

Head 4 — MOTOR VEHICLE TAXES

Details of Revenue

Sub-head (Code)	Actual revenue 2024–25	Original estimate 2025–26	Revised estimate 2025–26	Estimate 2026–27
	\$'000	\$'000	\$'000	\$'000
010 First registration.....	4,744,736	4,821,000	4,890,000	8,880,000
Total	<u>4,744,736</u>	<u>4,821,000</u>	<u>4,890,000</u>	<u>8,880,000</u>

Description of Revenue Source

This revenue head covers the taxes for the registration of motor vehicles under the Motor Vehicles (First Registration Tax) Ordinance (Cap. 330). Motor vehicle taxes are imposed on the first registration of certain classes of motor vehicles set out in the Schedule to the Motor Vehicles (First Registration Tax) Ordinance, including private cars, motor cycles, motor tricycles, goods vehicles, taxis, buses, light buses and special purpose vehicles. The tax rate is expressed as a percentage of the value of the vehicle and varies according to the class of motor vehicle specified in the Schedule.

Revenue from motor vehicle taxes generated 0.8% of total revenue in 2025–26.

Underlying Changes in Revenue Yield

The **2025–26** revised estimate of \$4,890 million reflects an increase of \$69 million (1.4%) over the original estimate.

The **2026–27** estimate of \$8,880 million reflects an increase of \$3,990 million (81.6%) over the revised estimate for 2025–26. This is mainly due to the expiry of tax concessions for electric private cars on 31 March 2026.