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GOVERNMENTAL DEBT IN THE UNITED STATES: 1946

FINAL

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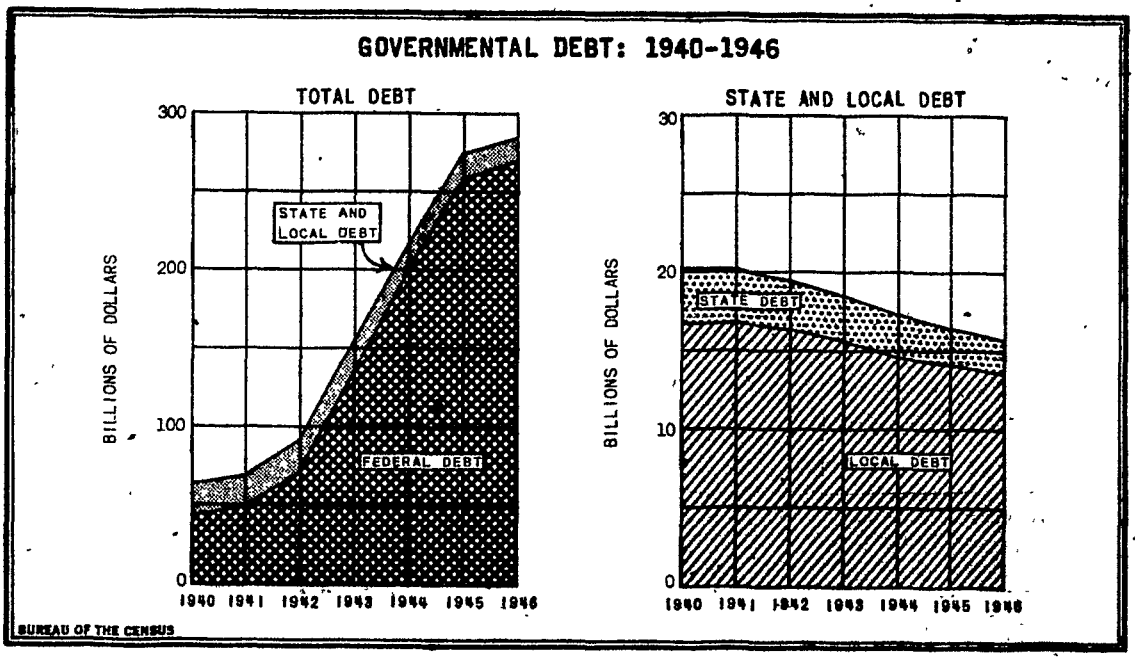
On June 30, 1946, the combined debt of all the 155 thousand governmental units in the United States amounted to $285.3 billion, an increase of $10.1 billion, or 3.5 percent, from June 30, 1945. Thus, governmental debt in 1946 was 4½ times the total amount outstanding in the summer of 1940, when American rearmament began.

Of the 1946 total, $269.4 billion was represented by direct Federal obligations and $15.9 billion consisted of State and local government debt. The increase of $10.1 billion in governmental debt during the year ended on June 30, 1946, represented the net result of a Federal debt increase of $10.7 billion and of a State and local debt decrease of $.7 billion.

Federal debt constituted over 94 percent of the total outstanding governmental debt in 1946, as disclosed in table 1. In 1912 this percentage stood at 21; however, as a result of the first World War, the relative importance of the component parts shifted so that, by 1922, Federal debt became 69 percent of the total. During the prosperous 1920's Federal debt retirement was accompanied by a rapid expansion of State and local debt. Consequently, Federal debt and aggregate State and local debt were of about equal size by 1932. From that year to 1940, Federal debt more than doubled, while aggregate State and local debt increased only to a small degree; thus, Federal debt then constituted more than two-thirds of the total governmental debt.

In order to make the debt figures more comprehensible, they are reduced to a per capita basis in table 2, which also shows the percent relationship of the total governmental debt and its component parts to the national income. Per capita gross debt more than quadrupled from 1940 to 1946; however, because national income rose sharply during the same period, the percent of debt to national income only a little more than doubled.



SERVICING THE DEBT

Another measure of debt load is the annual debt service, comprising interest payments and provision for debt retirement. The latter term embraces contributions to sinking funds for the purpose of future debt retirement and debt retirement payments other than from sinking funds and proceeds of refunding bonds.

Interest payments.—Table 3 shows interest payments for various levels of government in 1946 and 4 selected prior years. While total governmental debt was 631 percent higher in 1946 than in 1932, interest payments increased by only 269 percent. The low level of interest rates, which has prevailed for more than a decade, accounts for the relative lightening of the interest burden.

The average interest rate on interest-bearing Federal direct debt at the end of the 1932 fiscal year was 3.505 percent, from which it declined to the level of 1.919 percent in December 1944. The long-swing reduction in Federal interest rates has apparently been arrested. The average rate, beginning to rise in 1945, stood at 1.996 percent at the end of the 1946 fiscal year. By December 31, 1946, the average rate on Federal debt, including guaranteed obligations, was 2.06 percent.

The following tabulation specifies the changes in gross debt and interest payments of Federal, State, and local governments for selected years from 1932 to 1946:

YEAR	Gross debt (In millions)	Interest payments (In millions)	PERCENT INCREASE FROM 1932	
			Debt	Interest
1946	$285,309	$5,322	630.6	268.8
1945	275,234	4,245	604.8	194.2
1942	92,064	1,967	135.8	36.3
1932	39,049	1,443	xxx	xxx

In 1932 total interest expenditure was 3.6 percent of the national income; in 1946 it was 3.2 percent of a national income which was more than four times as large as it was in 1932.

