

Head 5 — FINES, FORFEITURES AND PENALTIES

Details of Revenue

Sub-head (Code)	Actual revenue 2014–15	Original estimate 2015–16	Revised estimate 2015–16	Estimate 2016–17
	\$'000	\$'000	\$'000	\$'000
010 Court fines and statutory penalties.....	569,342	487,249	547,304	494,663
020 Forfeitures.....	199,545	50,490	150,629	90,916
030 Fixed penalty system (Traffic Contraventions)..	365,169	384,632	426,633	439,401
040 Fixed penalty system (Criminal Proceedings) ...	189,458	201,559	194,937	200,785
050 Payments by civil servants.....	4,519	2,803	3,973	3,340
060 Fixed penalty system (Motor Vehicle Idling)....	14	19	20	20
Total.....	<u>1,328,047</u>	<u>1,126,752</u>	<u>1,323,496</u>	<u>1,229,125</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 in respect of disciplinary proceedings and breaches of contracts.

Revenue from fines, forfeitures and penalties generated 0.4% of total revenue in 2015–16.

Underlying Changes in Revenue Yield

The **2015–16** revised estimate of \$1,323,496,000 reflects a net increase of \$196,744,000 (17.5%) over the original estimate.

Under *Subhead 010 Court fines and statutory penalties*, the increase of \$60,055,000 (12.3%) is mainly due to the higher-than-expected revenue from court fines and fines ordered by the Securities and Futures Commission and Hong Kong Monetary Authority.

Under *Subhead 020 Forfeitures*, the increase of \$100,139,000 (198.3%) is mainly due to the higher-than-expected revenue from forfeiture cases.

Under *Subhead 030 Fixed penalty system (Traffic Contravention)*, the increase of \$42,001,000 (10.9%) is mainly due to the higher-than-expected number of fixed penalty tickets issued for traffic offences.

Under *Subhead 050 Payments by civil servants*, the increase of \$1,170,000 (41.7%) is mainly due to the higher-than-expected payment by civil servants resigning from the civil service who choose to pay salary in lieu of observing the prescribed notice period.

The **2016–17** estimate of \$1,229,125,000 reflects a net decrease of \$94,371,000 (7.1%) against the revised estimate for 2015–16.

Under *Subhead 020 Forfeitures*, the decrease of \$59,713,000 (39.6%) is mainly due to anticipated decrease in revenue from forfeiture cases.

Under *Subhead 050 Payments by civil servants*, the decrease of \$633,000 (15.9%) is mainly due to expected decrease in payment by civil servants resigning from the civil service who choose to pay salary in lieu of observing the prescribed notice period.