

GOVERNMENTAL REVENUE IN 1949

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GOVERNMENTAL FINANCES IN
THE UNITED STATES 1949

GOVERNMENTS DIVISION
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General revenue of all governments in the United States in the 1949 fiscal year¹ totaled \$56.5 billion, or \$379 per capita. Taxes provided \$53.6 billion, or \$359 per capita. The remaining \$2.9 billion represented charges for governmental services and other nontax revenue. The Federal Government received seven-tenths of all taxes, \$37.8 billion, as against the \$15.8 billion of State and local government tax revenue.

Figures presented in this report relate to "general revenue"—i.e., revenue, including all taxes, received in the exercise of general-government functions, as distinguished from the management of enterprises and the administration of trust and sinking funds. Hence the gross receipts of water, electric, gas supply, and other government-owned enterprises are excluded, and only any net amounts provided for governmental purposes by such enterprises are included with general revenue (see definitions, page 11).

¹Revenue data are for fiscal years of the various governments ended within the specified calendar year, with minor exceptions. Fiscal years of the Federal Government and of most State and local governments end on June 30. Fiscal years of a few States and of numerous local governments end on other dates.

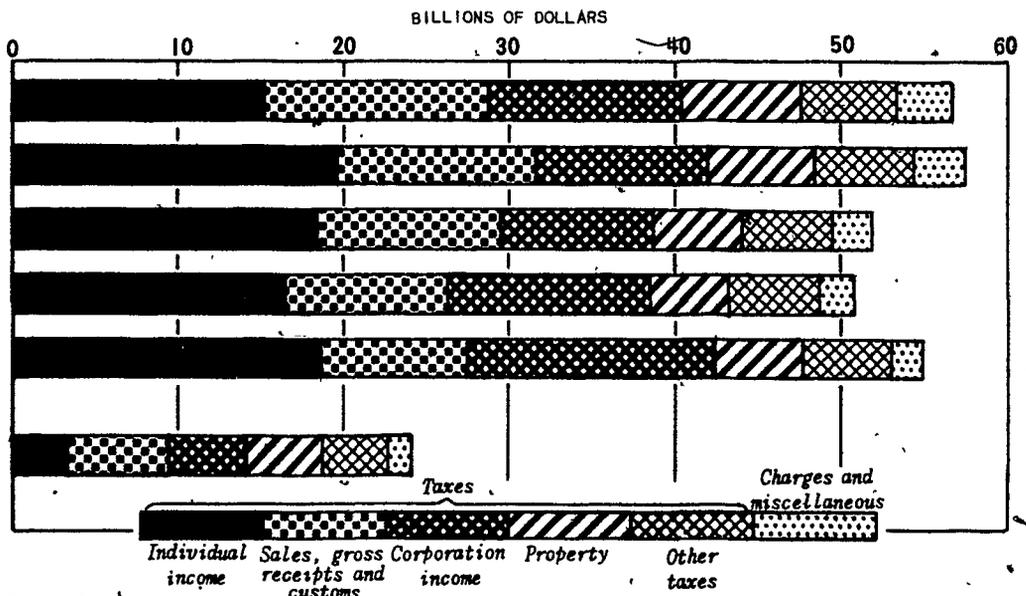
To avoid multiple counting, revenue aggregates in this report which relate to more than one of the three levels of government—Federal, State, and local—are shown net of intergovernmental aid transactions among the levels of government concerned, except when otherwise stated. Thus, a net total of \$19.7 billion in State-and-local general revenue in 1949, is shown, which is less than the sum of the \$11.0 billion of State revenue plus the \$12.5 billion of local government revenue mainly because of the \$3.5 billion in aid from States which the latter amount includes. Similarly, all intergovernmental aid revenue, including that from the Federal Government, is omitted from Federal-State-local totals here reported.

RECENT REVENUE TRENDS

Total general revenue of all public units combined in 1949 was down \$0.7 billion, or 1.2 percent, from the record high collected in 1948. This moderate decrease was the net result of a drop in Federal revenue of \$2.3 billion, or 5.6 percent, and marked increases in revenues of State and local governments.

As indicated by figure 1 below, governmental revenue rose sharply during World War II to a peak of \$55 billion in 1945, from which it

Fig. 1 - GOVERNMENTAL REVENUE, BY SOURCE: 1942-1949



dropped off for one year and then moved upward to an all-time high of \$57.2 billion in 1948.

The slight decline from 1948 to 1949 was accounted for mainly by a drop of nearly \$3.7 billion, or 19 percent, in collections of individual income taxes. Small decreases are also shown for revenues from death and gift taxes and social insurance taxes. These decreases were largely offset by marked increases in yields from all other major revenue sources. Corporation income taxes were up \$1.6 billion, or 15 percent, property taxes increased \$0.7 billion, or 12 percent, and other categories increased at rates ranging from 4 percent to 14 percent.