Provision for debt retirement.—No estimate of total provision for debt retirement by local governments was made for the year 1946. In 1944, as in 1946, debt service by the Federal Government was identical with interest payment, since the Federal debt retirement was from the proceeds of borrowings. For State and local governments, the aggregate provision for debt retirement in 1944 amounted to $1.2 billion, equalling 6.3 percent of their aggregate 1943 gross debt. If provision for debt retirement by State and local governments in 1946 had a similar relation to 1945 debt outstanding, it amounted to approximately $1.0 billion.

By adding this estimated amount to aggregate interest payments by the Federal, State, and local governments, the amount of total debt service for 1946 is estimated at $6.4 billion, equalling 3.9 percent of the 1946 national income. In 1944, total debt service amounted to $4.4 billion, which was 2.8 percent of the 1944 national income.

FEDERAL DEBT

Direct obligations of the Federal Government constituted 94.4 percent of the total outstanding governmental debt on June 30, 1946, as against 68 percent in 1940.

Federal debt reached its peak on February 28, 1946, when it amounted to $279.2 billion. The reduction from that level to $259.4 billion on June 30, 1946, was accomplished by drawing on the Treasury's general-fund balance. The same source, rather than surplus revenue, permitted a further reduction of the Federal debt to $259.1 billion by December 31, 1946.

Trends since 1935.—The enormous cost of the second World War resulted in an increase of $226.5 billion, or 527 percent, in the Federal debt since 1940. Against a total expenditure of $387.4 billion, the Federal Government during the fiscal years 1941 through 1946 raised a total revenue of $176.3 billion, which constituted 45.5 percent of its total expenditure during the 6-year period. In contrast, during the first World War, revenue equalled only about 30 percent of total Federal expenditure.

The following tabulation affords a comparison between the 6 years of the defense and war period and the 6 preceding, prewar years. The amounts shown for the fiscal year ending June 30, 1947 are the revised budget estimates announced by the President on April 19, 1947:

PERIOD	Revenue	Expenditure	Deficit
	(In millions)		
Prewar:			
6 years: 1935-40	$29,352	$49,416	$20,064
Annual average	4,892	8,236	3,344
Defense and war:			
6 years: 1941-46	176,332	387,442	211,110
Annual average	29,389	64,574	35,185
Postwar:			
1947 fiscal year	42,500	41,250	*1,250

*Surplus.

NOTE: Expenditures do not include statutory debt retirement, but beginning with 1939 they include net expenditures of corporations wholly owned by the Federal Government and of other credit agencies.

The prospective surplus of over $1.2 billion during the current fiscal year will permit the first debt reduction from surplus revenue since 1930.

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Agency debt.—Federal debt data, as shown in the tables and cited in this text, refer to what the Treasury Department terms "public debt," namely, direct obligations of the United States Government. They do not cover public issues of Federal governmental corporations and other agencies.[1]

Agency debt was relatively important during the 1930's, when credit corporations were being instituted, with power to issue their own obligations, a large part of which had been guaranteed by the United States Government since 1934. Not only has the most active period of corporate activity passed, but in October 1941 the Treasury instituted a new policy under which funds needed by governmental corporations and agencies are provided by the Treasury instead of by sale of guaranteed securities in the open market. This part of agency debt, for which obligations are issued to and held by the Treasury, is reflected in the Federal debt, since the United States Government issues its own obligations in order to secure the funds the Treasury lends to the Federal agencies.

Following is a summary of the debts of the Federal Government and Federal agencies on June 30, 1946 (in millions):

Federal Government and agency debt	$270,990
Federal Government debt (gross public debt)	269,422
Obligations incurred on behalf of agencies	11,672
Other obligations	257,750
Federal agency debt	1,568
Guaranteed	334
Not guaranteed *	1,234

*Excludes agency obligations held by other agencies.

As a result of the Treasury's new policy, agency obligations issued to and held by the Treasury increased by $1.6 billion between 1940 and 1946, while guaranteed agency debt not held by the Treasury decreased by $5.2 billion during the same period.

STATE AND LOCAL DEBT

In contrast to the rapidly mounting Federal debt, outstanding State and local obligations have decreased by $4.3 billion, or 21.4 percent since 1940. The decrease during the year ended June 30, 1946, as disclosed in table 1, was almost $.7 billion, or 4 percent.

The reduction of 2.8 percent in State debt in 1946 was less than that of the previous year, while the decrease of 4.2 percent in local governmental debt, both in absolute amount and in percent of reduction, was somewhat larger than in 1945. The reduction of 21.4 percent from 1940 to 1946 in aggregate State and local governmental debt resulted from a drop of 33.1 percent in State debt and an 18.9 percent decrease in the debt of local governments during the 6-year period.

The Federal Government had, after 1940, the financial burden of preparing for and conducting a global war, with a resulting sharp increase in Federal debt. State and local governments generally benefited financially during this period by the phenomenal rise in national income, generated by the rapidly mounting Federal expenditures. Steadily increasing revenue—especially of the States—and limited opportunity for capital expenditure, because of war restrictions, were the main factors contributing to the continuous and substantial contraction of State and local governmental debt during the war years.

Debt changes and relationships by type of government.—As shown in table 4, State debt in 1946 constituted 14.8 percent, or approximately one-seventh, of aggregate State and local governmental debt; this relationship fluctuated only slightly during the war period.

