

## Head 7 — PROPERTIES AND INVESTMENTS

### 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 Government land licences, Government rents (other than those charged at 3% of rateable values in accordance with the Government Rent (Assessment and Collection) Ordinance (Cap. 515)) and rents from short term tenancies.....	2,662,970	2,633,632	2,533,000	<b>2,663,000</b>
020 Rents from government quarters.....	1,101,001	1,107,065	1,156,000	<b>1,201,000</b>
030 Rents from government properties.....	918,276	1,248,324	1,205,000	<b>1,300,000</b>
040 Investment income and interest.....	6,389,847	5,931,000	5,355,000	<b>6,258,000</b>
060 Returns on equity investments in statutory agencies/corporations .....	8,070,768	11,070,768	9,071,000	<b>9,632,000</b>
080 Recovery from Housing Authority under current financial arrangement.....	1,357,441	2,688,366	2,656,000	<b>2,104,000</b>
090 Government rents charged at 3% of rateable values in accordance with the Government Rent (Assessment and Collection) Ordinance (Cap. 515) .....	12,441,454	12,987,000	13,051,000	<b>13,992,000</b>
Total.....	<u>32,941,757</u>	<u>37,666,155</u>	<u>35,027,000</u>	<u><b>37,150,000</b></u>

### Description of Revenue Sources

This revenue head covers the yields from government land licences; Government rents including those charged at 3% of rateable values in accordance with the Government Rent (Assessment and Collection) Ordinance (Cap. 515); and rents from short term tenancies, government quarters and properties. Investment income earned on the balances of the General Revenue Account and other interest receipts arising from the General Revenue Account, returns from equity investments in statutory agencies and corporations other than those credited to the Capital Investment Fund, and recovery of the land costs of subsidised sale flats from the Housing Authority are also included in this head.

Revenue from properties and investments generated 7.0% of total revenue in 2024–25.

### Underlying Changes in Revenue Yield

The 2024–25 revised estimate of \$35,027 million reflects a net decrease of \$2,639,155,000 (7.0%) against the original estimate.

Under *Subhead 060 Returns on equity investments in statutory agencies/corporations*, the decrease of \$1,999,768,000 (18.1%) is mainly due to lower-than-expected dividend receipts from statutory corporations.

The 2025–26 estimate of \$37,150 million reflects a net increase of \$2,123 million (6.1%) over the revised estimate for 2024–25.

Under *Subhead 040 Investment income and interest*, the increase of \$903 million (16.9%) is mainly due to the increase in rate of return on investments with the Exchange Fund.

Under *Subhead 080 Recovery from Housing Authority under current financial arrangement*, the decrease of \$552 million (20.8%) is mainly due to the anticipated decrease in the number of Home Ownership Scheme/Green Form Subsidised Home Ownership Scheme flats sold.