Governmental revenue in 1949 was 134 percent higher than that of 1942. This trend was, of course, accompanied by an increase in population and a sharp rise in the scale of the Nation's economy in terms of such measures as total income payments and gross national product.² These changes may be summarized, for convenient reference, as follows:

Item	1949	1948	1945	1942
Population including armed forces overseas*	149.2	146.6	139.6	134.7
National income**	\$216.8	\$223.5	\$182.7	\$137.1
Gross national product**	255.6	259.1	215.2	161.6

*As of July 1; in millions.
**Calendar year; in billions.

²See Survey of Current Business, July 1950

Total State and local revenue rose by \$1.9 billion, or 11 percent, between 1948 and 1949, as reflected in figure 2 below. Although this rise is \$0.6 billion less than the 1947-48 increase of \$2.5 billion, it exceeds the rise which occurred in the entire 4 years ending with 1946. Tax collections were up \$1.4 billion, or 10 percent, in 1949 as compared with 1948 and provided more than two-thirds of the additional amount of State and local revenue. However, a faster rise occurred in amounts of aid received from the Federal Government—up 21 percent, and in charges and miscellaneous non-tax revenue—up 11 percent.

Revenue of State governments exhibited a similar trend, rising by \$1.0 billion or 10 percent from the 1948 level, much less than from 1947 to 1948, but almost as much as in the 4-year period, 1942-1946. Most of the 1948-49 change involved tax revenue, the remainder arising principally from additional aid received by the States from the Federal Government. The sharp 1947-48 increase in State tax revenues was partly a result of the enactment by many States, in 1947, of new taxes and tax rate increases. Although additional tax legislation contributed to the much smaller 1948-49 rise in State tax yields, such action was less widespread in 1948 (not a regular legislative year in most States) than in 1947. With limited exceptions, tax changes adopted in 1949 will be first effective in 1950.³ The 1948-49 rise in State tax collections mainly resulted from

³For later figures see the forthcoming Census Bureau report, State Tax Collections in 1950 (to be issued in August, 1950).

increased yields of taxes on sales and gross receipts, individual income, and corporation income.

Total revenue of local governments amounted to \$12.5 billion in 1949, up 13 percent from 1948 or 77 percent from 1942. About six-tenths of the 1948-49 increase of \$1.4 billion was contributed by local tax yields. Aid received from other governments was up nearly \$0.5 billion, or 14 percent. The remainder was derived from charges and miscellaneous revenue, which rose 11 percent. For the seven-year interval, 1942-49, local tax yields rose 60 percent as compared with increases of more than 108 percent in local revenues from fiscal aid and from other non-tax sources.

All major types of local governments shared in the 1948-49 rise in general revenue. The largest increase, more than \$0.5 billion, or 17 percent, applied to school districts. Nearly two-fifths of this rise was accounted for by increased fiscal aid received from other governments, principally from the States. County revenue was up more than \$0.4 billion, or 16 percent, and city revenue was up about \$0.4 billion, or 8 percent.

Summary revenue statistics for the Federal Government, States, and local governments appear in table 1, and data by type of tax in table 2.

MAIN REVENUE SOURCES

Individual income taxes provided 29 percent of all governmental revenue in 1949, yielding

\$16.1 billion or \$108 per capita. Next in fiscal importance, were taxes based on sales and gross receipts (including Federal excise taxes and customs duties), which amounted to \$12.6 billion, or \$84 per capita, and thus contributed 22 percent of total governmental revenue. Corporation income taxes accounted for 21 percent, property taxes for 12 percent, other taxes for 11 percent, and nontax sources for 5 percent of all governmental revenue in 1949.

Table 3 indicates the percentage distribution of revenue, by sources, in 1949 and 1942, for the various levels of government.

Property taxes continue to constitute the largest single class of State and local revenue, yielding \$6.8 billion, or \$46 per capita, in 1949. Of this sum, less than \$0.3 billion represented State property tax collections, the remainder being local revenue. Sales and gross receipts taxes—primarily State rather than local levies—ranked next as a source of State and local revenue, providing \$4.8 billion in 1949. All other taxes of State and local governments yielded \$4.1 billion (including unemployment insurance tax collections of \$1.0 billion); Federal aid provided \$1.8 billion, and other nontax sources \$2.2 billion.

Fiscal aid—almost all from the States (including Federal aid channeled through State governments)—comprised 30 percent of local government revenue in 1949, counties and school districts being particularly so benefited. Property taxes in 1949 contributed about nine-tenths of all tax revenue, or more than half of all general revenue, of local governments.

Revenue data for particular types of local governments, by major sources, are presented in table 4.

