

Head 2 — GENERAL RATES

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
030 General Rates.....	14,428,229	14,884,000	12,470,000	9,143,000
Total	<u>14,428,229</u>	<u>14,884,000</u>	<u>12,470,000</u>	<u>9,143,000</u>

Description of Revenue Source

To this revenue head is credited the yield from General Rates levied on occupiers of all rateable premises under the Rating Ordinance (Cap. 116).

Revenue from General Rates generated 8.0% of general revenue in 2001-02.

Underlying Changes in Revenue Yield

The **2001-02** revised estimate of \$12,470,000,000 represents a decrease of \$2,414,000,000 (16.2%) against the original estimate. This reflects the partial effect of the rates concession in 2002 announced in the 2001 Policy Address.

The **2002-03** estimate of \$9,143,000,000 represents a decrease of \$3,327,000,000 (26.7%) against the revised estimate for 2001-02. This reflects the partial effect of the rates concession in 2002 announced in the 2001 Policy Address, and the effect of further raising the maximum amount of this concession in the 2002-03 Budget from \$2,000 to \$5,000 for each rateable tenement.