City debt accounted for slightly more than one-half of total State and local debt in 1946. The percent relationship of city debt to aggregate State and local debt has been fairly stable since 1940. Special-district debt ranked next in amount, being followed in order of magnitude by county, school-district, and township debt, with the last-named by far the smallest.

All types of local governments shared in the 1946 reduction of local debt. The absolute amount of debt reduction for cities and special districts was larger than in the previous year, while counties, townships, and school districts reduced their debt by a smaller amount than they did in 1945.

By 1946, indebtedness of each type of local government was below that of 1940, with exception of special districts. The main reason for the 1.4 percent rise in special-district debt during this period was the growth in local housing authority debt from $318 million in 1940 to $645 million in 1946.

Sinking-fund assets and term of debt.—Assets of sinking funds and other funds reserved for redemption of long-term debt, summarized in table 5, aggregated $2.2 billion in 1946. This amount was virtually the same as that of the previous fiscal year. During the 1946 fiscal year, State sinking-fund assets decreased by $38 million, while those of the local governments increased by $36 million. The largest increase took place in city sinking-fund assets.

Aggregate State and local sinking-fund assets in 1946 were only $18 million higher than in 1940. Net long-term debt, however, decreased by

[1] Federal agency securities are, however, shown in table 8 in order to report all interest-bearing governmental securities and their distribution as to ownership.

$3.5 billion during the same period. Thus, the reduction of net long-term debt is attributable to debt retirement rather than to an increase in sinking-fund assets. Because of the large-sized retirement of long-term debt, the proportion of long-term debt offset by sinking-fund assets rose from 11 percent in 1940 to 13.2 percent in 1946.

After allowing for sinking-fund assets, net long-term debt in 1946 amounted to $13.8 billion, as shown in table 6. This is the amount of debt the retirement of which has to be provided for by future State and local budgets, since short-term debt now outstanding consists essentially of tax anticipation notes secured by collectible taxes or of bond anticipation notes to be funded into long-term debt. On the other hand, the $16.3 billion of total gross debt, shown in table 7, is the amount on which interest has to be paid.

As appears in table 7, short-term debt constituted an insignificant part of the total gross debt of State and local governments in 1946. State short-term debt, amounting only to $22 million, consisted almost entirely of the Massachusetts tax anticipation notes for veterans' bonuses. Only about 3 percent of the gross debt of local governments was in the form of short-term obligations, almost one-half of which was accounted for by short-term notes of local housing authorities.

General and enterprise debt.—Table 7 shows debt data segregated according to whether the obligations were incurred for general governmental purposes, such as highways, sanitation, and schools, or incurred to finance the capital plant of governmental enterprises. Except for a portion of the enterprise debt of the larger local governments, obligations of the latter type normally are financed from enterprise earnings, even though a substantial part is backed by the full faith and credit of the issuing government.

General-purpose obligations comprised 63.8 percent of aggregate State and local governmental gross debt in 1946, while the remaining 36.2 percent constituted enterprise debt. Local governments carried 96 percent of the aggregate enterprise debt, the States having been responsible only for the remaining 4 percent. Cities and special districts accounted almost entirely for enterprise debt. Public utility enterprises—for the purpose of supplying water, electricity, and transportation—and housing enterprises are characteristic of these types of local governments.

It is noteworthy that, among the 92 largest cities—those having 1940 populations over 100,000—the proportion of city-enterprise debt to total city debt increases with the size of the population class, while for the smaller cities—those having populations under 100,000—the relationship tends somewhat in the opposite direction. The following tabulation shows, by population-size group, the relationship of general-purpose and enterprise debt to total city obligations (amounts in millions):

POPULATION GROUP.	Total	GENERAL		ENTERPRISE	
		Amount	Percent of total	Amount	Percent of total
Total.....	$8,297	$4,488	54.1	$3,809	45.9
Over 1,000,000....	4,125	1,627	39.4	2,499	60.6
New York City...	2,988	1,009	33.8	1,979	66.2
Other cities....	1,138	617	54.3	520	45.7
500,000 to 1,000,000.....	707	414	58.6	293	41.4
250,000 to 500,000	909	598	65.8	311	34.2
100,000 to 250,000	670	450	67.2	220	32.8
50,000 to 100,000.	515	394	76.5	122	23.7
25,000 to 50,000..	399	299	74.9	100	25.1
Under 25,000.....	971	706	72.7	265	27.3

NOTE: Data are for the ends of fiscal years: (a) closed during calendar year 1945 for cities having populations over 25,000, (b) closed during 12-month period ended on June 30, 1946, for cities having populations under 25,000. Figures are rounded and will not necessarily add to totals.

The high proportion of enterprise debt in the 37 largest cities, and especially New York's large transit debt, tends to distort the national picture. Exclusive of these 37 cities, 72.3 percent of the debt of the remaining cities—which numbered 16,183 in 1942—was incurred for general purposes, only 27.7 percent being for enterprises.

Of the 8,299 special districts existing in 1942 (the year of their latest enumeration), 86 percent performed general-government functions, 13 percent rendered enterprise services, and the remaining 1 percent administered both general and enterprise functions. Notwithstanding the preponderance in number of general-government special districts, the total debt of enterprise districts represented 70 percent of the aggregate special-district debt in 1946. Another noteworthy feature of this type of government is the heavy concentration of debt in a relatively few units. Thus, the following 6 special districts, having the largest debts, accounted for 29 percent of the total outstanding special-district debt in 1946 (amounts in thousands):

Port of New York Authority.....	$193,902
Metropolitan Water District of Southern California.....	185,328
Triborough Bridge and Tunnel Authority (New York).....	180,668
Chicago Sanitary District.....	81,067
Chicago Park District.....	68,103
Boston Metropolitan District.....	56,753

OWNERSHIP OF SECURITIES

The distribution of ownership of interest-bearing securities of the Federal Government—including Federal agencies—and of State and local governments is set forth in table 8 for 1946 and three selected prior years.