Fig. 2 - STATE AND LOCAL GOVERNMENT REVENUE, BY SOURCE AND BY TYPE OF GOVERNMENT: 1942-1949

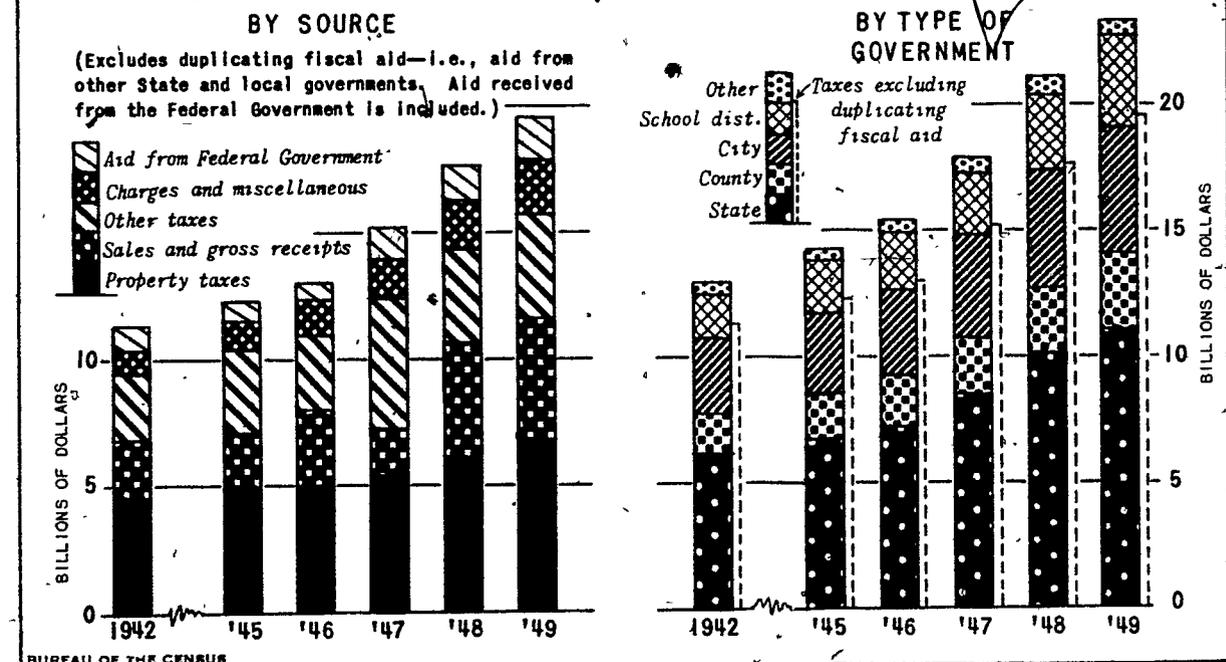
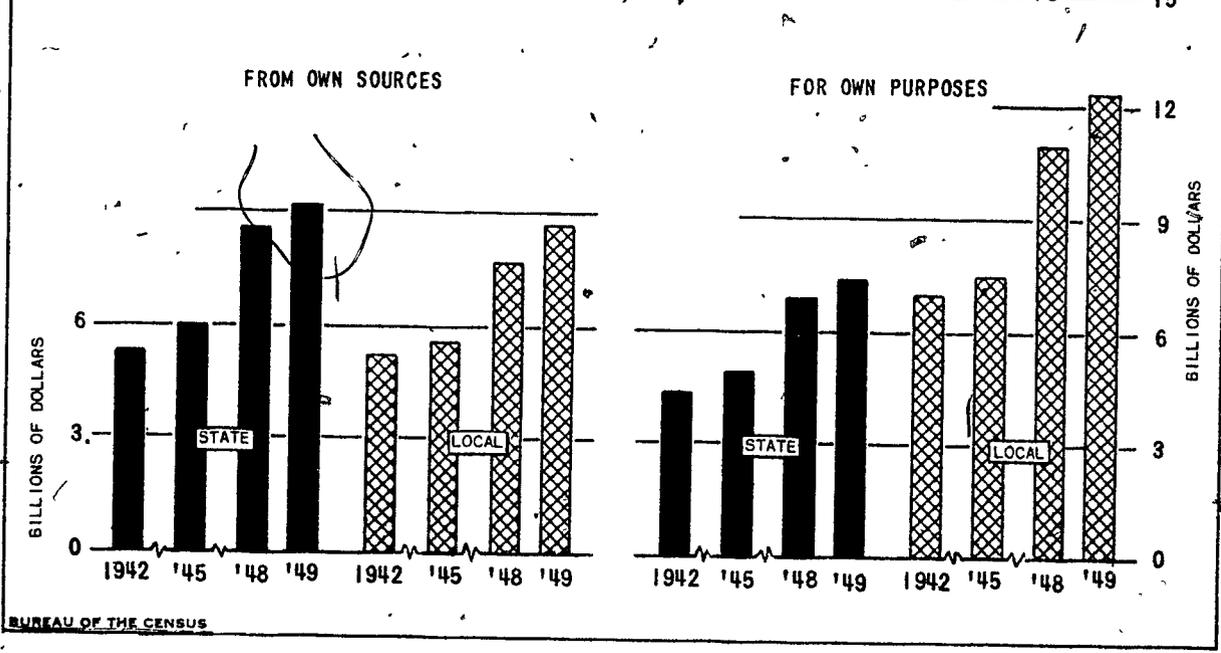


