

## Head 1 — DUTIES

### Details of Revenue

Sub-head (Code)	Actual revenue 2023–24	Original estimate 2024–25	Revised estimate 2024–25	<b>Estimate 2025–26</b>
	\$'000	\$'000	\$'000	\$'000
010 Hydrocarbon oils .....	2,958,320	3,004,682	2,582,000	<b>2,341,000</b>
020 Alcoholic beverages.....	686,890	716,851	420,000	<b>284,000</b>
030 Other alcohol products.....	5,730	4,923	5,500	<b>5,600</b>
050 Tobacco .....	7,247,686	9,023,569	3,800,000	<b>3,800,000</b>
Total .....	<u>10,898,626</u>	<u>12,750,025</u>	<u>6,807,500</u>	<u><b>6,430,600</b></u>

### Description of Revenue Sources

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

Revenue from duties generated 1.4% of total revenue in 2024–25.

### Underlying Changes in Revenue Yield

The 2024–25 revised estimate of \$6,807,500,000 reflects a net decrease of \$5,942,525,000 (46.6%) against the original estimate.

Under *Subhead 010 Hydrocarbon oils*, the decrease of \$422,682,000 (14.1%) is mainly due to the lower-than-expected demand for such products and the wider use of electric vehicles.

Under *Subhead 020 Alcoholic beverages*, the decrease of \$296,851,000 (41.4%) is mainly due to the lower-than-expected demand of such products and the reduction of duty rate for liquor with an import price of over \$200 from 16 October 2024.

Under *Subhead 030 Other alcohol products*, the increase of \$577,000 (11.7%) is mainly due to the higher-than-expected demand for such products.

Under *Subhead 050 Tobacco*, the decrease of \$5,223,569,000 (57.9%) is mainly due to the lower-than-expected demand for such products.

The 2025–26 estimate of \$6,430,600,000 reflects a net decrease of \$376,900,000 (5.5%) against the revised estimate for 2024–25.

Under *Subhead 020 Alcoholic beverages*, the decrease of \$136 million (32.4%) is mainly due to the reduction of duty rate for liquor with an import price of over \$200 since October 2024.