Federal holdings of United States Government securities continued to grow considerably during the 1946 fiscal year. This increase was mainly concentrated in the special series of securities issued for investment of trust funds—the Old-Age and Survivors, National Service Life Insurance, and Civil Service Retirement Funds. Since the average interest rate of such special issues is relatively high, their expanding volume is one of the factors contributing to the increase in the average interest rate of the total Federal debt in 1946.

During the war years, there was a sharp increase in volume and material change in composition of State and local governmental investments. Their aggregate holdings of United States Government securities increased from little more than $.4 billion in 1940 to $6.4 billion in 1946, while their investments in State and local governmental securities were reduced from $3.8 billion to $2.3 billion during the same period. The rise in total investments is largely attributable to purchases of war bonds, especially by States, from war-generated surpluses. Significantly, the 1946 increase in State holdings of Federal securities amounted to $1.1 billion, while local governments increased such investments by only $.1 billion. These investments should not be identified with free surpluses now available for expenditure, for they include the holdings of sinking and trust funds as well as securities held in current funds and in postwar reserves.

Current funds and postwar reserves, however, are more accountable than sinking and trust funds for the rise in State and local investments. State balances—including invested amounts—of general, highway, and postwar reserve funds, rose by $1.8 billion in the three fiscal years 1944-1946[2], the period during which total State investment holdings rose by $2.7 billion.

[2]See Bureau of the Census, "Balances in State General, Highway, and Postwar-Reserve Funds in 1946," State Finances: 1946, vol. 2, no. 2.

NOTES ON PROCEDURE

Sources of statistics.—Information in this report regarding Federal debt and security holdings was obtained from published Treasury statements and reports and also from the Division of Research and Statistics and the Financial Reports Division of the Bureau of Accounts, both of the Treasury Department.

Figures on State and local government debt were obtained by the Bureau of the Census through a combination of (a) field-agent collection, (b) mail canvass, (c) use of data assembled by other Federal agencies, and (d) State reports of local debt.

Field agents collected information from the 37 cities having populations over 250,000, and at State capitals they abstracted statistics for 754 sample counties and for 243 cities and 12 urban townships having populations between 25,000 and 250,000. Mail canvass was the method of collecting data for the 117 remaining cities having populations between 25,000 and 250,000, for 344 sample counties, and for the sample of 761 other units (cities having populations below 25,000, special districts, and townships). Federal agencies furnishing local debt information included the Bureau of Reclamation as to irrigation-district debt to the United States Government, and the Federal Public Housing Authority as to local housing obligations.

Methods of estimating.—So complete was the coverage of the State governments and their dependent agencies that only a slight degree of estimation was required, as indicated in "State Debt in 1946," State Finances: 1946, vol. 2, no. 3 (preliminary), issued in January 1947.

All of the 397 cities having populations over 25,000 were completely reported as of the end of their respective 1945 fiscal years, and their gross debts were extended to 1946 according to the rate of change in sample cities accounting for 80 percent of the debt of these cities.

Figures for other local governments were derived as follows: First, from complete reports of Federal loans to housing and irrigation districts and complete coverage of other large special districts, large townships, and school debt in a majority of States; and, secondly, from estimates for the remaining governments according to the rate of change since 1942 in the debt of sample units representing the other local units not covered by complete reports. Estimates of total local debt were reinforced by State summaries of local debt in 42 States, referring to one or more types of government.

Dates of information.—A consequence of this combination was the use of two different dates for which debt is shown in this report. First, summary or basic data are reported as of June 30, permitting ready comparison with similarly reported information for prior years; tables 1, 2, 4, and 8 show debt as of this date. Secondly, detailed data for 1946, 1945, and 1944 in tables 5, 6, and 7 represent the following dates: (a) The information is for ends of fiscal years closed during the 12-month periods terminated on June 30, 1946, 1945, and 1944, for the Federal Government, for States, for cities having populations less than 25,000, and for townships, school districts, and special districts; (b) the information is for ends of fiscal years closed during the calendar years 1945, 1944 and 1943, respectively, for counties and for cities having populations over 25,000. Table 3 shows interest paid during the fiscal years ended on the dates specified in (a) and (b) above. The reader's attention is called to the headnotes on several of the tables.

Publications.—A preliminary summary edition of this report was published in December 1946. A State-by-State report on the debt of the State governments was published in January 1947.[3]

ACKNOWLEDGMENT

The courtesy of Federal, State, and local officials in furnishing information for this survey is gratefully acknowledged.

[3]Debt statistics for each of the larger individual governments are included in the annual publications of the Bureau of the Census on State Finances for the 48 States and on City Finances for the 397 largest cities; similarly, debt data for a statistical sample of the 3,050 county governments are contained in the Census annual report on County Finances.

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TABLE 1.—GROSS DEBT OF FEDERAL, STATE, AND LOCAL GOVERNMENTS: SELECTED YEARS 1902 TO 1946

Data for years beginning with 1940 are as of June 30, and they necessarily vary from information for diverse closing dates of fiscal years shown in tables 3, 5, 6, and 7. Earlier data are as of ends of fiscal years. Table includes data both for general debt and for enterprise debt.