Fig. 3 - STATE AND LOCAL GOVERNMENT REVENUE FROM OWN SOURCES AND FOR OWN PURPOSES: 1942-1949



THE REVENUE SHARE OF EACH GOVERNMENT LEVEL

SOURCES AND PROCEDURES

The presentation of revenue and expenditure data is complicated by transfers of fiscal aid among governments. By far the largest sums thus handled involve Federal aid to State Governments (\$1.7 billion in 1949), including amounts subsequently apportioned to local governments, and State aid to local governments (\$3.5 billion in 1949). In addition, relatively small amounts of aid are paid by the Federal Government direct to local governments and by local governments to other local governments (principally, by counties to school districts) and to State governments. As stated on page 1, Federal-State-local and State-and-local aggregates in this report omit, to avoid multiple counting, the amounts of fiscal aid transfers among the levels of governments concerned.

Data above and in tables 1 to 4 include, as revenue of particular levels and types of government, sums received as aid from other governments. However, the share of a valid net total of governmental revenue which is attributable to each major level of government—Federal, State, and local—depends on the way in which fiscal aid transfers are interpreted. Each share may be measured "before aid," or "after aid." The former type of treatment merely involves, for each level, the exclusion of any aid received from other governments. The result is a figure as to revenue "from own sources" By the other method of treatment, aid received from other governments is included, but aid paid is deducted, thus providing a figure as to revenue available "for own purposes." The results of such alternative treatment of Federal, State, and local revenue in 1949 and five prior years are set forth in table 5.⁴

The following tabulation shows the percent distribution of governmental revenue in 1949, according to each of these two approaches:

Level of government	Revenue from own sources		Revenue for own purposes	
	1949	1942	1949	1942
	Total.....	100.0	100.0	100.0
Federal.....	68.3	56.4	65.0	53.0
State.....	16.3	21.9	13.2	18.0
Local.....	15.4	21.7	21.8	29.0

Similarly, figure 3 depicts the trends of State revenue and local government revenue since 1942 on each basis.

⁴Principally because the governmental units involved do not have identical fiscal-year periods, total amounts, for all governments together, of aid received and aid paid are not absolutely the same, so that the Federal-State-local aggregate of revenue "from own sources" differs slightly from that of revenue "for own purposes" in the respective years.

Sources of data.—Statistics herein concerning revenue of the Federal Government for the fiscal years 1949, 1948, 1947, 1946, 1945, and 1942 were derived from the 1951, 1950, 1949, 1948, 1947, and 1944 issues, respectively, of The Budget of the United States Government, except that amounts of refunds of internal revenue taxes were obtained from the Annual Report of the Commissioner of Internal Revenue for each fiscal year involved.

As indicated by the definitions presented on page 11, Census Bureau compilation of State and local government revenue data involves deduction from gross tax receipts of any amounts of tax refunds and also the exclusion from reported revenue of any receipts arising from recovery by the government of amounts previously expended or from the sale of governmental assets.

In order to arrive at Federal Government amounts substantially comparable with State and local data, and to present generally consistent Federal-State-local aggregates, similar treatment has been applied to Federal data presented in this report. Thus, the amounts shown as Federal revenue from various types of taxes, in

RECONCILIATION BETWEEN TOTAL RECEIPTS OF GENERAL AND SPECIAL ACCOUNTS, U. S. TREASURY AND FEDERAL AMOUNTS REPORTED HEREIN, 1949

(Amounts in millions)

Item	Source page ¹	Amount
Total receipts, general and special accounts.....	A16	\$42,774
Deductions:		
Refunds and recoveries of expenditures.....	A16	339
Other nonrevenue receipts.....	A16, 16	861
Refunds of revenue (excluding interest):		
Internal revenue taxes.....	3	2,816
Other (customs and erroneous payments).....	A93	18
Transfers from railroad unemployment insurance to unemployment trust fund (adjustment to arrive at net contribution from unemployment trust fund) ³	A107	9
Federal budget adjustments to daily treasury statement basis.....	A11, 12, 16	132
Addition:		
Adjustment for overissuance of excess profits tax refund bonds.....	A93	4
Total revenue as reported herein.....		38,602

NOTE: Because of rounding, detail does not add to total.

¹See text above as to sources.

²Comprising "sale of government property" and "realization upon loans and investments."

