

General Revenue Account

VARIANCE ANALYSIS BY REVENUE HEAD (FOR HEADS WITH ACTUAL REVENUE DIFFERENT FROM ORIGINAL ESTIMATES BY MORE THAN 10%)

Head 1 — DUTIES

The increase of \$770.7 million was mainly due to the unexpected increase in tobacco consumption.

Head 2 — GENERAL RATES

The decrease of \$2,057.5 million mainly reflected the additional rates concession for the last quarter of 2007-08 as announced in the 2007 Policy Address.

Head 3 — INTERNAL REVENUE

The increase of \$51,728.8 million was mainly due to more receipts from stamp duties (\$28,899.1 million), profits tax (\$13,922.7 million) and salaries tax (\$7,499.5 million). This reflected the higher than expected turnover in the stock market and the property market in 2007-08, and assessable profits and salary income in the year of assessment 2006-07.

Head 4 — MOTOR VEHICLE TAXES

The increase of \$1,088.3 million was mainly due to the higher than expected number of vehicles subject to first registration, as well as an increase in the average tax payable for vehicles registered in 2007-08.

Head 6 — ROYALTIES AND CONCESSIONS

The increase of \$81.9 million was mainly due to the one-off receipts of the spectrum utilisation fee of a CDMA2000 licence and the non-refundable premium in respect of the North District Temporary Wholesale Market for Agricultural Products in 2007-08.

Head 7 — PROPERTIES AND INVESTMENTS

The increase of \$7,318.9 million was mainly due to the receipts from the Housing Authority of the accumulated land costs for flats sold under the Tenants Purchase Scheme in previous years (\$4,385.5 million); higher than expected receipts from investment income and interest (\$1,963.7 million) and increased income from Government rents charged at 3% of rateable values in accordance with the Government Rent (Assessment and Collection) Ordinance (Cap. 515) (\$597.9 million).