YEAR	Total	Federal[1]	STATE AND LOCAL		
			Total	State	Local
	GROSS DEBT OUTSTANDING (Amounts in millions)				
1946	$285,509	$269,422	*$15,887	$2,358	$13,564
1945	275,234	258,682	*16,552	2,425	14,164
1944	218,429	201,003	*17,426	2,768	14,903
1943	155,341	136,696	*18,645	2,909	15,783
1942	92,064	72,422	*19,642	3,211	16,479
1941	69,143	48,961	*20,182	3,413	16,812
1940	63,177	42,968	*20,209	3,526	16,720
1932	39,049	19,487	*19,562	2,896	16,680
1922	33,219	22,963	10,256	1,163	9,093
1912	5,692	1,194	4,498	423	4,075
1902	3,372	1,178	2,194	270	1,924
	PERCENT DISTRIBUTION, BY TYPE OF GOVERNMENT				
1946	100.0	94.4	5.6	.8	4.8
1945	100.0	94.0	6.0	.9	5.1
1944	100.0	92.0	8.0	1.3	6.7
1943	100.0	88.0	12.0	1.9	10.1
1942	100.0	78.7	21.3	3.5	17.9
1941	100.0	70.8	29.2	4.9	24.3
1940	100.0	68.0	32.0	5.6	26.5
1932	100.0	49.9	50.1	7.4	42.7
1922	100.0	69.1	30.9	3.5	27.4
1912	100.0	21.0	79.0	7.4	71.6
1902	100.0	34.9	65.1	8.0	57.1
	INDEX, 1940 = 100				
1946	451.6	627.0	78.6	66.9	81.1
1945	435.7	602.0	81.9	68.8	84.7
1944	345.7	467.8	86.2	78.5	87.9
1943	245.9	318.1	92.3	82.4	94.4
1942	145.7	168.5	97.2	91.1	98.6
1941	109.4	113.9	99.9	96.8	100.6
1940	100.0	100.0	100.0	100.0	100.0
1932	61.8	45.4	96.8	82.2	99.8
1922	52.6	53.4	50.7	33.0	54.4
1912	9.0	2.8	22.3	12.0	24.4
1902	5.3	2.7	10.9	7.7	11.5

*Total is less than the sum of amounts shown in "State" and "Local" columns because of the exclusion of State debts incurred for loans to local governments, which duplicate local obligations held by State governments.

[1]Debt of the United States Government; includes general treasury obligations incurred on behalf of Federal agencies and excludes Federal agency debt incurred outside of general treasury.

TABLE 2.—PER CAPITA GROSS DEBT OF FEDERAL, STATE, AND LOCAL GOVERNMENTS AND PER CAPITA NATIONAL INCOME: SELECTED YEARS 1902 TO 1946

YEAR	PER CAPITA DEBT					NATIONAL INCOME		PERCENT OF DEBT TO NATIONAL INCOME				
	Total	Federal	State and local			Per capita[1]	Amounts (in billions)	Total	Federal	State and local		
			Total	State	Local					Total	State	Local
1946	$2,026	$1,913	$113	$17	$96	$1,172	$165.0	172.9	163.3	9.6	1.4	8.2
1945	1,971	1,852	119	18	101	1,153	161.0	171.0	160.7	10.3	1.5	8.8
1944	1,582	1,456	126	20	106	1,164	160.7	135.9	125.1	10.8	1.7	9.1
1943	1,138	1,001	137	21	116	1,095	149.4	103.9	91.4	12.5	1.9	10.6
1942	684	538	146	24	122	907	122.2	75.4	59.3	16.1	2.6	13.5
1941	519	367	152	26	126	727	98.9	71.4	50.5	20.9	3.6	17.3	
1940	479	326	153	27	126	589	80.6	81.3	55.3	26.0	4.6	21.4
1932	313	156	157	23	134	320	40.0	97.8	48.8	49.0	7.2	41.8
1922	302	209	93	11	82	341	59.5	55.8	38.6	17.2	2.0	15.2
1912	60	13	47	4	43	365	34.3	16.4	3.6	12.8	1.1	11.7
1902	43	15	28	4	24	261	20.7	16.4	5.7	10.7	1.5	9.2

[1]Based on estimated population as of July 1 in the specified years—except 1940, for which population was enumerated as of April 1.

TABLE 3.—ANNUAL INTEREST PAYMENTS ON DEBT OF FEDERAL, STATE, AND LOCAL GOVERNMENTS: SELECTED YEARS 1932 TO 1946

Data for 1946, 1945, and 1944 are for fiscal years: (a) closed during 12-month period ended on June 30 of each year for the Federal Government, for States, for cities having populations less than 25,000, and for townships, school districts, and special districts; and (b) closed during calendar years 1945, 1944, and 1943 for counties and for cities having populations over 25,000. Earlier data are for fiscal years closed during 12-month period ended on June 30, 1942, and for fiscal years ended during calendar year 1932. Table includes data both for general debt and for enterprise debt.

(Amounts in millions)

TYPE OF GOVERNMENT	INTEREST PAYMENTS					PERCENT 1946 IS OF—		
	1946	1945	1944	1942	1932	1945	1942	1932
Total	$5,322	$4,245	$3,266	$1,967	$1,443	125.4	270.6	368.8
Federal	4,747	3,622	2,610	1,260	599	131.1	376.7	792.5
State and local	575	623	656	707	844	92.3	81.3	68.1
State	84	95	102	123	112	88.4	68.3	75.0
Local	491	528	554	584	732	93.0	84.1	67.1
County	61	67	73	78	119	91.0	78.2	51.3
City	299	318	328	345	419	94.6	86.7	71.4
Township, school district, and special district	131	145	153	161	194	90.3	81.4	67.5

TABLE 4.—GROSS DEBT OF STATE AND LOCAL GOVERNMENTS: SELECTED YEARS 1902 to 1946

Data for years beginning with 1940 are as of June 30, and they necessarily vary from information for diverse closing dates of fiscal years shown in tables 5, 6, and 7. Earlier data are as of closing dates of fiscal years. Table includes data both for general debt and for enterprise debt.