³Deducted from "transfer from unemployment trust fund (adjustment for retroactive credits taken by contributors)" page A12, 1951 Budget.

table 2, are net of refunds of such taxes paid during the respective years; and Federal revenue from "charges and miscellaneous" sources is exclusive of significant identifiable nonrevenue receipts—which in 1945 and 1946 included large amounts of reimbursements under the defense-aid program and from renegotiation of contracts, and in 1946, 1947, and 1948, included sizeable receipts from the disposition of surplus property.

These and lesser items accounting for the difference between 1949 figures on total receipts of general and special accounts appearing in The Budget of the United States Government and the total Federal revenue amounts for 1949 presented in this report are shown in the table on page 4, together with page references to the sources of information employed. Similar reconciliations as to the Federal revenue figures shown herein for years prior to 1949 are presented in the Census Bureau reports on "Governmental Revenue" for 1947 and 1948. Both of the sets of totals which are reconciled in the tabulation are to be distinguished from other financial aggregates for the Federal Government, such as the totals of "budget receipts" and "receipts from the public" shown in Federal budget documents.

Statistics of State general revenue are from the Census Bureau report, Compendium of State Government Finances in 1949.

Local government data for 1942 are from the Census Bureau publication, Revised Summary of State and Local Government Finances in 1942. Other back-year figures for local governments (with exceptions noted below) are from the Census Bureau report, Governmental Revenue in 1948, which describes the sources and methods used. The 1948 local government figures shown herein have been revised slightly, reflecting availability of data from the Census Bureau report, Compendium of City Government Finances in 1948, since preparation of the 1948 report on governmental revenue.

The 1945 through 1948 figures for the 397 cities having more than 25,000 inhabitants in 1940 are from the Census Bureau annual series on "City Finances." Estimates of 1949 general revenue for these cities are based on a rate of change from 1948 to 1949 from a random stratified sample of these governmental units.

The 1945 and 1946 figures for counties are from the Census Bureau annual series on "County Finances," which was discontinued after publication of the report for 1946. The 1947, 1948, and 1949 county figures were estimated on the basis of the rates of change from 1946 to the specified years for a random stratified sample of these governmental units.

The levels of stratification and coverage of the two classes of governmental units are shown in the adjoining column.

For the very large cities, and for some counties and smaller cities, data were obtained by field compilation from official sources. Mail canvass was used to obtain the necessary information from most counties and smaller cities.

Population size class	Units in size class	Units in sample	Units reporting
SAMPLE OF THE 397 LARGEST CITIES (1940 CENSUS)			
Over 250,000.....	37	37	37
100,000-250,000.....	55	30	30
50,000-100,000.....	105	30	30
25,000-50,000.....	200	25	24
Total.....	397	122	121
SAMPLE OF COUNTIES			
Over 250,000.....	58	58	58
50,000-250,000.....	367	90	86
25,000-50,000.....	670	50	46
Under 25,000.....	1,957	50	46
Total.....	3,050	246	234

Statistics of school-district revenue in 1949 are based on information obtained from State agencies. In the case of 2 States for which 1949 revenue figures were not available, estimates were made on the basis of revenue statistics for prior years, supplemented with data as to property tax levies to be collected in 1949, statistics of State aid paid to local schools in 1949, and data as to trends of school-district revenue in other similar States.

Fiscal year 1949 revenues of other local governments were arrived at by sampling methods. Current revenue figures were collected by mail canvass or from State sources for a stratified sample of these governments. Sample units were selected on a random basis. The sample design provides for complete coverage of townships and special districts having annual general revenue or indebtedness of more than \$1 million. For these classes of governments, only minor estimation was required as to missing items.

For cities having 2,500 to 25,000 inhabitants, estimates were made by applying to "benchmark" statistics for these governments from the 1942 Census of Governments, ratios of change from 1942 to 1949 computed from statistics of the sample units.

Estimates as to the smallest size-class cities (having less than 2,500 inhabitants) and small townships and special districts (having annual general revenue and indebtedness of less than \$1 million) were made on the basis of averages for each type of government, computed from reports of the sample units.

Factors affecting estimates.—The estimates presented in this report based on sample data are subject to sampling variation that may cause them to differ somewhat from the results that would have been obtained from a complete canvass of all units. The estimate of State and local government general revenue is subject to a relative sampling error of approximately 0.4 percent and the estimate of local government

Table 1.—FEDERAL, STATE, AND LOCAL GENERAL REVENUE, BY SOURCE: 1949 AND PRIOR YEARS

general revenue to a relative sampling error of approximately 0.7 percent.⁵ The estimate of total local government taxes is subject to a relative sampling error of less than 1.0 percent. Estimates for the minor categories of taxes, for aid received, and for other nontax revenue are likely to have a somewhat higher relative sampling variation. Similarly, estimates with respect to particular types of local government are subject to somewhat greater sampling variation than the estimated aggregates for all local governments.

