

## Head 5 — FINES, FORFEITURES AND PENALTIES

### Details of Revenue

| Sub-head<br>(Code)                                     | Actual<br>revenue<br>2024–25 | Original<br>estimate<br>2025–26 | Revised<br>estimate<br>2025–26 | <b>Estimate<br/>2026–27</b> |
|--|------------------------------|---------------------------------|--------------------------------|-----------------------------|
|  | \$'000                       | \$'000                          | \$'000                         | <b>\$'000</b>               |
| 010 Court fines and statutory penalties.....           | 784,423                      | 566,000                         | 762,000                        | <b>711,000</b>              |
| 020 Forfeitures.....                                   | 171,052                      | 89,000                          | 404,000                        | <b>100,000</b>              |
| 030 Fixed penalty system (Traffic Contraventions)..... | 829,854                      | 843,000                         | 770,000                        | <b>880,000</b>              |
| 040 Fixed penalty system (Criminal Proceedings) .....  | 215,142                      | 210,000                         | 214,000                        | <b>273,000</b>              |
| 050 Payments by civil servants.....                    | 10,919                       | 8,600                           | 8,800                          | <b>8,800</b>                |
| 060 Fixed penalty system (Motor Vehicle Idling) .....  | 36                           | 30                              | 30                             | <b>30</b>                   |
| Total.....   | <u>2,011,426</u>             | <u>1,716,630</u>                | <u>2,158,830</u>               | <u><b>1,972,830</b></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 0.3% of total revenue in 2025–26.

### Underlying Changes in Revenue Yield

The 2025–26 revised estimate of \$2,158,830,000 reflects a net increase of \$442,200,000 (25.8%) over the original estimate.

Under *Subhead 010 Court fines and statutory penalties*, the increase of \$196 million (34.6%) is mainly due to the increase in the penalty compoundable under the Dutiable Commodities Ordinance (Cap. 109) with effect from 19 September 2025 and higher-than-expected revenue from fines ordered by the Securities and Futures Commission.

Under *Subhead 020 Forfeitures*, the increase of \$315 million (353.9%) is mainly due to the higher-than-expected revenue from forfeiture cases.

The 2026–27 estimate of \$1,972,830,000 reflects a net decrease of \$186 million (8.6%) against the revised estimate for 2025–26.

Under *Subhead 020 Forfeitures*, a decrease of \$304 million (75.2%) is expected mainly due to an anticipated decrease in revenue from forfeiture cases.

Under *Subhead 030 Fixed penalty system (Traffic Contraventions)*, an increase of \$110 million (14.3%) is expected mainly due to the increase in fixed penalties for traffic offences with effect from 1 January 2026.

Under *Subhead 040 Fixed penalty system (Criminal Proceedings)*, an increase of \$59 million (27.6%) is expected mainly due to the increase in fixed penalties for traffic offences with effect from 1 January 2026.