(Amounts in millions)

YEAR	Total	State	LOCAL					
			Total	County	City	Township	School district	Special district
	AMOUNT							
1946	[1]$15,887	$2,358	$13,564	$1,417	$8,101	$166	$1,283	$2,597
1945	[1]16,562	2,425	14,164	1,545	8,411	178	1,363	2,667
1944	[1]17,426	2,768	14,703	1,694	8,624	202	1,465	2,718
1942	[1]19,642	3,211	16,479	1,846	9,806	273	1,701	2,853
1940	[1]20,209	3,526	16,720	2,156	9,899	290	1,813	2,562
1932	[1]19,562	2,896	16,680	2,531	9,909	433	2,176	1,631
1922	10,256	1,163	9,093	1,387	5,810	150	1,127	639
1912	4,498	423	4,075	393	3,447	80	119	38
1902	2,195	270	1,925	205	1,612	57	46	5
	PERCENT OF TOTAL DEBT OUTSTANDING							
1946	100.0	14.8	85.2	8.9	50.9	1.0	8.1	16.3
1945	100.0	14.6	85.4	9.3	50.7	1.1	8.2	16.1
1944	100.0	15.8	84.2	9.7	49.4	1.2	8.4	15.6
1942	100.0	16.3	83.7	9.4	49.8	1.4	8.6	14.5
1940	100.0	17.4	82.6	10.6	48.9	1.4	9.0	12.7
1932	100.0	14.8	85.2	12.9	50.7	2.2	11.1	8.3
1922	100.0	11.3	88.7	13.5	56.6	1.5	11.0	6.2
1912	100.0	9.4	90.6	8.7	76.6	1.8	2.6	.8
1902	100.0	12.3	87.7	9.3	73.5	2.6	2.1	.2
	PERCENT CHANGE							
1945-1946	-4.0	-2.8	-4.2	-8.3	-3.7	-6.8	-5.9	-2.6
1944-1945	-5.0	-12.4	-3.7	-8.8	-2.5	-11.9	-7.0	-1.9
1940-1946	-21.4	-33.1	-18.9	-34.3	-18.2	-42.8	-29.2	1.4
1932-1946	-18.8	-18.6	-18.7	-44.0	-18.3	-61.7	-41.0	59.2
1922-1932	90.7	149.0	83.4	82.5	70.6	233.1	93.1	155.2
1912-1922	128.0	175.0	123.1	252.9	68.6	62.5	847.8	1,675.0
1902-1912	104.9	56.7	111.7	91.7	113.8	40.4	158.7	620.0

[1]The excluded State loans are $35 million in 1946, $37 million in 1945, $45 million in 1944, $48 million in 1942, $37 million in 1940, and $14 million in 1932.

TABLE 5.—SINKING-FUND ASSETS OF STATE AND LOCAL GOVERNMENTS: SELECTED YEARS 1922 TO 1946

Data for 1946, 1945, and 1944 are for the ends of fiscal years: (a) closed during 12-month period ended on June 30 of each year for States, for cities having populations less than 25,000, and for townships, school districts, and special districts; and (b) closed during calendar years 1945, 1944, and 1943 for counties and for cities having populations over 25,000. Earlier data are as of June 30 for 1940 and for fiscal year endings for 1932 and 1922. Table includes data both for general debt and for enterprise debt.

(Amounts in millions)

YEAR	TOTAL		STATE		LOCAL						
	Amount	Percent of long-term debt	Amount	Percent of long-term debt	Total		County	City	Township	School district	Special district
					Amount	Percent of long-term debt					
1946	[1]$2,150	13.2	$594	25.3	$1,589	11.8	$138	$1,305	$10	$82	$54
1945	12,148	13.2	652	25.6	1,553	11.2	143	1,282	8	82	58
1944	12,188	12.7	684	24.6	1,545	10.6	144	1,245	8	99	47
1940	12,132	11.0	669	20.4	1,486	9.3	144	1,161	16	108	57
1932	11,986	11.1	535	20.6	1,455	9.6	141	1,146	10	136	32
1922	1,568	16.3	227	20.5	1,339	15.8	114	1,131	7	74	13

[1]Total is less than the sum of State and local sinking funds because of the exclusion of State assets representing State long-term loans to local governments. The amounts of excluded assets are $35 million in 1946, $37 million for 1945, $39 million for 1944, $23 million for 1940, and $14 million for 1932.

TABLE 6.—LONG-TERM AND NET LONG-TERM DEBT OF STATE AND LOCAL GOVERNMENTS: SELECTED YEARS 1922 TO 1946

Data for 1946, 1945, and 1944 are for the ends of fiscal years: (a) closed during 12-month period ended on June 30 of each year for States, for cities having populations less than 25,000, and for townships, school districts, and special districts; and (b) closed during calendar years 1945, 1944, and 1943 for counties and for cities having populations over 25,000. Earlier data are as of June 30 for 1940 and for fiscal year endings for 1932 and 1922. Table includes data both for general debt and for enterprise debt.