In addition to the effects of sampling variation, the estimates may be affected by the failure of some governmental units to report. Such nonresponse may introduce a bias into the estimates because of possible selectivity in

⁵In repeated surveys using the same sampling and estimating procedures, the chances are that 2 estimates out of 3 would be within the specified percentage of the results that would be obtained from a complete enumeration; 19 out of 20 would be within double that percentage.

the reporting governments. Intensive efforts have been made to reduce the possible effects of such bias by concentrating on obtaining reports from all units in the sample, particularly the large ones. However, no effort has been made to measure or adjust for any possible bias due to nonresponse.

Both the estimates and the completely reported data are affected by the quality of the basic reports of revenue received from the governmental officials themselves. Explicit definitions and instructions to officials, intensive examination of reported data and comparison with other sources, and supplementary correspondence with reporting officials are used to promote completeness and uniformity of reporting.

ACKNOWLEDGMENT

The cooperation and assistance of State and local government officials who provided information for this report is gratefully acknowledged.

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Item	Total ¹	Federal ²	State and local						
			Total ¹	State	Local ³				Other
					Total	County	City	School district	
AMOUNT IN MILLIONS									
Total:									
1949.....	\$56,532	\$38,602	\$19,731	\$10,986	\$12,453	\$3,035	\$4,990	\$3,662	\$767
1948.....	47,224	40,890	17,826	10,025	11,036	2,614	4,632	3,125	665
1947.....	52,071	37,936	15,298	8,481	9,419	2,253	4,071	2,496	600
1946.....	50,942	38,493	13,242	7,198	8,243	1,974	3,573	2,147	549
1945.....	54,981	43,405	12,384	6,729	7,546	1,719	3,294	2,013	520
1942.....	24,159	13,623	11,390	6,100	7,040	1,650	3,118	1,779	492
Taxes:									
1949.....	53,586	37,810	15,776	8,349	7,427	1,543	3,426	1,934	524
1948.....	44,495	40,104	14,391	7,791	6,601	1,328	3,183	1,635	453
1947.....	49,586	37,060	12,526	6,690	5,835	1,173	2,815	1,415	433
1946.....	48,808	37,681	11,128	5,968	5,159	1,027	2,508	1,224	400
1945.....	53,050	42,601	10,449	5,561	4,888	927	2,381	1,192	388
1942.....	23,027	13,417	9,611	4,979	4,632	938	2,298	1,052	344
Charges and miscellaneous:									
1949.....	2,946	791	2,155	878	1,277	354	630	200	93
1948.....	4,729	786	1,943	796	1,147	328	4570	162	88
1947.....	2,485	876	1,609	633	976	278	530	91	77
1946.....	2,134	812	1,322	462	859	263	462	76	68
1945.....	1,931	804	1,127	410	718	209	377	70	62
1942.....	1,131	206	925	312	613	150	306	86	71
Aid received from other governments:									
1949.....	xxx	...	1,800	1,760	3,749	1,138	934	1,528	150
1948.....	xxx	...	1,492	1,439	3,288	957	478	1,328	124
1947.....	xxx	...	1,163	1,157	2,608	802	726	990	91
1946.....	xxx	...	793	767	2,225	684	613	848	80
1945.....	xxx	...	808	759	1,939	583	537	750	69
1942.....	xxx	...	854	809	1,795	562	515	641	77
PERCENT CHANGE									
Total:									
From 1948 to 1949.....	-1.2	-5.6	10.7	9.6	12.8	16.1	7.7	17.2	15.3
From 1942 to 1949.....	134.0	183.4	73.2	80.1	76.9	83.9	60.0	105.8	55.8
Taxes:									
From 1948 to 1949.....	-1.7	-5.7	9.6	7.2	12.5	16.1	7.6	18.3	15.5
From 1942 to 1949.....	132.7	181.8	64.1	67.7	60.3	64.5	49.1	83.8	52.1
Charges and miscellaneous:									
From 1948 to 1949.....	7.9	0.6	10.9	10.3	11.3	8.0	10.5	23.8	5.9
From 1942 to 1949.....	160.5	283.7	133.0	181.3	108.4	136.4	105.7	132.9	31.0
Aid received from other governments:									
From 1948 to 1949.....	xxx	xxx	20.7	22.3	14.0	18.9	6.3	15.0	20.9
From 1942 to 1949.....	xxx	xxx	110.8	117.5	108.9	102.4	81.4	138.4	95.5
PER CAPITA, 1949 ⁶									
Total.....	\$378.86	\$258.70	\$132.23	\$73.63	\$83.46	\$20.34	\$33.44	\$24.54	\$5.14
Taxes.....	359.12	253.39	105.72	55.95	49.77	10.34	22.96	12.96	3.51
Charges and miscellaneous.....	19.74	5.30	14.44	5.88	8.56	2.37	4.22	1.34	.62
Aid received from other governments.....	xxx	xxx	12.07	11.79	25.13	7.63	6.26	10.24	1.01
PER CAPITA, 1942 ⁶									
Total.....	179.40	101.16	84.58	45.30	52.27	12.25	23.16	13.21	3.66
Taxes.....	171.00	99.63	71.37	36.97	34.40	6.96	17.06	7.81	2.56
Charges and miscellaneous.....	8.40	1.53	6.87	2.32	4.55	1.11	2.27	.64	.53
Aid received from other governments.....	xxx	xxx	6.34	6.01	13.33	4.18	3.82	4.76	.57

