

Head 5 — FINES, FORFEITURES AND PENALTIES

Details of Revenue

Sub-head (Code)	Actual revenue 2023–24	Original estimate 2024–25	Revised estimate 2024–25	Estimate 2025–26
	\$'000	\$'000	\$'000	\$'000
010 Court fines and statutory penalties.....	578,577	540,000	678,000	566,000
020 Forfeitures.....	193,104	81,000	221,000	89,000
030 Fixed penalty system (Traffic Contraventions).....	945,641	988,000	843,000	843,000
040 Fixed penalty system (Criminal Proceedings)	234,059	242,000	210,000	210,000
050 Payments by civil servants.....	13,179	13,200	8,600	8,600
060 Fixed penalty system (Motor Vehicle Idling)	19	14	30	30
Total.....	<u>1,964,579</u>	<u>1,864,214</u>	<u>1,960,630</u>	<u>1,716,630</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 (e.g. in respect of disciplinary proceedings and breaches of contracts).

Revenue from fines, forfeitures and penalties generated 0.4% of total revenue in 2024–25.

Underlying Changes in Revenue Yield

The **2024–25** revised estimate of \$1,960,630,000 reflects a net increase of \$96,416,000 (5.2%) over the original estimate.

Under *Subhead 010 Court fines and statutory penalties*, the increase of \$138 million (25.6%) is mainly due to the higher-than-expected revenue from fines ordered by the Securities and Futures Commission.

Under *Subhead 020 Forfeitures*, the increase of \$140 million (172.8%) is mainly due to the higher-than-expected revenue from forfeiture cases.

Under *Subhead 030 Fixed penalty system (Traffic Contraventions)*, the decrease of \$145 million (14.7%) is mainly due to the lower-than-expected number of fixed penalty tickets issued for traffic offences under the Fixed Penalty (Traffic Contraventions) Ordinance (Cap. 237).

Under *Subhead 040 Fixed penalty system (Criminal Proceedings)*, the decrease of \$32 million (13.2%) is mainly due to the lower-than-expected number of fixed penalty tickets issued for traffic offences under the Fixed Penalty (Criminal Proceedings) Ordinance (Cap. 240).

Under *Subhead 050 Payments by civil servants*, the decrease of \$4,600,000 (34.8%) is mainly due to the lower-than-expected payments by civil servants resigning from the civil service who paid salary in lieu of observing the prescribed notice period.

Under *Subhead 060 Fixed penalty system (Motor Vehicle Idling)*, the increase of \$16,000 (114.3%) is due to the higher-than-expected number of fixed penalty tickets issued for motor vehicle idling offences.

The **2025–26** estimate of \$1,716,630,000 reflects a net decrease of \$244 million (12.4%) against the revised estimate for 2024–25.

Under *Subhead 010 Court fines and statutory penalties*, a decrease of \$112 million (16.5%) is expected mainly due to an anticipated decrease in revenue from fines.

Under *Subhead 020 Forfeitures*, a decrease of \$132 million (59.7%) is expected mainly due to an anticipated decrease in revenue from forfeiture cases.