(Amounts in millions)

YEAR	TOTAL			State	LOCAL					
	Amount	Percent of gross debt	Percent of 1940		Total	County	City	Township	School district	Special district
Long-term debt:										
1946	[1]$15,795	97.0	81.8	$2,344	$13,484	$1,496	$8,166	$166	$1,220	$2,436
1945	[1]16,298	98.5	84.4	2,471	13,864	1,504	8,361	180	1,273	2,446
1944	[1]17,285	99.2	89.5	2,784	14,540	1,759	8,732	200	1,380	2,469
1940	[1]19,314	95.6	100.0	3,280	16,057	2,036	9,511	280	1,699	2,531
1932	[1]17,897	91.5	92.7	2,594	15,317	2,306	9,157	343	1,993	1,518
1922	9,578	93.4	49.6	1,106	8,472	1,282	5,477	101	985	627
Net long-term debt:[2]										
1946	13,645	83.8	79.4	1,750	11,895	1,358	6,861	156	1,158	2,362
1945	14,150	85.5	82.4	1,839	12,311	1,461	7,099	172	1,191	2,388
1944	15,097	86.6	87.9	2,100	12,997	1,615	7,485	192	1,281	2,422
1940	17,182	85.0	100.0	2,611	14,571	1,692	8,350	264	1,591	2,474
1932	15,011	81.3	92.6	2,059	13,852	2,165	8,011	333	1,857	1,486
1922	8,012	78.1	46.6	879	7,133	1,168	4,346	94	911	614

[1]Total is less than the sum of State and local government debt because of the exclusion of duplicating State debt for reloan to local governments. The amounts of excluded State long-term loans are $33 million for 1946, $37 million for 1945, $39 million for 1944, $23 million for 1940, and $14 million for 1932.

[2]Net long-term debt is long-term debt, reported above, less the sinking-fund assets reported in table 5.

TABLE 7.—GENERAL AND ENTERPRISE DEBT OF STATE AND LOCAL GOVERNMENTS: 1946

Data are for the ends of fiscal years: (a) closed during 12-month period ended on June 30, 1946, for States, for cities having populations less than 25,000, and for townships, school districts, and special districts; and (b) closed during calendar year 1945 for counties and for cities having populations over 25,000. Table includes data both for general debt and for enterprise debt.

(Amounts in millions)

PURPOSE AND TYPE	Total[1]	State	LOCAL					
			Total	County	City	Township	School district	Special district
Total:								
Total gross debt	$16,266	$2,366	$13,957	$1,531	$8,297	$178	$1,282	$2,668
Long-term debt	15,795	2,344	13,484	1,496	8,166	166	1,220	2,436
Short-term debt	493	22	473	35	131	12	63	232
Sinking-fund assets	2,150	594	1,589	138	1,305	10	62	74
Net long-term debt	13,645	1,750	11,895	1,358	6,861	156	1,158	2,362
General government:								
Total gross debt	10,386	2,148	8,247	1,508	4,488	167	1,283	801
Long-term debt	10,126	2,126	7,997	1,473	4,357	155	1,220	792
Short-term debt	270	22	250	35	131	12	63	9
Sinking-fund assets	1,422	574	848	137	613	10	62	33
Net long-term debt	8,694	1,552	7,142	1,336	3,744	145	1,158	759
Enterprises:								
Total gross debt	5,902	218	5,710	23	3,809	11	------	1,867
Long-term debt	5,679	218	5,487	23	3,809	11	------	1,644
Short-term debt	223	------	223	------	------	------	------	223
Sinking-fund assets	728	20	734	1	692	------	------	41
Net long-term debt	4,951	198	4,753	22	3,117	11	------	1,603
	PERCENT DISTRIBUTION BY TYPE OF GOVERNMENT							
Gross debt	100.0	14.5	85.7	9.4	50.9	1.1	7.9	16.4
General	100.0	20.7	79.4	14.5	43.2	1.6	12.4	7.7
Enterprise	100.0	3.7	96.7	.4	64.5	.2	------	31.6
Net long-term debt	100.0	12.8	87.2	10.0	50.3	1.1	8.5	17.3
General	100.0	17.9	82.1	15.4	43.1	1.7	13.3	8.7
Enterprise	100.0	4.0	96.0	.4	63.0	.2	------	32.4
	PERCENT DISTRIBUTION BY PURPOSE OF DEBT							
Gross debt	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
General	63.8	90.8	59.1	98.5	54.1	93.8	100.0	30.0
Enterprise	36.2	9.2	40.9	1.5	45.9	6.2	------	70.0
Net long-term debt	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
General	63.7	88.7	60.0	98.4	54.6	92.9	100.0	32.1
Enterprise	36.3	11.3	40.0	1.6	45.4	7.1	------	67.9

[1]Totals are less than sums of State and local figures for gross debt and long- and short-term debt—both as to absolute amounts and as to percentages—because of the exclusion of duplicating State debt for reloan to local governments. Similarily, totals of sinking-fund assets are less than sums of State and local assets because of the exclusion of assets representing duplicating State debt for reloans to local governments.

TABLE 8.—INTEREST-BEARING SECURITIES OF FEDERAL, STATE, AND LOCAL GOVERNMENTS, BY TYPE OF OWNERSHIP: SELECTED YEARS 1940 TO 1946

Data are as of June 30 for each year and include interest-bearing governmental securities both for general purposes and for enterprise purposes.

