

Head 1 — DUTIES

Details of Revenue

Sub-head (Code)	Actual revenue 2000–01	Original estimate 2001–02	Revised estimate 2001–02	Estimate 2002–03
	\$'000	\$'000	\$'000	\$'000
010 Hydrocarbon oils	4,025,859	4,281,472	3,793,711	3,672,073 †
020 Alcoholic beverages	714,721	779,490	703,391	783,380 §
030 Other alcohol products	2,667	3,556	3,598	3,598
050 Tobacco	2,550,211	2,786,376	2,280,329	2,501,657 §
Total	<u>7,293,458</u>	<u>7,850,894</u>	<u>6,781,029</u>	<u>6,960,708</u>

† After Budget revenue measures but subject to the passing by the Legislative Council of the relevant resolution to extend the concessionary rate of \$1.11 per litre for ultra-low-sulphur diesel from 31 March 2002 to 31 March 2003.

§ After Budget revenue measures but subject to the passing of the relevant legislation by the Legislative Council.

Description of Revenue Sources

To this revenue head are credited duties paid on hydrocarbon oils, alcoholic beverages, other alcohol products and tobacco under the Dutiable Commodities Ordinance (Cap. 109).

Revenue from duties generated 4.4% of general revenue in 2001–02.

Underlying Changes in Revenue Yield

The **2001–02** revised estimate of \$6,781,029,000 is a net decrease of \$1,069,865,000 (13.6%) against the original estimate.

Under *Subhead 010 Hydrocarbon oils* the decrease of \$487,761,000 (11.4%) is mainly due to the extension of the concessionary rate at \$1.11 per litre for ultra-low sulphur diesel from 30 June 2001 to 31 March 2002.

Under *Subhead 050 Tobacco* the decrease of \$506,047,000 (18.2%) is mainly due to the lower than expected demand for such products.

The **2002–03** estimate of \$6,960,708,000 is a net increase of \$179,679,000 (2.6%) over the revised estimate for 2001–02.

Under *Subhead 020 Alcoholic beverages* the increase of \$79,989,000 (11.4%) mainly reflects the effect of an increase in the duty rate on alcoholic beverages in the 2002–03 Budget.

Under *Subhead 050 Tobacco* the increase of \$221,328,000 (9.7%) mainly reflects the effect of the reduction in duty-free concessions for tobacco and alcoholic beverages in the 2002–03 Budget.