NOTE: Because of rounding to the nearest million, detail does not always add to totals. ¹Excluding duplicating inter-governmental aid: Federal-State-local totals include no aid receipts; State-local totals include only aid received from the Federal Government. ²For sources and explanation of derivation, see pages 4-5. ³Data are based on estimates, in part; see pages 4-6. ⁴Revised. ⁵Federal aid paid to State and local governments during its specified fiscal year, taken as being substantially equivalent to Federal aid received by such governments during their respective fiscal years in the absence of comprehensive post-1942 data as to aid received by local governments direct from the Federal Government. ⁶Per capita figures for 1949 and for 1942 are computed on the basis of estimated population of continental United States, including armed forces overseas, as of July 1, 1949 (149,215 thousand) and as of July 1, 1942 (134,665 thousand), respectively. It is to be noted that these population totals are larger than the total populations of the 48 States and of the various types of local governments, particularly in the case of cities and of "other" units (i.e., townships and special districts).

Table 5.—FEDERAL, STATE, AND LOCAL GENERAL REVENUE BEFORE AND AFTER INTERGOVERNMENTAL AID: 1949 AND PRIOR YEARS

Item	Total	Federal	State and local		
			Total	State	Local ¹
AMOUNT IN MILLIONS					
1949:					
Revenue from own sources.....	\$56,532	\$38,602	\$17,930	\$9,226	\$8,704
Plus Aid received from other governments.....	5,509	...	5,509	1,760	3,749
Equals Total gross revenue.....	62,041	38,602	23,440	10,986	12,453
Minus Aid paid to other governments.....	5,455	1,800	3,654	3,544	110
Equals Revenue for own purposes.....	56,587	36,801	19,785	7,442	12,343
1948:					
Revenue from own sources.....	27,224	40,890	216,334	8,587	27,748
Plus Aid received from other governments.....	4,727	...	4,727	1,439	3,288
Equals Total gross revenue.....	21,951	40,890	21,061	10,025	11,036
Minus Aid paid to other governments.....	4,749	1,492	3,257	3,167	290
Equals Revenue for own purposes.....	27,202	39,398	217,804	6,858	10,946
1947:					
Revenue from own sources.....	52,071	37,936	14,135	7,323	6,811
Plus Aid received from other governments.....	3,765	...	3,765	1,157	2,608
Equals Total gross revenue.....	55,836	37,936	17,900	8,481	9,419
Minus Aid paid to other governments.....	3,776	1,163	2,613	2,549	64
Equals Revenue for own purposes.....	52,059	36,773	15,287	5,931	9,355
1946:					
Revenue from own sources.....	50,942	38,493	12,449	6,431	6,019
Plus Aid received from other governments.....	2,992	...	2,992	767	2,225
Equals Total gross revenue.....	53,934	38,493	15,441	7,198	8,243
Minus Aid paid to other governments.....	2,897	793	2,104	2,044	60
Equals Revenue for own purposes.....	51,038	37,700	13,338	5,154	8,183
1945:					
Revenue from own sources.....	54,981	43,405	11,576	5,970	5,606
Plus Aid received from other governments.....	2,698	...	2,698	759	1,939
Equals Total gross revenue.....	57,680	43,405	14,275	6,729	7,546
Minus Aid paid to other governments.....	2,700	808	1,892	1,838	54
Equals Revenue for own purposes.....	54,980	42,597	12,383	4,890	7,493
1942:					
Revenue from own sources.....	24,159	13,623	10,536	5,291	5,245
Plus Aid received from other governments.....	2,604	...	2,604	809	1,795
Equals Total gross revenue.....	26,763	13,623	13,140	6,100	7,040
Minus Aid paid to other governments.....	2,642	843	1,799	1,751	48
Equals Revenue for own purposes.....	24,121	12,780	11,341	4,349	6,992
PERCENT DISTRIBUTION BY LEVEL OF GOVERNMENT					
Revenue from own sources:					
1949.....	100.0	68.3	31.7	16.3	15.4
1948.....	100.0	71.5	28.5	15.0	13.5
1947.....	100.0	72.9	27.1	14.1	13.1
1946.....	100.0	75.6	24.4	12.6	11.8
1945.....	100.0	78.9	21.1	10.9	10.2
1942.....	100.0	56.4	43.6	21.9	21.7
Revenue for own purposes:					
1949.....	100.0	65.0	35.0	13.2	21.8
1948.....	100.0	68.9	31.1	12.0	19.1
1947.....	100.0	70.6	29.4	11.4	18.0
1946.....	100.0	73.9	26.1	10.1	16.0
1945.....	100.0	77.5	22.5	8.9	13.6
1942.....	100.0	53.0	47.0	18.0	29.0

NOTE: Because of rounding to nearest million, detail does not always add to totals. Difference in total amounts of fiscal aid revenue and fiscal aid payments primarily reflect variance in fiscal years among governments.

