,434,236	12,752,000	12,425,000	<b>12,987,000</b>
Total.....	<u>41,320,835</u>	<u>31,116,064</u>	<u>32,405,806</u>	<u><b>37,666,155</b></u>

### Description of Revenue Sources

This revenue head covers the yields from government land licences; Government rents including those charged at 3% of rateable values in accordance with the Government Rent (Assessment and Collection) Ordinance (Cap. 515); and rents from short term tenancies, government quarters and properties. Investment income earned on the balances of the General Revenue Account and other interest receipts arising from the General Revenue Account, returns from equity investments in statutory agencies and corporations other than those credited to the Capital Investment Fund, and recovery from the Housing Authority of the land costs of subsidised sale flats are also included in this head.

Revenue from properties and investments generated 7.0% of total revenue in 2023–24.

### Underlying Changes in Revenue Yield

The 2023–24 revised estimate of \$32,405,806,000 reflects a net increase of \$1,289,742,000 (4.1%) over the original estimate.

Under *Subhead 010 Government land licences, Government rents (other than those charged at 3% of rateable values in accordance with the Government Rent (Assessment and Collection) Ordinance (Cap. 515)) and rents from short term tenancies*, the increase of \$266,354,000 (13.6%) is mainly due to the one-off collection of Government Rent from one major redevelopment case.

Under *Subhead 080 Recovery from the Housing Authority under current financial arrangement*, the increase of \$514,624,000 (61.1%) is mainly due to the higher-than-expected increase in the number of Home Ownership Scheme/Green Form Subsidised Home Ownership Scheme flats sold.

The 2024–25 estimate of \$37,666,155,000 reflects a net increase of \$5,260,349,000 (16.2%) over the revised estimate for 2023–24.

Under *Subhead 010 Government land licences, Government rents (other than those charged at 3% of rateable values in accordance with the Government Rent (Assessment and Collection) Ordinance (Cap. 515)) and rents from short term tenancies*, the increase of \$404,580,000 (18.2%) is mainly due to the expiry of the rent concession for short term tenancies on 31 December 2023.

Under *Subhead 030 Rents from government properties*, the increase of \$362,278,000 (40.9%) is mainly due to the expiry of the rental concession for eligible tenants of government premises on 31 December 2023.

Under *Subhead 060 Returns on equity investments in statutory agencies/corporations*, the increase of \$3 billion (37.2%) is mainly due to the anticipated increase of dividend receipts from statutory corporations.

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Under *Subhead 080 Recovery from the Housing Authority under current financial arrangement*, the increase of \$1,330,924,000 (98.0%) is mainly due to the anticipated increase in the number of Home Ownership Scheme/Green Form Subsidised Home Ownership Scheme flats sold.