

Revenue



With the strong economic rebound in the second half of 2003 and the implementation of phase I tax increase measures in the 2003-04 Budget, there was an increase of \$7.4 billion in Earnings and Profits Tax collections, representing a growth of 10.2% as compared with the previous year (**Figure 1, Schedules 1 and 2**). The marked revivals in the property and stock markets in the later part of the year also brought about a substantial increase of \$3.8 billion in stamp duty collections.

	2000-01	2001-02	2002-03	2003-04
Type of tax	(\$m)	(\$m)	(\$m)	(\$m)
Profits Tax - Corporations	38,960.5	39,272.4	33,692.9	43,666.3
Unincorporated Businesses	4,008.9	5,103.3	5,106.6	5,103.7
Salaries Tax	26,302.9	28,634.6	29,733.1	27,976.9
Property Tax	1,143.1	1,135.7	1,180.1	983.0
Personal Assessment	3,454.9	3,603.0	3,315.9	2,744.4
Total Earnings & Profits Tax	73,870.3	77,749.0	73,028.6	80,474.3
Estate Duty	1,502.6	1,927.8	1,402.7	1,455.3
Stamp Duty	10,911.2	8,636.6	7,458.2	11,245.4
Betting Duty	12,630.1	11,571.3	10,920.7	11,635.9
Business Registration Fees	1,300.7	1,240.2	127.7	1,233.3
Hotel Accommodation Tax	222.5	202.9	201.0	155.6
Total revenue collected	100,437.4	101,327.8	93,138.9	106,199.8
% change over previous year	7.2%	0.9%	-8.1%	14.0%

Overall, revenue collected by the Department during 2003-04 totalled \$106.2 billion. This represents an increase of \$13.1 billion or 14%, from that collected in the previous year. The major part of revenue collected came from Profits Tax and Salaries Tax, which together contributed 72% (**Figure 2**).

Figure 1 Revenue collected by tax type

Figure 2 Composition of the revenue collection

The various taxes collected by the Department contributed 36% of the total Government General Revenue in 2003-04 (**Figure 3**). The significant drop in the percentage of contribution is largely attributable to the transfer of \$120 billion from the Land Fund to the General Revenue Account during the year to meet government expenditure requirements.



Productivity savings were achieved during the year. The cost of collection of revenue decreased from 1.38% to 1.14% (**Figure 4**).

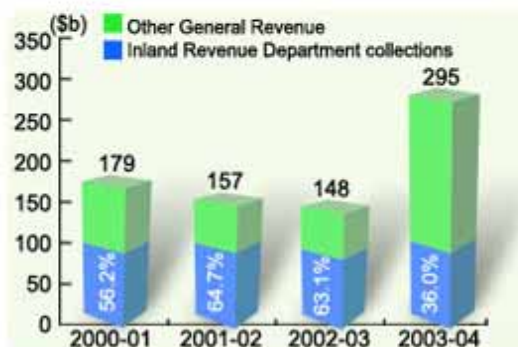


Figure 3 Total Government General Revenue

Figure 4 Cost of collection