¹Data are based on estimates, in part; see pages 4-6.

²Revised.

³Comprises money grants and shared revenue; grants in kind and loans are excluded.

DEFINITIONS OF TERMS

Principal revenue concepts for the Census Bureau's uniform classification of State and local government finances, as applied to this report, are defined below. Additional explanations, especially as to the treatment of Federal revenue and of intergovernmental fiscal aid in arriving at revenue aggregates for two or more levels of government, are provided in the text and tables. Comprehensive glossaries appear in the Census Bureau annual "Compendium" reports on State and city government finances.

AID RECEIVED FROM OTHER GOVERNMENTS.—Amounts of revenue received by a government from another government—Federal, State, or local—including amounts received for discretionary redistribution to other governments, for use in performing specific functions or for general financial support. Included are grants from unspecified sources and from earmarked revenues or funds, payments in lieu of taxes, and allocated shares of taxes levied and collected by other governments, but not locally collected and retained shares of State-imposed taxes. Amounts received by States from the Federal Government include sums for reapportionment to local governments, other than sums merely channeled through State governments to specific local governments without State discretion as to distribution (such amounts are classified as received directly by the local governments from the Federal Government). Aid received does not include loans, the value of aid in kind rather than cash—e.g., free transfers of surplus property or of commodities—or reimbursements received for contractual services, commodities, or property furnished to other governments (such reimbursements are included in "CHARGES AND MISCELLANEOUS" general revenue).

CHARGES AND MISCELLANEOUS.—All nontax general revenue other than aid received from other governments. Comprises charges for current services, special assessments for capital improvements, interest, rents, royalties, donations, etc., and, as to States and local governments, net contributions from government-owned enterprises. Payments exacted from individuals or corporations for the privilege of engaging in specified activities are reported in the appropriate "taxes" category.

GENERAL REVENUE.—All revenue from general government sources. Revenue comprises all cash receipts other than from borrowing, disposal of assets, recovery of amounts previously expended, or agency transactions, but net of refunds of amounts previously received. General government sources consist of all taxes, all aid received from other governments (except amounts directly for enterprises), and charges and miscellaneous revenues arising from the conduct of general government activities. General revenue includes net contributions from enterprises. Revenue of

special assessment and other special revenue funds of the government and of its administrative boards and agencies is included, as well as that of the general fund. Any amounts of taxes or other revenue from general government sources credited directly to sinking, trust, and enterprise funds are classified as general revenue. Census procedures call for reporting general revenue in terms of amounts collected (preferably) or deposited.

TAXES.—Compulsory contributions exacted by a government for public purposes. Tax figures represent amounts of the collections, current and delinquent, with penalties and interest, and before deduction of administrative costs, but after deduction of refunds and excluding impounded amounts paid under protest. State tax revenue includes local shares of State-imposed taxes, except any amounts locally collected and retained. (See AID RECEIVED FROM OTHER GOVERNMENTS.) State collection and distribution of locally imposed taxes, however, is an agency transaction and such tax proceeds are reported as tax revenue of the local government concerned and not as State revenue. Proceeds from taxes imposed by one local government and collected for it by another and locally collected and retained shares of State taxes are classified as tax revenue of the final receiving government.

Corporation Income.—Taxes on corporations and unincorporated businesses (when taxed distinctively from individual income) measured by net income.

Death and Gift.—Taxes imposed on the transfer of property at death, in contemplation of death, or as a gift.

Individual Income.—Taxes on individuals measured by net income and taxes distinctively imposed on special types of income (e.g., interest, dividends, income from intangibles, etc.).

Property.—Taxes conditioned on ownership of property and measured by its value. Includes general property taxes relating to property as a whole, real and personal, tangible and intangible, whether taxed at a single rate or at classified rates, and taxes on selected types of property, such as motor vehicles or certain or all intangibles.

Sales and Gross Receipts.—Taxes, including "licenses" at more than nominal rates, based on the volume or value of transfers of goods or services, upon gross receipts therefrom, or upon gross income, and related taxes levied on use, storage, production, importation, or consumption of goods. Excludes distinctively imposed severance taxes.

Social Insurance.—Taxes on employers and employees for the specific purpose of financing unemployment compensation and other social insurance programs.

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