(In millions)

TYPE OF GOVERNMENT ISSUING SECURITIES	Total	GOVERNMENTAL OWNERSHIP				OTHER OWNERSHIP	
		Total	Federal (including agencies)	State	Local	Federal reserve banks	Private[1]
Total:							
1946	$285,297	$58,356	$29,597	$4,959	$3,780	$25,783	$223,178
1945	274,067	55,478	25,431	4,152	3,895	21,792	218,797
1944	219,706	26,425	19,868	3,222	3,357	14,901	178,382
1940	69,964	12,608	8,403	1,607	2,598	2,467	54,889
Federal Government:							
1946	268,111	35,511	29,121	4,205	2,185	23,783	208,817
1945	256,357	30,117	24,934	3,106	2,077	21,792	204,448
1944	199,543	22,082	18,920	1,871	1,291	14,899	162,562
1940	42,376	7,223	6,803	174	246	2,458	32,695
Federal agencies:[2]							
1946	1,560	9	9	———	———	———	1,551
1945	1,417	7	7	———	———	———	1,410
1944	2,969	362	362	———	———	2	2,605
1940	7,697	1,121	1,121	———	———	9	6,567
State and local governments:							
1946	16,626	2,816	467	754	1,595	———	12,810
1945	16,293	3,354	490	1,046	1,818	———	12,939
1944	17,194	3,979	582	1,351	2,046	———	13,215
1940	19,891	4,264	479	1,433	2,352	———	15,627

[1] Includes investments of Territories and Possessions in Federal and State and local governmental securities, aggregating $70 million in 1946, $75 million in 1945, $30 million in 1944, and $4 million in 1940.

[2] Excludes interagency debt and agency obligations held by the United States Treasury which are included in the Federal Government debt.

(Facsimile of main form used for local debt)

FORM C-102r (9-19-46)

DEPARTMENT OF COMMERCE
BUREAU OF THE CENSUS

BUDGET BUREAU NO. 41-R463.3
APPROVAL EXPIRES MARCH 31, 1947

STATEMENT OF LOCAL GOVERNMENT DEBT
- ANNUAL SURVEY -

Name of Government

Type of Government

TO: Bureau of the Census, Governments Division
Washington 25, D. C.

Name of State

Date supplied by

NAME

TITLE

ADDRESS

DATE

GENERAL INSTRUCTIONS

Please fill out and return *one (1)* copy of this form within *2 weeks*. The duplicate is for your files.

Please report the specified information for all departments and dependent agencies of your governmental unit. *Exclude* overlying independent governmental units. For example, city reports should exclude the county, independent school districts, etc.

Classify as debt of utilities and other enterprises (column (B)) all obligations incurred for enterprise purposes, even though such debt is guaranteed and payable from general revenue.

STATEMENT OF LOCAL GOVERNMENT DEBT AS OF _____, 19____

Report debt as of end of fiscal year which *closed* between July 1, 1945, and June 30, 1946

ITEM	AMOUNT (Omit cents) GENERAL GOVERNMENT (ROADS, SCHOOLS, SEWERS, ETC.) (A)	UTILITIES AND OTHER ENTERPRISES (WATER SUPPLY, ELECTRIC AND TRANSIT SYSTEMS, AIRPORTS, ETC.) (B)
LONG-TERM DEBT (Obligations payable more than one year after date of issue, such as bonds, certificates, judgments, mortgages, and long-term notes)		
1. FULL FAITH AND CREDIT DEBT PAYABLE *EXCLUSIVELY* FROM PROPERTY TAXES OR FROM UNSPECIFIED REVENUE *(General obligation bonds, notes, certificates, debt to trust funds, judgments, etc.)*	$	$
2. DEBT PAYABLE FROM PLEDGED EARNINGS OF PLANTS AND ACTIVITIES *(Such as water system revenue bonds, electric system earning bonds, etc.)*: a. GUARANTEED debt payable from general revenue if pledged *earnings* are insufficient *(full faith and credit debt)*		
b. NONGUARANTEED debt payable *exclusively* from pledged *earnings (not full faith and credit debt)*		
3. DEBT PAYABLE FROM SPECIAL ASSESSMENTS: a. GUARANTEED debt payable from general revenue if *special assessments* are insufficient *(full faith and credit debt)*		
b. NONGUARANTEED debt payable *exclusively* from *special assessments (not full faith and credit debt)*		
4. OTHER LONG-TERM DEBT *(Please specify)*		
5. TOTAL LONG-TERM DEBT *(Sum of above items)*		
6. SINKING-FUND ASSETS OFFSETTING LONG-TERM DEBT *(Total amount of funds specifically reserved for redemption of long-term debt reported at item 5)*		
7. SHORT-TERM DEBT *(Interest-bearing obligations payable within one year of issue; e.g. tax and bond anticipation notes, interest-bearing warrants etc. Exclude accounts payable and other noninterest-bearing obligations)*		

SELECTED ITEMS	AMOUNT (Omit cents)
8. INTEREST PAID ON DEBT DURING THE FISCAL YEAR *(Report total interest on long-term and short-term debt paid from all funds. Include interest on general purpose debt and on utility or enterprise debt*	$
9. TOTAL DEBT OUTSTANDING ON JUNE 30, 1946: a. Long-term *interest-bearing* debt	
b. Long-term *noninterest-bearing* debt	
c. Short-term *interest-bearing* debt *(Exclude accounts payable and other noninterest-bearing obligations)*	

Check here if you desire copies of publications resulting from this survey ☐

33779

CENSUS BUREAU REPORTS ON PUBLIC DEBT

Governmental Debt in the United States: 1946 (A similar report was issued for each of the six prior years.)

State Debt in 1946 (A similar report was issued for each of the four prior years.)

City Debt in 1945 (A similar report was issued for each of the three prior years.)